

UNITED GLOBAL IPO FUND

P r o s p e c t u s

UNITED GLOBAL IPO 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

Auditors

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

Solicitors to the Managers

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

Solicitors to the Trustee

Allen & Gledhill LLP
One Marina Boulevard
#28-00
Singapore 018989

UNITED GLOBAL IPO FUND

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UNITED GLOBAL IPO FUND

IMPORTANT INFORMATION

The managers of the United Global IPO Fund (the “**Fund**”), UOB Asset Management Ltd (the “**Managers**”), accept full responsibility for the accuracy of information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Prospectus contains all information with respect to the Fund which is material in the context of the offer of units of the Fund (“**Units**”) hereunder and the statements contained in this Prospectus are in every material respect true and accurate and not misleading and there are no other facts the omission of which would make any statement in this Prospectus misleading. Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the deed of trust dated 12 October 2004 (as amended) constituting and relating to the Fund (the “**Deed**”).

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

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 authorised agent or distributor subject to the ultimate discretion of the Managers in respect of the subscription, sale, switching or realisation of an investor’s Units in accordance with and subject to the provisions in the Deed.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of Units as contemplated herein.

Potential investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence, domicile and which may be relevant to the subscription, holding or disposal of Units and should inform themselves of and observe such laws and regulations in any relevant jurisdiction that may be applicable to them. No representation is made as to the tax status of the Fund.

Investment in the Fund requires consideration of the normal risks involved in investing and participating in collective investment schemes. Investors should carefully consider the risks of investing in the Fund which are set out in paragraph 9 of this Prospectus. Investors should consider these risks carefully before making an investment decision. Investors should note that because their investments can be volatile and that the value of the Units may decline as well as appreciate, there can be no assurance that the Fund will be able to attain its objectives. The price of the Units as well as income from them may go up as well as down to reflect changes in the value of the Fund. Investors should also satisfy themselves of the suitability to them of an investment in the Fund based on their personal circumstances.

No person, other than the Managers, has been authorised to issue any 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.

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

UNITED GLOBAL IPO FUND

The collective investment scheme offered in this Prospectus is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “Authority”). This Prospectus has been prepared in accordance with the requirements of the SFA. The Authority assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Fund. The meaning of terms not defined in this Prospectus can be found in the deed of trust (as amended) constituting the Fund.

Please note that the Code on Collective Investment Schemes issued by the Authority (as may be amended from time to time, the “Code”) will be amended with effect from 1 October 2011 and the Fund will, by the operation of law, be subject to the revised Code.

1. BASIC INFORMATION

1.1 The Fund

The Fund is an open-ended, stand-alone unit trust constituted in Singapore.

1.2 Date of registration and expiry of the Prospectus

The date of registration of this Prospectus with the Authority is 5 August 2011. This Prospectus is valid for 12 months after the date of registration (i.e., up to and including 4 August 2012) and shall expire on 5 August 2012.

1.3 Trust deed and supplemental deeds

1.3.1 The deed of trust relating to the Units of the Fund being offered to the public for subscription or purchase is dated 12 October 2004 (the “**Principal Deed**”) and the parties to the Deed are UOB Asset Management Ltd (the “**Managers**”), as the managers, and HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”), as the trustee.

1.3.2 The Principal Deed is amended by a first amending and restating deed dated 13 October 2005 (the “**First Amending and Restating Deed**”), a second amending and restating deed dated 30 August 2006 (the “**Second Amending and Restating Deed**”), a third amending and restating deed dated 29 June, 2007 (the “**Third Amending and Restating Deed**”), a fourth amending and restating deed dated 29 August 2007 (the “**Fourth Amending and Restating Deed**”), a fifth amending and restating deed dated 28 August 2008 (the “**Fifth Amending and Restating Deed**”), a sixth amending and restating deed dated 29 May 2009 (the “**Sixth Amending and Restating Deed**”), a seventh amending and restating deed dated 21 August 2009 (the “**Seventh Amending and Restating Deed**”), an eighth amending and restating deed dated 13 August 2010 (the “**Eighth Amending and Restating Deed**”) and a ninth amending and restating deed dated 5 August 2011 (the “**Ninth Amending and Restating Deed**”) entered into between the Managers and the Trustee. The Principal Deed, as amended by the First Amending and Restating Deed, the Second Amending and Restating Deed, the Third Amending and Restating Deed, the Fourth Amending and Restating Deed, the Fifth Amending and Restating Deed, the Sixth Amending and Restating Deed, the Seventh Amending and Restating Deed, the Eighth Amending and Restating Deed and the Ninth Amending and Restating Deed, shall hereinafter be referred to as the “**Deed**”.

1.3.3 The terms and conditions of the Deed shall be binding on each holder of Units (each a “**Holder**” and collectively, the “**Holders**”) and persons claiming through such Holder as if such Holder had been a party to the Deed and as if the Deed contained covenants on such Holder to observe and be bound by the provisions of the Deed and an authorisation by each Holder to do all such acts and things as the Deed may require the Managers and/or the Trustee to do.

1.3.4 A copy of the Deed is available for inspection, free of charge, during normal business hours (subject to such reasonable restrictions as the Managers may impose) at the operating office of the Managers at 80 Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624, 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 Reports and accounts

A copy of the latest available semi-annual report and accounts (within 2 months of the financial half-year) and annual report and accounts (within 3 months of the financial year-end) may be obtained from the Managers at their operating office at 80 Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624.

2. THE MANAGERS

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

UOBAM is a wholly-owned subsidiary of UOB Group. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for 25 years and as of 30 June 2011, manages about S\$16.56 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 30 June 2011, UOBAM manages 52 unit trusts in Singapore, with total assets of about S\$3.36 billion under management. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

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

In addition, UOBAM is committed to achieving consistently good performance. Since 1996, UOBAM has won 118 awards for investments in local, regional and global markets, and across global sectors such as Banking and Finance, Technology, Healthcare, as well as Gold and Mining.

As at 30 June 2011, UOBAM has a staff strength of over 210 including about 52 investment professionals in Singapore.

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

3. THE TRUSTEE AND CUSTODIAN

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

The custodian of the Fund is State Street Bank and Trust Company whose registered address is at 225 Franklin Street, Boston, MA 02110, U.S.A.. Other custodians may be appointed from time to time in respect of the Fund or any of its assets. All custodians shall collectively be referred to as the “**Custodian**”.

4. REGISTER OF HOLDERS

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

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

5. THE AUDITORS

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

6. FUND STRUCTURE

The Fund is an open-ended, stand-alone collective investment fund and is denominated in Singapore dollars.

7. INVESTMENT OBJECTIVE, FOCUS AND APPROACH

7.1 Investment objective, focus and approach of the Fund

Investment objective

The investment objective of the Fund is to achieve medium to long term capital appreciation by investing primarily in initial public offerings (“**IPOs**”), post-IPO listed securities, interest bearing debt securities and/or deposits. The Fund may also invest up to 10% of its assets in pre-IPO securities.

Investment focus and approach

The approach is to invest in industries which exhibit positive macro fundamentals and similarly companies which possess robust micro qualities. While the main focus will be on long term growth, the Fund will only invest in companies where valuation levels can be justified.

Positive macro and micro drivers are defined in terms of:

- Operating in industry with rational producers, disciplined industry supply
- Rising secular demand for its end product
- Scalability of business, exploitation of economies of scale
- Valuable business franchise
- Efficient distribution capability
- Research and development capability
- Financial strength
- High barriers to entry for competitors
- Astute management
- Shareholder focused and wealth-creation track record

There is no target industry or sector for the investments of the Fund and the Fund may invest across all markets and sectors. The Fund will invest in post-IPO listed securities, IPOs and pre-IPO securities as follows:

Post-IPO Portion

- A portion of the Fund invests in listed global securities issued within 3 years of their IPOs at the time of investment.
- The Managers have absolute discretion in deciding when to sell such listed securities, and may hold such listed securities beyond 3 years of their IPOs to participate in, but shall not be limited to, share dividends and bonus share issues.

IPO Portion

- A portion of the Fund invests in global securities offered through IPOs which have been approved for listing.

Pre-IPO Portion

- A portion of the Fund may be invested from time to time:
 - directly in privately placed global pre-IPO securities, pre-IPO deals of which the investee companies are targeting to obtain a listing on a recognised stock exchange and other corporate finance deals (“**Pre-IPOs**”); and/or
 - indirectly in Pre-IPOs through investment in fund(s) which invest primarily in Pre-IPOs. There is no restriction on the domicile or manager of such fund(s).

As the Fund is an absolute return target fund, in the event the Managers find that there are no suitable investment opportunities for any Portion of the Fund at any time, part or all of that Portion may be temporarily invested in debt securities and/or deposits or held as cash.

Depending on investment conditions and opportunities, the Managers intend to maintain an allotment of the assets of the Fund as follows:

- approximately 60% of the assets of the Fund in the Post-IPO Portion
- approximately 30% of the assets of the Fund in the IPO Portion
- up to 10% of the Fund in the Pre-IPO Portion.

During the life of the Fund, the Managers have the discretion to vary the percentages of the assets invested in the Post-IPO and IPO Portions, save that the Fund's investment in the Pre-IPO Portion will not exceed 10%.

7.2 Authorised Investments

The authorised investments of the Fund (“**Authorised Investments**”) include the following:

- (a) any Quoted Investment;
- (b) any Investment in respect of which application for listing or for permission to deal has been made or is being prepared to be made to a Recognised Stock Exchange;
- (c) any Unquoted Investment;
- (d) any Investment denominated in any currency;
- (e) any Investment which is a unit, share, interest or participation in an underlying entity;
- (f) any Investment which is a futures, option, forward, swap, collar, floor or other derivative;
- (g) the currency of any country or any contract for the spot purchase or sale of any such currency or for hedging purposes, any foreign exchange transaction or any forward contract of such currency; or

- (h) any other Investment not covered by paragraphs (a) to (g) of this definition but selected by the Managers for investment of the Deposited Property of the Fund and approved by the Trustee.

An “**Investment**” means any share, stock, warrant, option or other stock purchase right, interest-bearing instrument, bond, convertible bond, discount bond, note, discount note, exchange fund note, debenture, debenture stock, banker’s acceptance, debt security, loan, loan convertible into security, loan stock, money market instrument, certificate of deposit, currency deposit, commercial paper, promissory note, unit or sub-unit in any unit trust scheme, share or participation in a mutual fund, share or other interest in a real estate investment trust company, share or unit or sub-unit or participation or other interest in any collective investment scheme, treasury bill, trade bill, bill of exchange, fixed or floating rate debt instrument, futures, forward, swap, floor, cap, collar or other derivative or derivative transactions, index and forward currency exchange contract, futures contract, contract for derivatives or other derivative or financial transaction or any other instrument or security (all the foregoing denominated in any currency) which may be selected by the Managers for the purpose of investment of the Deposited Property of the Fund or which may for the time being form part thereof.

A “**Quoted Investment**” means any Investment which is listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.

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

“**Recognised Stock Exchange**” means any stock exchange, futures exchange and organised securities exchange on which securities are regularly invested in any part of the world and in relation to any particular Authorised Investment, shall be deemed to include any responsible firm, corporation or association in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect (subject to any applicable restrictions under the Code).

“**OTC Market**” means any over-the-counter market or over-the-telephone market in any country in any part of the world, and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect (subject to any applicable restrictions under the Code).

Investors should note that the Fund intends to use or invest in financial derivatives. Further information is set out in paragraph 9.2.2 of this Prospectus.

7.3 Investments restrictions

The Fund is subject to the investment guidelines and borrowing limits under the Code. The latest version of the Code may be found at the Authority’s website: www.mas.gov.sg. *Please note that the Code will be amended with effect from 1 October 2011 and the Fund will, by the operation of law, be subject to the revised Code.* Investors should note that the Authority may, from time to time, update or amend the Code.

8. FEES AND CHARGES

8.1 Fees and charges payable by an investor and the Fund:

<i>Fees and charges payable by an investor</i>	
Subscription fee	Currently 5%. Maximum 5%.
Realisation charge	Nil
Switching fee ¹	Currently 1%. Maximum 2%.

<i>Fees payable by the Fund to the Managers, the Trustee and other parties</i>	
Management fee (payable to Managers)	Currently 1.5% p.a. Maximum 2% p.a.
Performance fee ² (payable to Managers)	25% of the amount by which the net asset value (“NAV”) of the Fund exceeds the benchmark of 6% annually.
Trustee fee (payable to Trustee)	Currently not more than 0.05% p.a., subject to a minimum of S\$5,000 p.a. Maximum 0.1% p.a.

<i>Fees payable by the Fund to the Managers, the Trustee and other parties</i>	
Registrar and transfer agent fee	S\$15,000 p.a.
Valuation and accounting fees	0.125% p.a.
Audit fee ³ (payable to the Auditors), custodian fee ⁴ (payable to the Custodian) and other fees and charges ⁵	Subject to agreement with the relevant parties. Each fee may exceed 0.1% p.a., depending on the proportion that each fee bears to the NAV of the Fund.

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

² The Managers are entitled to receive out of the Deposited Property of the Fund, a performance fee not exceeding 25% of the amount by which the NAV per Unit (excluding any performance fee accrual) exceeds the Benchmark Value (as defined below) per Unit on each day during the relevant Accounting Period multiplied by all Units in issue.

The performance fee (if any) shall be calculated, and shall accrue, on a daily basis during each Accounting Period with such accrual being reversed to reflect a reduction in performance until such time as the NAV per Unit in issue is equal to or less than the Benchmark Value per Unit.

The performance fee (if any) accrued as at the end of each Accounting Period shall be paid to the Managers as soon as practicable (and within 30 days) following the end of an Accounting Period out of the Deposited Property of the Fund.

“**Accounting Period**” means the period ending on and including an Accounting Date and commencing from the end of the initial subscription period or from the end of the preceding Accounting Period (as the case may require).

“**Accounting Date**”, means the 31st day of December in each year (commencing with the 31st day of December 2005) or, in the case of the final Accounting Period, the date on which the monies required for the distribution in respect of that period shall have been transferred to the Distribution Account provided that the Managers may, with the prior consent of the Trustee, change the Accounting Date to any other date upon giving not less than 30 days’ prior written notice to the Trustee and the Holders.

The applicable “**Benchmark Value**” shall be calculated on a daily basis and the initial Benchmark Value shall be the amount equivalent to a 6% per annum increase over the Initial Issue Price of the Units.

The Benchmark Value will be reset on 1st January each year. The new Benchmark Value will be the higher of either:

- (a) A 6% p.a. increase in Benchmark Value from the previous year; or
- (b) A 6% p.a. increase in the Fund’s NAV per Unit on 31st December.

Numerical example of calculation of performance fee

For simplification the prices are listed on yearly intervals, and the NAV per Unit and dates described are purely for illustration purposes.

1st Accounting Period (1 January 2001 – 31 December 2001):

As at 1 Jan 2001	Initial NAV per Unit = \$0.95 Benchmark Value for the 1st Accounting Period = a 6% per annum increase over the Initial Issue Price = \$1.00 x (1.06) = \$1.06 (accrued daily)
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As at 31 Dec 2001	NAV per Unit rises to \$1.20 Accrued Performance Fee = $(\$1.20 - \$1.06) \times 25\% = \$0.0350$ per Unit
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2nd Accounting Period (1 January 2002 – 31 December 2002):

As at 1 Jan 2002	New Benchmark Value = Higher of a 6% per annum increase in the Benchmark Value from the previous year ($\$1.06 \times (1.06) = \1.12) or a 6% per annum increase in the Fund's NAV per Unit on 31 December 2001 ($\$1.20 \times (1.06) = \1.27) The Benchmark Value for the 2nd Accounting Period = $\$1.20 \times (1.06) = \1.27 (accrued daily)
As at 31 Dec 2002	NAV per Unit falls to \$1.05 Benchmark Value used for computation of performance fee = \$1.27 There is no accrued performance fee as the NAV per Unit has underperformed the Benchmark Value.

3rd Accounting Period (1 January 2003 – 31 December 2003):

As at 1 Jan 2003	New Benchmark Value = Higher of a 6% per annum increase in the Benchmark Value from the previous year ($\$1.27 \times (1.06) = \1.35) or a 6% per annum increase in the Fund's NAV per Unit on 31 December 2002 ($\$1.05 \times (1.06) = \1.11) The Benchmark Value for the 3rd Accounting Period = $\$1.27 \times (1.06) = \1.35 (accrued daily)
As at 31 Dec 2003	NAV per Unit rises to \$1.42 Benchmark Value used for computation of performance fee = \$1.35 Accrued Performance Fee = $(\$1.42 - \$1.35) \times 25\% = \$0.0175$ per Unit

The above table and examples are for illustrative purposes only, and are not in any way any forecast or projection of the performance of the Fund.

³ The audit fee payable is subject to agreement with the Auditors of the Fund for each financial year. Based on the audited accounts and the average NAV of the Fund for the financial year ended 31 December 2010, the audit fee did not amount to or exceed 0.1% in that financial year.

⁴ 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. Based on the audited accounts and the average NAV of the Fund for the financial year ended 31 December 2010, the custodian fee amounted to 0.53% in that financial year.

⁵ Other fees and charges include printing and stationery costs, legal and professional fees, goods and services tax ("GST") and communications. Based on audited accounts and the average NAV of the Fund for the financial year ended 31 December 2010, the aggregate of such fees and charges amounted to 0.15% in that financial year.

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 the Deposited Property of the Fund.

8.3 The subscription fee and realisation charge will be retained by the Managers for their own benefit, and will not form part of the Deposited Property. All or part of the subscription fee may also be paid to or retained by authorised agents or distributors. Any other commission, remuneration or sum payable to such authorised agents or distributors in respect of the marketing of Units will be paid by the Managers. Investors should also note that the authorised agents and distributors through whom the investors subscribe for Units may (depending on the specific nature of services provided) impose other fees and charges that are not disclosed in this Prospectus, and investors should check with the relevant agents or distributors on such fees and charges, if any.

9. RISKS

9.1 General risks

As an investment in the Fund is meant to produce returns over the long-term, investors should not expect to obtain short-term gains from such investment.

Investors should be aware that the price of Units, and the income from them, may fall or rise. Investors should note that they may not get back their original investment (in whole or in part). **No guarantee is given, express or implied, that investors will receive back their original investment.**

There is no guarantee that the investment objective 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, derivatives risks, underlying risks, counterparty credit risks, foreign exchange risks, currency risks, political risks and the risks of exceptional market conditions. Furthermore, some of the markets or exchanges on which the Fund may invest in may prove to be illiquid or highly volatile from time to time and this may affect the price at which the Fund may liquidate its positions to meet realisation requests.

Investment in the Fund is meant to produce returns over the medium to 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

Investors in the Fund should carefully consider the following risks:

9.2.1 Market risks

The usual risks of investing and participating in listed and unlisted securities apply. Prices of securities may go up or down in response to changes in economic conditions, interest rates and the market's perception of securities. These may cause the price of Units to go up or down as the price of Units is based on the current market value of the investments of the Fund.

There are usual risks of investing in bonds and other fixed income securities. Bond prices may go up or down in response to interest rates with increases in interest rates leading to falling bond prices.

The market prices of bonds and other fixed income securities are also affected by credit risks, such as risk of default by issuers and liquidity risk.

9.2.2 Financial derivative instruments ("FDIs" or "derivatives")

As the Fund may invest in derivatives for efficient portfolio management, hedging or a combination of such purposes, it will be subject to risks associated with such investments. These derivatives include foreign exchange forward contracts and equity index future contracts. Investments in derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Fund investments may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely. The Managers have the necessary controls for investments in derivatives and have in place systems to monitor the derivative positions for the Fund.

Risk management procedures of the Managers

- (a) The Managers may use or invest in FDIs for the purposes of hedging existing positions in a portfolio, efficient portfolio management, or a combination of both objectives.
- (b) The Managers will ensure that the global exposure of the Fund to FDIs or embedded FDIs will not at any time exceed 100% of the NAV of the Fund. The Managers will apply a commitment approach to determine the Fund's global exposure to FDIs by converting the positions in the FDIs into equivalent positions in the underlying assets of those FDIs and will calculate such exposure in accordance with the methods described in the Code.

- (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. 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 objective in terms of risk and return.
 - (ii) Execution of Trades. Prior to each trade, the Managers will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions of the Fund, and that best execution and fair allocation of trades are done. The Managers' middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of the Fund. In the event of any non-compliance, the Managers' middle office department is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
 - (iii) Liquidity. In the event there are unexpectedly large realisations of Units in the Fund, 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 financial instruments (including derivatives) 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, its income stream and incur extra costs associated with the exercise of its financial rights. Subject to the provisions of the Code, the Managers will restrict their dealings with counterparties to those that (I) 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; and (II) (in the case of over-the-counter FDIs) are subject to prudential supervision by a financial authority in its home jurisdiction. 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 FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case when the investment is made directly into the underlying security, the value of the Fund's assets will have a higher degree of volatility. 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 global exposure of the Fund to FDIs and embedded FDIs will not exceed the NAV of the Fund, as stated in 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 fair value of such instruments are available, and will conduct such verification at an appropriate frequency.
- (d) The Managers will ensure that the risk management and compliance procedures and controls adopted by them are adequate and have been implemented, and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Fund, but subject always to the requirements under the Code.

- (e) The Fund may net its over-the-counter financial derivative positions with a counterparty through a bilateral agreement with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code, and with effect from 1 October 2011, the Managers will (if applicable) obtain, or has obtained, the legal opinions as stipulated in the Code.

9.2.3 Political risks

The political situation in certain countries may have an effect on the value of the securities of companies in whose securities the Fund has invested, which may in turn have an impact on the value of the Units. The Fund's investments may be adversely affected by political stability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restriction and controls which may be imposed by the relevant authorities in the relevant countries.

9.2.4 Risks associated with investments in debt securities:

(a) Default risks

Investments in debt 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 especially if the issuer is highly leveraged. Such issuer's ability to meet its debt obligations may also be adversely affected by specific corporate developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. Also, an economic downturn or an increase in interest rates may increase the potential for default by the issuers of these securities.

(b) Interest-rate risks

Investments in debt securities are also subject to the risk of interest-rate fluctuations, and the prices of debt securities may go up or down in response to such fluctuations in interest rates.

9.2.5 Foreign exchange / currency risks

In the event that any Investments of the Fund are denominated in currencies other than the currency in which the Fund is denominated (i.e. Singapore dollars), fluctuations of the exchange rates of other currencies against the Singapore dollar may affect the value of Units.

Depending on market conditions, the Managers may hedge against the consequent foreign currency / currency risk through the forwards, futures or options markets up to 100% of the Fund's exposure.

9.2.6 Illiquidity of Investments

There may be no established secondary market for certain Investments made by the Fund. Reduced secondary market liquidity may affect adversely the market price of the Fund's investments and the Fund's ability to dispose of particular investments to meet its liquidity requirements or in response to specific events such as a deterioration in the creditworthiness of any particular issuer. Due to the lack of adequate secondary market liquidity for certain securities, the Managers may find it more difficult to obtain accurate market quotations for the purposes of valuing the Fund and calculating the NAV. Market quotations may only be available from a limited number of sources and may not represent firm bids for actual sales. In addition, the current or future regulatory regime may adversely affect liquidity.

9.2.7 Risks associated with investment in Pre-IPO investments

By virtue of the Fund's possible investment in Pre-IPO companies, the Fund may also be subject to the following risks associated with Pre-IPO investments:

(a) Ability to make the right investment decisions

The performance of Pre-IPO investments is dependent on the Managers' ability to make the right investment decisions and to invest in companies which are able to provide satisfactory

returns within acceptable timeframes. However, as all investment decisions are a matter of qualitative and quantitative judgment, there is no assurance that the Managers will be able to make the right investments in a timely manner all or most of the time.

(b) Market fluctuations could adversely affect availability of favourable transactions

The Managers' ability to secure favourable Pre-IPO investments may be materially affected by conditions in the financial markets as well as economic conditions globally and in particular, in Asia. Unfavourable financial or economic conditions would likely reduce the available number of Pre-IPO investment opportunities.

(c) Increasing competition for Pre-IPO investment opportunities

In view of the perception that Pre-IPO investments are able to generate high rates of return on investment within a reasonably short period of time, the competition for such Pre-IPO investments is ever increasing. However, the number of good potential investee companies remain limited. Consequently, as demand may outweigh supply, the Fund may not be able to secure Pre-IPO investment opportunities at satisfactory discounts to the potential IPO price.

(d) Economic, regulatory and political conditions affecting profitability of investee companies

(i) General

The Pre-IPO investee companies may be Singapore companies or foreign companies, which may have substantial business operations and assets in other countries. The businesses of the investee companies are subject to prevailing economic, regulatory and political conditions in the markets and/or countries in which they operate. In the event of any adverse changes in such economic, regulatory or political conditions which materially and adversely affects the performance and/or profitability of the investee companies, the Fund may not be able to divest its investments in such investee companies at satisfactory prices and/or within satisfactory timeframes.

(ii) People's Republic of China ("PRC")

The Fund may invest in a significant number of IPO aspirants with all or substantially all their assets and operations located in the PRC. The business of such investee companies and hence, the Fund's investments in such investee companies, are subject to various risks relating to the PRC. There is no assurance that the performance and profitability of investee companies with substantial business or operations in the PRC will not be adversely affected by changes in the political, economic and social environment in the PRC and by changes in PRC government policies, including changes in laws and regulations (or their interpretation) or the method of taxation, and the imposition of additional restrictions on currency conversion and overseas remittances. In particular, changes in laws and regulations pertinent to the overseas listing of PRC business interests may hamper the listing of the investee companies.

(e) Limited control over investee companies

The returns on the Fund's Pre-IPO investments are dependent upon the financial performance of the investee companies. The faster the investee companies are able to achieve strong financial performances and achieve a listing, the higher the likelihood the Fund will be able to realise better returns on its Pre-IPO investments within a shorter period of time. However, as the Fund does not intend to take majority positions in the investee companies nor seek for board representation, it is fully reliant on the investee company's management for much of the investee company's financial performance as well as its listing plans.

(f) Unlisted and possibly illiquid investment

The primary focus of Pre-IPO investments is to profit from the public listing of previously unlisted companies on a recognised securities exchange. However, there can be no assurance

that these investee companies will be able to achieve the IPO and list their securities within a satisfactory timeframe or at all. Prior to the IPO and listing, the Fund's investments in such investee companies have limited avenues of divestment and accordingly, will incur greater investment realisation risks than investments in listed securities. Nevertheless, even if these investee companies are able to effect an IPO and list their securities on a recognised securities exchange, the securities held by the Fund may be subject to certain restrictions, such as a minimum holding period before the securities can be liquidated.

(g) Adverse regulatory conditions / market sentiments

Adverse developments in regulatory conditions or market sentiments in the jurisdictions which the investee companies plan to undertake their IPO may adversely affect their plans to proceed with their listing plans. In such event, the Fund may not be able to dispose of its investments in such investee companies at satisfactory prices and/or within satisfactory timeframes.

(h) Ability to exit investment at a satisfactory price within a satisfactory timeframe

The performance of Pre-IPO investments is dependent on the Fund being able to dispose of its investments in investee companies at satisfactory prices and/or within satisfactory timeframes. However, the Fund's ability to realise the investments at satisfactory prices and within satisfactory timeframes will depend on a number of different variables including the sentiments of the IPO market, the timing of the transaction, economic conditions, the global equity market, interest rates and exchange rates and the size of shareholding.

Potential risks that would affect the ability of the Fund to satisfactorily realise its Investments include, *inter alia*, the failure of an investee company's application for IPO/listing or a prolonged IPO application process. The possible reasons for such IPO failure or prolonged application process include the inability to obtain regulatory approval due to the weak financial positions of the investee companies, material omissions in the listing applications, and interested person transactions / conflicts of interests which cannot be satisfactorily resolved.

In addition, although an investee company is successful in obtaining approval for IPO/listing, there is no assurance that the IPO issue price will not be less than the Fund's cost of investment or even if the IPO issue price is higher than the cost of investment, that the market price of the shares will not decline following the IPO before the Fund is able to dispose of its shares in the investee company.

(i) Foreign exchange fluctuation risk

As the Pre-IPO investments may be made in a number of different geographic jurisdictions, the Fund may be exposed to foreign exchange rate fluctuations. Foreign currency fluctuations may adversely and materially affect the performance of the Pre-IPO investments.

In particular, the Renminbi is not freely convertible into foreign currencies. Under the current PRC's Foreign Exchange Control Regulations and the Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, foreign investment enterprises are permitted to repatriate or distribute their profits or dividends in foreign currencies out of their foreign exchange accounts or exchange Renminbi for foreign currencies through banks authorised to conduct foreign exchange business. Conversion of Renminbi into foreign currencies for capital items, including items such as direct investment, loans and securities investment, is subject to more stringent control. There can be no assurance that the investee companies will be able to obtain sufficient foreign exchange to pay dividends or satisfy other foreign exchange requirements in the future.

The value of Renminbi is subject to changes in the PRC government's policies and to international economic and political developments. As investee companies with substantial business or operations in the PRC may not be able to hedge effectively against the devaluation of Renminbi against other currencies, this may have an adverse effect on the results of operations and financial condition of investee companies with substantial business or operations in the PRC.

(j) **Investee companies that are listed on a securities exchange other than SGX-ST**

In respect of an investee company listing on a securities exchange other than SGX-ST, it will be outside the expertise and experience of the Managers, who may not have the requisite expertise, experience and knowledge to assess the risks associated with listing on such exchanges.

(k) **Valuation based on cost prior to listing**

As there is no public market for Pre-IPO investments before they obtain a public listing, the value of Pre-IPO investments will generally be based only on the cost price of such investments until the shares of the investee companies are successfully listed on a Recognised Stock Exchange, upon which quoted prices will be available. Hence, investors who redeem their Units prior to the successful listing of the shares of the relevant Pre-IPO investee companies which the Fund has invested in will not be able to participate in the gains should such investments made by the Fund turn out to be profitable.

9.2.8 Actions of institutional investors

The Managers may accept subscriptions from institutional investors and such subscriptions may constitute a large portion of the total investments in the 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.

9.2.9 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 the 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 to them.

The above should not be considered to be an exhaustive list of the risks which investors should consider before investing into the Fund. 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 OF UNITS

10.1 Subscription procedure

Applications for Units may be made on the application form attached to this Prospectus, or through any authorised agent or distributor, or through an automated teller machines ("ATMs") (as and when ATM applications are made available by the Managers or their authorised agents or distributors, if applicable), or through the Managers' website at uobam.com.sg or any other website designated by the Managers, or any other applicable 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 interest 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 payments for Units by telegraphic transfer and should contact the Managers for details regarding such payments. All bank charges incurred in respect of a telegraphic transfer will be borne by the applicant.

Investors have a choice of either paying for Units with cash or Supplementary Retirement Scheme (“SRS”) monies (where applicable).

Investors wishing to use their SRS monies to purchase Units shall indicate so in the relevant application form which contains the investor’s instructions to the SRS operator bank to withdraw from the investor’s SRS account the subscription monies in respect of the Units applied for.

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

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

10.2 Payment for subscriptions

Currently, the Managers accept payment in Singapore dollars (for payment using SRS monies) and in both Singapore dollars and US dollars (for cash payment), or such other currency as the Managers may decide from time to time.

The issue price will be calculated and quoted in Singapore dollars and will also be quoted in its equivalent in US dollars by conversion at the applicable rate of exchange. Investors who paid for their subscriptions 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 quoted in US dollars.

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 exchange rate 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.

10.3 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\$500 (or in the case where payment is made in US dollars, US\$500) or its equivalent in such other currencies at the applicable rate of exchange, as the Managers may decide or such other minimum initial subscription amounts or minimum subsequent subscription amounts as the Managers may from time to time in their sole discretion determine upon giving prior written notice to the Trustee. Investors should also note that distributors appointed by the Managers may impose a higher minimum initial or subsequent subscription amount. Investors should therefore check with the relevant distributors before submitting their applications for subscriptions.

10.4 Dealing Deadline and pricing basis

10.4.1 The dealing deadline is 3 p.m. Singapore time on any Dealing Day. For applications received and accepted by the Managers or any authorised agent or distributor by the Dealing Deadline on a Dealing Day, Units will be issued at the issue price for that Dealing Day. For applications received and accepted by the Managers or any authorised agent or distributor after the Dealing Deadline on a Dealing Day or at any time on a day which is not a Dealing Day, Units will be issued at the issue price for the next Dealing Day.

10.4.2 Units are issued on a forward pricing basis. Therefore, the issue price cannot be ascertained at the time of application. The issue price per Unit of the Fund shall be ascertained by calculating the NAV per Unit as at the Valuation Point in relation to such Dealing Day on which such issue occurs of the proportion of the Deposited Property represented by one Unit, truncated to 3 decimal places (or such other method of adjustment or number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if applicable, 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 shall be retained by the Managers for their own benefit and the amount of the adjustment shall be retained by the Fund. The Managers may, subject to the prior approval of the Trustee, change the method of determining the issue price and the Trustee shall determine if the Holders should be informed of such change.

10.4.3 The Managers shall 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 purchase of Units in Singapore dollars (for payment using SRS monies) and in both Singapore dollars and US dollars (for cash payment) and will quote the issue price in Singapore dollars and its equivalent in US dollars at the applicable rate of exchange as determined by the Managers. In future, the Managers may accept the purchase of Units in any other foreign currency and will quote the issue price in such currency at the applicable rate of exchange as determined by the Managers. 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.

10.4.4 In this Prospectus:

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

A “**Dealing Day**”, in connection with the issuance, cancellation, valuation and realisation of Units, means such Business Day or Business Days at such intervals as the Managers may determine at the time of establishment of the Fund or as the Managers may otherwise determine from time to time with the approval of the Trustee, provided that notice of any such determination shall, if required by the Trustee, be given by the Managers to Holders.

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

“**Valuation Point**” means the close of business of the last relevant market in relation to the relevant Dealing Day on which the value of the Deposited Property is to be determined or such other time on the relevant Dealing Day or such other day or days as the Managers with the approval of the Trustee may from time to time determine and the Trustee shall decide if a notice to notify the Holders of such determination is required.

10.5 Numerical example of how Units are 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 and a Subscription Fee of 5%, will be calculated as follows:

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

The number of Units to be issued to an investor will be rounded down to 2 decimal places (the method of adjustment and the number of decimal places to which adjustment occurs may be varied by the Managers from time to time with the approval of the Trustee).

The above example is for illustrative purposes only and is not an indication of future or likely performance of the Fund. The value of Units and the resultant income may fluctuate and investors should read the Prospectus before investing.

10.6 Confirmation of purchase

A confirmation note detailing the investment amount and the number of Units allotted will be sent to Holders within 5 Business Days for cash subscriptions and within 11 Business Days for SRS subscriptions, from the date of issue of Units.

10.7 Regular savings plan

Holders may participate in a 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 currencies as the Managers may decide based on the Issue Price prevailing on the date of application to join the RSP (or such other number of Units as the Managers may determine from time to time).

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”).

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

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

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

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

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

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

10.8 Cancellation of subscription for Units

Subject to the provisions of the Deed and to the terms and conditions for cancellation of subscription in the cancellation form to be provided together with the application form for Units, every Holder 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.

A Holder may choose to realise his Units under paragraph 11 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 10.8 if he chooses to realise his Units (i.e. there will be no refund of the subscription fee and the prevailing realisation charge, if any, 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 charge.

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

11. REALISATION OF UNITS

11.1 Realisation procedure

Holders may realise their Units on any Dealing Day, in full or partially, by making a request in writing for the realisation of Units (“**Realisation Request**”) via realisation forms which may be obtained from the Managers or through any authorised agent or distributor, or through ATMs (as and when ATM realisations are made available by the Managers or their authorised agents or distributors, if applicable), or through the Managers’ website at uobam.com.sg or any other website designated by the Managers, or any other sales channels, if applicable.

The Realisation Request must specify the number of Units to be realised. In the case of partial realisation, the balance after realisation must satisfy the minimum holding of the Fund (see paragraph 11.2 below).

11.2 Minimum holding and minimum realisation amount

Holders may realise their Units in full or partially. Partial realisation of Units must be for at least 100 Units, subject to the Holder maintaining a minimum holding of at least 500 Units (or such other number of Units or amount as may from time to time be determined by the Managers).

11.3 Dealing deadline and pricing basis

11.3.1 For Realisation Requests received and accepted by the Managers or any authorised agent or distributor on or before the Dealing Deadline of 3 p.m. Singapore time on a Dealing Day, Units will be realised at the realisation price for that Dealing Day (calculated in accordance with the realisation provisions in the Deed). For Realisation Requests received and accepted by the Managers or any of their authorised agent or distributor after the Dealing Deadline on a Dealing Day or at any time on a day that is not a Dealing Day, Units will be treated as having been received on the next Dealing Day.

Units are realised on a forward pricing basis. Therefore, the realisation price cannot be calculated at the time of Realisation Request. The realisation price per Unit of the Fund shall be the price per Unit ascertained by the Managers by calculating the NAV per Unit of the Fund as at the Valuation Point in relation to the Dealing Day on which the Realisation Request is received of the proportion of the Deposited Property then represented by one Unit, truncated to 3 decimal places (or such other method of adjustment or other number of decimal places as determined by the Managers with the approval of the Trustee). The amount of the aforesaid adjustment shall be retained by the Fund.

11.3.2 The Managers shall be entitled to convert the realisation price in Singapore dollars 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 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 as determined by the Managers. In future, the Managers may permit the realisation of Units in any other foreign currency and will quote the realisation price in such currency at the applicable rate of exchange as determined by the Managers.

11.3.3 If a Holder is resident outside Singapore, the Managers will be entitled to deduct, from the total amount which would otherwise be payable on the 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.

11.3.4 For the avoidance of doubt, should a Realisation Request for any Units be received and accepted 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.

11.3.5 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.

11.4 Numerical example of calculation of realisation proceeds:

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

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

* The example above is hypothetical and is not indicative of any future realisation price. The actual realisation price will fluctuate according to the then prevailing NAV of the Fund.

** No realisation charge is currently imposed.

11.5 Payment of realisation proceeds

The net realisation proceeds shall normally be paid by cheque or credited to the Holder's SRS account, as applicable, within 6 Business Days in Singapore 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 paragraph 14.

12. SWITCHING OF UNITS

12.1 The Managers may, subject to the terms of the Deed, on the application of a Holder effect the switching of the Holder's Units for units of any other Group Fund (as defined below); and may on application of the holder of units of any other Group Fund switch such units for Units of the Fund.

The following provisions shall apply in regard to such switching of Units:

- (a) The right of switching is exercisable by a Holder giving to the Managers a notice (in this paragraph called a "**Switching Notice**") in such form as the Managers may from time to time require.
- (b) Subject as hereinafter provided, the switching of the Units specified in the Switching Notice shall be made on the Common Switching Dealing Day (as defined below) on which the Switching Notice is received by the Managers up to the Dealing Deadline on such Common Switching Dealing Day and, for this purpose, a "**Common Switching Dealing Day**" is a day which is both a Dealing Day in relation to Units and a dealing day in relation to units of the Group Fund. If a Switching Notice is received on a day which is not a Common Switching Dealing Day, such Switching Notice shall be treated as having been received before the Dealing Deadline on the next Common Switching Dealing Day.
- (c) No Units shall be switched during any period when the right of Holders to require the realisation of Units is suspended pursuant to paragraph 14 or on any Common Switching Dealing Day on which the number of Units that can be realised by any Holder is limited pursuant to the provisions of the Deed.
- (d) A Holder shall not without the consent of the Managers be entitled to withdraw a Switching Notice duly made in accordance with this paragraph 12.
- (e) Any such switching shall be effected subject to the requirements set out in the provisions relating to the issue and realisation of Units under the Deed or the constitutive documents of the relevant Group Fund.
- (f) For the purpose of any such switching each Unit to be surrendered shall be valued at the Realisation Price per unit as calculated in accordance with Clause 9.5 of the Deed and each Unit to be issued shall be valued at the issue price per Unit calculated in accordance with Clause 6 of the Deed less any Subscription Fee (if any).
- (g) Any switching for the purpose of this Clause of Units for units of a Group Fund shall be effected by the Holder surrendering his Units to the Managers who shall pay to the managers of the Group Fund concerned a sum representing the value of the surrendered Units calculated as aforesaid in consideration of the issue to that Holder of units in that Group Fund to the same value as the aforesaid sum representing surrendered Units.

- (h) Any switching of units of a Group Fund for Units shall be effected by the managers of that Group Fund paying on the surrender to them of units of that Group Fund by the holder thereof a sum representing the value of the surrendered units to the Managers who shall pay over such sum to the Trustee as an accretion to the Deposited Property and shall issue to the previous holder of the surrendered units of that Group Fund Units to the same value as the surrendered units as calculated in accordance with paragraph 12.1(f) (after deducting any Subscription Fee payable).
- (i) In relation to any switch under this paragraph 12, neither the Managers nor the Trustee shall have responsibility or liability to ensure that the provisions of the constitutive documents of the Group Fund relating to the issue, realisation or switching of units thereunder are complied with.
- (j) Holders should note that:
 - (i) Units purchased with cash may only be switched to units of a Group Fund which may be purchased with cash (and vice versa); and
 - (ii) Units purchased with SRS monies may only be switched for units of a Group Fund which may be subscribed or purchased with SRS monies (and vice versa).

12.2 In this paragraph,

“**Group Fund**” means a collective investment scheme the managers of which:

- (a) are the Managers or a corporation under their control or under common control with them or at least 50% of the share capital of which is held by a corporation which is a shareholder of the Managers; and
- (b) approves the terms of any switching which may be made pursuant to Clause 7 of the Deed.

Any partial switching of Units shall be subject to the Holder maintaining the minimum holding described in paragraph 11.2.

13. OBTAINING PRICES OF UNITS

The indicative issue and realisation prices of Units can be obtained from The Straits Times, The Business Times, Lianhe Zaobao and such other publications as the Managers may decide upon and can also be obtained from the Managers’ website at uobam.com.sg or any other website designated by the Managers, if applicable, or by calling the Managers’ 24-hour hotline at telephone number 1800 22 22 228. The actual prices will generally be published 2 Business Days after the relevant Dealing Day in Singapore dollars.

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

14. SUSPENSION OF DEALING AND VALUATION

Subject to the provisions of the Code, the Managers or the Trustee may, with the prior written approval of the other and subject to the provisions of the Deed, suspend the issue, realisation and valuation of Units during:

- 14.1** any period when the Recognised Stock Exchange or the OTC Market on which any Authorised Investments forming part of the Deposited Property of the Fund for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
- 14.2** any period when dealings in any underlying entity in which the Fund is invested in is suspended or restricted;
- 14.3** the existence of any state of affairs which, in the opinion of the Managers, might seriously prejudice the interests of the Holders as a whole or of the Deposited Property of the Fund;

- 14.4** any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments or the current price thereof on that Recognised Stock Exchange or that OTC Market or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained;
- 14.5** any period when remittance of moneys which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers, be carried out at normal rates of exchange;
- 14.6** any 48 hour period (or such longer period as the Managers and the Trustee may agree) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- 14.7** any period when the dealing of Units is suspended pursuant to any order or direction of the Authority;
- 14.8** 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 or arising from pestilence, acts of war, terrorism, insurrection, revolutions, civil unrest, riots, strikes or acts of God; or
- 14.9** in exceptional circumstances, where the Managers have determined that such suspension is in the best interest of the Holders.

Subject to the provisions of the Code, such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers (or, as the case may be, to the Managers by the Trustee) and shall terminate as soon as practicable when the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph 14 shall exist upon the declaration in writing thereof by the Managers (or, as the case may be, by the Trustee), and in any event, within such period as may be prescribed by the Code. The period of suspension may be extended in accordance with the Code.

15. PERFORMANCE OF THE FUND

The past performance, benchmark, expense ratio and turnover ratio of the Fund are set out below:

Inception date: 6 December 2004	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since inception (%)	Expense ratio (%) ⁽³⁾		Turnover ratio (%) ⁽⁶⁾
(NAV-NAV) ⁽¹⁾	10.21	-5.07	-2.98	N.A.	1.40	2.48 ⁽⁴⁾	N.A. ⁽⁵⁾	106.97
(NAV-NAV [^]) ⁽²⁾	4.70	-6.68	-3.97	N.A.	0.62			
B e n c h m a r k : Absolute return of 6% per annum	6.00	6.00	6.00	N.A.	6.00			

Notes:

Source: Lipper, a Thomson Reuters Company.

[^] Taking into account the subscription fee.

⁽¹⁾ Calculated in S\$ on a NAV-to-NAV basis as at 30 June 2011, with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.

⁽²⁾ Calculated in S\$ on a NAV-to-NAV basis as at 30 June 2011, taking into account the subscription fee, with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.

- ⁽³⁾ The expense ratio is calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on the latest audited accounts of the Fund for the financial year ended 31 December 2010. The following expenses (where applicable) as set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:
- (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
 - (b) interest expense;
 - (c) foreign exchange gains and losses of the Fund, whether realised or unrealised;
 - (d) front-end loads, back-end loads and other costs arising from the purchase or sale of a foreign unit trust or mutual fund;
 - (e) tax deducted at source or arising from income received, including withholding tax; and
 - (f) dividends and other distributions paid to Holders.
- ⁽⁴⁾ Expense ratio calculated excluding performances fees.
- ⁽⁵⁾ Expense ratio calculated including performances fees. No performance fees were received in respect of the Fund during the financial year ended 31 December 2010.
- ⁽⁶⁾ The turnover ratio for the financial year ended 31 December 2010 is calculated based on the lesser of purchases or sales expressed as a percentage of the daily average NAV of the Fund.

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

16. SOFT DOLLAR COMMISSIONS / ARRANGEMENTS

- 16.1** Subject to the provisions of the Code, the Managers may from time to time receive or enter into soft-dollar commissions/arrangements. The Managers will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Managers may receive include specific advice as to the advisability of dealing in, or 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.
- 16.2** Soft-dollar commissions/arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.
- 16.3** The Managers may not receive or enter into soft-dollar commissions/arrangements unless such soft-dollar commissions/arrangements reasonably assist the Managers in their management of the Fund, provided that the Managers shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.
- 16.4** The Managers do not, and are not entitled to, retain cash or commission rebates for their own account in respect of rebates earned when transacting in securities for account of the Fund.

17. 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:

- 17.1** Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.

- 17.2** All investment ideas are shared equally among the fund managers of the Managers.
- 17.3** The Managers subscribe to the Code of Ethics and the Standards of Professional Conduct as prescribed by the Chartered Financial Analyst Institute (“CFA Institute”) in USA. The CFA Institute is the primary professional organisation for security analysts, investments managers and others who are related to the investment decision-making process. All charter holders of the 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.
- 17.4** In addition, despite the possible overlap in the scope of investments, the Fund is not identical to any of the other funds managed by the Managers and investment decisions are made according to the individual risk return characteristics of the Fund. If the same orders for investments are made simultaneously by the various funds managed by the Managers, the Managers will endeavour to allocate such investments fairly among the funds on a pro rata basis. However, should any potential conflicts of interest arise from a situation of competing orders for the same securities, the Managers adopt an average pricing policy whereby orders that are partially fulfilled on a particular day shall be allotted proportionately among the funds based on their respective initial order size and such quantity allotted shall be at the average price of such investments on that particular day.
- 17.5** The Fund may from time to time invest in the IPOs and/or Pre-IPOs of investee companies for which a related company of the Managers, such as the United Overseas Bank Limited or any subsidiary or associate of the UOB Group or any of their affiliates, may provide underwriting or other securities-related services to, or be otherwise involved in the listing process of such investee companies. The Managers will evaluate and review each of such investments on its own merits.
- 17.6** The Managers and the Trustee shall conduct all transactions with or for the Fund on an arm’s length basis. Associates of the Managers and/or Trustee may be engaged to provide banking, brokerage, or financial services to the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee and make profits from these activities. Such services to the Fund, where provided, and such activities with the Trustee, where entered into, will be on an arm’s length basis.

18. REPORTS

Financial year-end and distribution of reports

- 18.1** The financial year-end for the Fund is 31 December. The annual reports, annual accounts and the auditor’s report on the annual accounts will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 3 months of the financial year-end (or such other period as may be permitted by the Authority). The semi-annual report and semi-annual accounts will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 2 months of the financial half-year end, i.e. within 2 months of 30 June (or such other period as may be permitted by the Authority).
- 18.2** If the accounts and reports under paragraph 18.1 are sent or made available to Holders by electronic means, the Trustee will also make available or cause to be made available hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of such request (or such other period as may be permitted by the Authority). Holders may also at any time choose to receive hardcopies of all future accounts and reports at no cost to them, by notifying the relevant authorised agent or distributor in writing.

19. QUERIES AND COMPLAINTS

All enquiries 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

20. OTHER MATERIAL INFORMATION

20.1 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 interest of other investors. In addition, short-term trading in Units increases the total transaction costs of the Fund, such as trading commission and other costs which are absorbed by all other investors. Moreover, the widespread practice of market timing may cause large movements of cash in the Fund which may disrupt the investment strategies to the detriment of long-term investors. For the reasons set out above, the Managers strongly discourage the practice of market timing and may implement internal measures to monitor and control such practice. If any internal measure to restrict the practice of market timing amounts to a significant change to the Fund (as provided in the Code), the Managers will inform Holders of such internal measure not later than one month before its implementation. The Managers intend to review their policy on market timing from time to time in a continuous effort to protect the long-term interests of investors in the Fund.

20.2 Information on investments

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

20.3 Distribution policy

The Managers shall have the absolute discretion to determine whether a distribution is to be made, and as and when the Managers shall decide, the Managers may by notice in writing direct the Trustee to distribute such part or all of the income, and if the Managers deem fit, such part or all of the net capital gain realised on the sale of Authorised Investments in respect of the amount available for distribution for each Accounting Period at such time and in accordance with such method of calculations as the Trustee and the Managers may agree having regard to the provisions of the Deed.

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

In the event the Managers shall decide that a distribution is to be made in respect of any Accounting Period, the Trustee shall distribute among the Holders of Units rateably in accordance with the number of Units held or deemed to be held by them respectively on the last preceding Accounting Date the amount available for distribution in respect of the Accounting Period ending on such Accounting Date.

In determining the amount of income for distribution, the Managers may in their discretion decide that no fraction of or any fraction of one cent per Unit is to be distributed in connection with any such distribution.

Currently, the Managers do not intend to make regular distributions in respect of Units of the Fund.

20.4 Holders' right to vote

A meeting of the Holders of duly convened and held in accordance with the provisions of the schedule of the Deed shall be competent by Extraordinary Resolution:

- (a) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers;
- (b) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee or the trustee fee;
- (c) to terminate the Fund;
- (d) to remove the Auditors;

- (e) to remove the Trustee;
- (f) to remove the Managers;
- (g) to direct the Trustee to take any action (including the termination of the Fund) pursuant to Section 295 of the SFA; and
- (h) to approve and sanction any matter tabled to them by the Managers and/or the Trustee at any extraordinary general meeting of the Fund,

but shall not have any further or other powers.

An “**Extraordinary Resolution**” means a resolution proposed and passed as such by a majority consisting of 75% or more of the total number of votes cast for and against such resolution.

20.5 Exemption from liability

20.5.1 The Trustee and the Managers shall incur no liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.

20.5.2 The Trustee and the Managers shall incur no liability to the Holders or to any other person for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither the Trustee nor the Managers shall be under any liability therefore or thereby.

20.5.3 Neither the Trustee nor the Managers shall be responsible for any authenticity of any signature or of any seal affixed to any transfer or form of application, endorsement or other document (sent by mail, 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 such 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.

20.5.4 Any indemnity expressly given to the Trustee or the Managers in the Deed is in addition to and without prejudice to any indemnity allowed by law; provided nevertheless that any provision of the Deed shall be void insofar as it would have the effect of exempting the Trustee or the Managers from or indemnifying them against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or trust of which they may be guilty in relation to their duties where they fail to show the degrees of diligence and care required of them having regard to the provisions of the Deed.

20.5.5 Nothing herein contained shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustee separately from acting as managers or trustee of trusts 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.

20.5.6 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.

20.6 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:

- 20.6.1** a Quoted Investment, shall be calculated, as the case may be, by reference to the official closing price or 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 Stock Exchange or OTC 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 Stock Exchange or OTC Market, the Managers (or such person as the Managers may appoint for the purpose) may in their absolute discretion select any one of such Recognised Stock Exchange or OTC Market for the foregoing purposes and, if there be no such official closing price or last known transacted price or last transacted price, the value shall be calculated by reference to the last available price(s) quoted by responsible firms, corporations or associations on a Recognised Stock Exchange or an OTC Market at the Valuation Point in respect of the Dealing Day on which the NAV is to be determined;
- 20.6.2** an Unquoted Investment, shall be calculated by reference to, where applicable (a) the initial value thereof being the amount expended in the acquisition thereof; (b) the price of the relevant investment as quoted by a person, firm or institution making a market in that investment, if any (and if there shall be more than one such market maker, then such market maker as the Managers may designate), as may be determined by the Managers to represent the fair value of such Authorised Investment; or (c) the sale prices of recent public or private transactions in the same or similar investments, valuations of comparable companies or discounted cash flow analysis, as may be determined to represent the fair value of such Authorised Investment. In the valuation of such Investment the Managers may take into account relevant factors including without limitation significant recent events affecting the issuer such as pending mergers and acquisitions and restrictions as to saleability or transferability;
- 20.6.3** cash, deposits and similar assets shall be valued (by a person approved by the Trustee as qualified to value such cash, deposits and similar assets) 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;
- 20.6.4** a unit or share in a unit trust scheme or mutual fund or collective investment scheme shall be valued at the latest published or available NAV per unit or share, or if no NAV per unit or share is published or available, then at their latest available realisation price; and
- 20.6.5** an Investment other than as described above, shall be valued (by a person approved by the Trustee as qualified to value such an Investment) 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 20.6.1 to 20.6.5 above are not available, or if the value of the Authorised Investment determined in the manner described in paragraphs 20.6.1 to 20.6.5 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 and the Managers shall notify the Holders of such change if required by the Trustee. For the purposes of this proviso, the “fair value” shall be determined by the Managers in consultation with an approved stockbroker or an approved valuer and with the approval of the Trustee in accordance with the Code. Where the fair value of a material portion of the Deposited Property cannot be determined, the Managers shall, subject to the provisions of the Code, suspend valuation and dealing in the Units.

20.7 Termination of Fund

- 20.7.1** Either the Trustee or the Managers may in their absolute discretion terminate the Fund by not less than 6 months' notice in writing to the other. Either the Trustee or the Managers shall be entitled by notice in writing as aforesaid to make the continuation of the Fund beyond any such date conditional on the revision to its or their satisfaction at least 3 months before the relevant date of its or their remuneration hereunder. In the event that the Fund is to be terminated or discontinued the Managers shall give notice thereof to all Holders not less than 3 months in advance. Subject as aforesaid the Fund shall continue until terminated in the manner hereinafter provided.

20.7.2 Subject to Section 295 of the SFA, the Fund may be terminated by the Trustee by notice in writing as hereinafter provided in any of the following events, namely:

- (a) if the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of their assets or if a judicial manager is appointed in respect of the Managers or if any encumbrancer shall take possession of any of their assets or if they shall cease business;
- (b) if any law shall be passed, any authorisation withdrawn or revoked or any direction issued by the Authority which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund;
- (c) if within the period of 3 months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of the Deed;
- (d) if within the period of 3 months from the date of the Trustee removing the Managers, the Trustee shall have failed to appoint new managers within the terms of the Deed; and
- (e) if the Authority so directs pursuant to the SFA.

The decision of the Trustee in any of the events specified in this paragraph 20.7.2 shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate the Fund pursuant to this paragraph 20.7.2 or otherwise. The Managers shall accept the decision of the Trustee and relieve the Trustee of any liability to them therefore and hold it harmless from any claims whatsoever on their part for damages or for any other relief.

20.7.3 The Fund may be terminated by the Managers in their absolute discretion by notice in writing as hereinafter provided (a) if the aggregate NAV of the Deposited Property of the Fund shall be less than S\$5,000,000 at any time, (b) if any law shall be passed, any authorisation withdrawn or revoked or any direction issued by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Fund or (c) if the Authority so directs pursuant to the SFA.

20.7.4 The party terminating the Fund shall give notice thereof to the Holders fixing the date at which such termination is to take effect which date shall not be less than one month after the service of such notice. The Managers shall give written notice thereof to the Authority not less than 7 days (or such other notice period as may be permitted by the Authority) before such termination.

20.7.5 The Fund may be terminated by Extraordinary Resolution of a meeting of the Holders duly convened and held in accordance with the provisions contained in the Schedule to the Deed as hereinafter provided:

- (a) at any time after one year from the date of the Principal Deed; and
- (b) at any time in accordance with Section 295 of the SFA.

20.7.6 The termination of the Fund shall take effect from the date on which the relevant Extraordinary Resolution is passed or such later date (if any) as that Extraordinary Resolution may provide.

UNITED GLOBAL IPO FUND

(Constituted in Singapore pursuant to the Trust Deed dated 12 October 2004, as amended)

FIRST SUPPLEMENTARY PROSPECTUS DATED 7 SEPTEMBER 2011

A copy of this First Supplementary Prospectus has been lodged with the Monetary Authority of Singapore who assumes no responsibility for the contents.

This First Supplementary Prospectus is lodged pursuant to Section 298 of the Securities and Futures Act (Chapter 289 of Singapore) and is supplemental to the Prospectus registered on 5 August 2011 (the “**Prospectus**”) relating to the United Global IPO Fund (the “**Fund**”).

Terms used in this First Supplementary Prospectus will have the meaning and construction ascribed to them in the Prospectus and references to “**paragraph**” are to the paragraphs of the Prospectus. This First Supplementary Prospectus is to be read and construed in conjunction and as one document with the Prospectus.

This First Supplementary Prospectus sets out the amendments made to the Prospectus in relation to the method of calculating performance fee and other miscellaneous amendments.

The Managers have issued a notice dated 7 September 2011 to Holders of Units in the Fund regarding the change to the method of calculating the performance fee, which is being implemented in line with the revised Code which comes into effect on 1 October 2011. A copy of the notice may be obtained from any of the Managers’ authorised agents and distributors.

1. The following amendment will take effect from the date of this First Supplementary Prospectus:

- (a) The second paragraph appearing on page 1 under the heading “**PROSPECTUS**” and immediately above paragraph 1 is deleted and replaced with the following:

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

- (b) Paragraph 1.3.2 is amended as follows:

- (i) by deleting the words “and a ninth amending and restating deed dated 5 August 2011 (the “**Ninth Amending and Restating Deed**”)” appearing in the first sentence and replacing the same with “, a ninth amending and restating deed dated 5 August 2011 (the “**Ninth Amending and Restating Deed**”) and a first supplemental deed dated 7 September 2011 (the “**First Supplemental Deed**”); and
- (ii) by deleting the words “and the Ninth Amending and Restating Deed” appearing in the first sentence and replacing the same with “, the Ninth Amending and Restating Deed and the First Supplemental Deed”.

- (c) The following new sub-paragraph is inserted immediately before the last sub-paragraph of paragraph 2:

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

- (d) The following new sub-paragraph is inserted immediately after the last sub-paragraph of paragraph 3:

“Please refer to the Deed for details on the Trustee’s and the Custodian’s respective roles and responsibilities.”

- (e) Paragraph 7.3 is amended by deleting the words “,by the operation of law,” appearing in the third sentence.

- (f) The heading of paragraph 14 is deleted and amended to “**SUSPENSION OF DEALINGS**”

(g) The first sub-paragraph of paragraph 14.1 is deleted and replaced with the following:

“Subject to the provisions of the Code and the Deed, the Managers or the Trustee may, with the prior written approval of the other, suspend the issue, realisation, cancellation and switching of Units during:”

(h) Paragraph 14.9 is amended by deleting the first word “in”.

2. The following amendments will take effect from 1 October 2011:

(a) The row entitled “**Performance Fee**” in the table in paragraph 8.1 will be deleted in its entirety and replaced with the following:

“

Performance fee ² (payable to Managers)	25% of the amount by which the net asset value (“NAV”) per Unit (before performance fee) exceeds the higher of: (a) the Benchmark Value per Unit; or (b) the High Water Mark per Unit, on each day, multiplied by the number of Units in issue. No performance fee will be charged from 1 October 2011 to 9 October 2011.
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”

(b) Footnote 2 appearing in paragraph 8.1 will be deleted in its entirety and replaced with the following:

“² Performance fee explained

In addition to the management fee, the Managers are entitled to receive out of the Deposited Property, a performance fee not exceeding 25% of the amount by which the NAV per Unit (excluding any performance fee accrual) exceeds the higher of:

(a) the Benchmark Value (as defined below) per Unit; or

(b) the High Water Mark (as defined below) per Unit,

on each day during the relevant Accounting Period (as defined below) multiplied by the number of Units in issue. The NAV per Unit must exceed both the Benchmark Value per Unit and the High Water Mark per Unit before a performance fee is chargeable.

The performance fee (if any) shall be calculated and shall accrue on a daily basis during each Accounting Period, with such accrual being reversed to reflect a reduction in performance until such time as the NAV per Unit in issue is equal to or less than the Benchmark Value or High Water Mark per Unit. To explain this further, if the Fund’s performance exceeds the Benchmark Value per Unit and the High Water Mark per Unit on any particular day, the accrued performance fee will be deducted in computing of the NAV per Unit on that day. Correspondingly, if the Fund’s performance does not exceed the Benchmark Value per Unit and the High Water Mark per Unit on any particular day, any performance fee accrued will be reversed for that day. This is to ensure that no performance fee will be charged to a Holder realising his Units on a day when the Fund’s performance does not exceed the Benchmark Value per Unit and the High Water Mark per Unit.

The performance fee (if any) accrued as at the end of each Accounting Period shall be paid to the Managers as soon as practicable (and in any case within 30 days) following the end of an Accounting Period out of the Deposited Property. In respect of any realisation of Units before the end of the relevant Accounting Period, the performance fee accrued for such realised Units shall be payable to the Managers if the NAV per Unit of the Fund on such realisation date exceeds the Benchmark Value per Unit and the High Water Mark per Unit. Such performance fee will be retained by the Managers even if the final performance of the Fund for that relevant Accounting Period does not exceed the Benchmark Value per Unit and the High Water Mark per Unit.

“**Accounting Period**” means the period ending on and including an Accounting Date (which means, subject

to the terms of the Deed, 31 December of each year) and commencing from the end of the initial subscription period or from the end of the preceding Accounting Period (as the case may require).

The applicable “**Benchmark Value**” per Unit shall be calculated on a daily basis. The initial Benchmark Value shall be the amount equivalent to a 6% per annum increase over the initial issue price of S\$1.00 (the “**Initial Issue Price**”) per Unit. The Benchmark Value will be reset on 1st January each year. The new Benchmark Value will be the higher of either:

- (a) a 6% p.a. increase in Benchmark Value from the previous year; or
- (b) a 6% p.a. increase in the NAV per Unit on 31st December of the previous year.

The “**High Water Mark**” means:

- (a) for the purposes of calculating the performance fee from 1 October 2011 to 31 December 2011, the NAV per Unit as of 30 September 2011 (the “**Initial High Water Mark**”);
- (b) for the purposes of calculating the performance fee from 1 January 2012 onwards, the higher of:
 - (i) the Initial High Water Mark; or
 - (ii) the highest NAV per Unit as at 31st December of any previous year, starting from 31 December 2011,

(regardless of whether the performance fee accrues or crystallises). For the avoidance of doubt, the High Water Mark is re-set annually as at the historical high on 31st December and not on a daily basis.

Investors should note the following in relation to the performance fee:

- (a) Performance fees payable in respect of a Holder’s Units may not correspond to the actual performance of those Units. This is because the Fund does not achieve equalisation of performance fees.

The performance fee is based on the Fund’s performance in each Accounting Period and is not cumulative. This means that the Managers may be paid the performance fee for any single Accounting Period (e.g. 1 January 2012 to 31 December 2012) when in fact the cumulative performance of the Fund from, for example, its inception on 6 December 2004 to 31 December 2012 does not exceed the Benchmark Value per Unit (up to 30 September 2011) or both the Benchmark Value per Unit and the High Water Mark per Unit (from 1 October 2011).

Similarly, the performance fee is not determined on the Fund’s performance from the point of subscription for Units. A performance fee will be charged if the Fund’s performance from (e.g.) 1 January 2012 to 31 December 2012 exceeds the Benchmark Value per Unit and the High Water Mark per Unit, even if from the time of subscription of Units (e.g. 30 June 2012), the NAV per Unit of the Fund from 30 June 2012 to 31 December 2012 does not exceed the Benchmark Value per Unit and the High Water Mark per Unit. However, because of the daily accrual of performance fees, the amount of performance fees paid on the Holder’s Units on 31 December 2012 will not include the performance fees accrued for the Fund’s performance from 1 January 2012 to 29 June 2012.

It may also be possible for a Holder to incur performance fees on his Units even though the return on his Units during his holding period is negative. For example, if the Holder realises his Units at a lower NAV per Unit than when he subscribed for such Units and the NAV per Unit exceeded both the Benchmark Value per Unit and the High Water Mark per Unit on the date of realisation, performance fees would have accrued and be charged in respect of such Units upon realisation.

- (b) A Holder who realised his Units on a day prior to the end of an Accounting Period will not be refunded the performance fee accrued (if any) on the realisation of his Units. Such accrued performance fee will be retained by the Managers.
- (c) The maximum performance fees that may be incurred by a Holder’s Units during an Accounting Period will be 25% of the NAV of those Units.

Example of calculation of performance fee

For simplicity, prices are listed on yearly intervals for 3 Accounting Periods over 3 hypothetical years ('01 to '03), and the NAV per Unit, High Water Mark ("HWM") and dates used are purely for illustration purposes, and are not in any way a forecast or projection of the Fund's performance.

1st Accounting Period (1 January '01 – 31 December '01):

As at 1 January '01	<p>Initial NAV per Unit = S\$1.00</p> <p>Benchmark Value for the 1st Accounting Period = a 6% per annum increase over the initial issue price = S\$1.00 x (1.06) = S\$1.06 (accrued daily)</p> <p>Initial HWM = S\$1.00</p>
As at 31 December '01	<p>NAV per Unit rises to S\$1.10 (before performance fee)</p> <p>Above Benchmark Value of S\$1.06? = Yes</p> <p>Above HWM of S\$1.00? = Yes</p> <p>Performance fee payable on 31 December '01 = 25% of the amount by which the NAV per Unit exceeds the higher of (a) Benchmark Value or (b) the HWM = 25% x (S\$1.10 – S\$1.06) = S\$0.01 per Unit</p>

2nd Accounting Period (1 January '02 – 31 December '02):

As at 1 January '02	<p>New Benchmark Value is the higher of</p> <ul style="list-style-type: none"> (a) a 6% per annum increase in the Benchmark Value from the previous year (S\$1.06 x (1.06) = S\$1.12); or (b) a 6% per annum increase in the NAV per Unit (after performance fee) on 31 December '01 (S\$(1.10 – 0.01) x (1.06) = S\$1.16) <p>The Benchmark Value for the 2nd Accounting Period = S\$1.16 (accrued daily)</p> <p>HWM for 2nd Accounting Period = NAV per Unit (before performance fee) as at 31 December '01 less performance fee = S\$(1.10 – 0.01) = S\$1.09</p>
As at 31 December '02	<p>NAV per Unit falls to S\$1.05 (before performance fee)</p> <p>Above Benchmark Value of S\$1.16? = No</p> <p>Above HWM of S\$1.09? = No</p> <p>No performance fee paid on 31 December '02 as the NAV per Unit did not exceed both the Benchmark Value and HWM.</p>

3rd Accounting Period (1 January '03 – 31 December '03):

<p>As at 1 January '03</p>	<p>New Benchmark Value is the higher of:</p> <ul style="list-style-type: none"> (a) a 6% per annum increase in the Benchmark Value from the previous year ($S\\$1.16 \times (1.06) = S\\1.23); or (b) a 6% per annum increase in the NAV per Unit on 31 December '02 ($S\\$1.05 \times (1.06) = S\\1.11) <p>The Benchmark Value for the 3rd Accounting Period = S\$1.23 (accrued daily)</p> <p>HWM for 3rd Accounting Period = S\$1.09</p>
<p>As at 31 December '03</p>	<p>NAV per Unit rises to S\$1.20 (before performance fee)</p> <p>Above Benchmark Value of S\$1.23? = No</p> <p>Above HWM of S\$1.09? = Yes</p> <p>No performance fee paid on 31 December '03 as the NAV per Unit did not exceed both the Benchmark Value and HWM.</p>

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