

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

UNITED INTERNATIONAL BOND FUND (the "Fund")

Product Type	Unit Trust	Launch Date	29 September 1995
Managers	UOB Asset Management Ltd	Custodian	State Street Bank and Trust Company
Trustee	HSBC Institutional Trust Services (Singapore) Limited	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for the financial year ended 31 December 2011	0.94%

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital preservation;
- also seek regular income through annual distributions, provided the income of the Fund is at least 2% per annum; and
- are comfortable with the volatility and risk of a global bond fund which invests in global sovereign and corporate bonds.

Further Information

Refer to Para 7.1 and 7.4 on Pg 4 and 5 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in a unit trust constituted in Singapore that aims to provide you with capital preservation and regular income through investment primarily in global bonds and money market instruments issued by the government, statutory bodies or other public or private entities of Singapore and by sovereign states or governments or corporations or government-related bodies in both developed and emerging markets around the world.
- You may receive annual distributions of at least 2% per annum of the NAV per Unit of the Fund as at the preceding financial year, provided the income of the Fund accumulated in the income account of the Fund is at least 2% per annum.
- If the income of the Fund for any financial year is less than 2% per annum, then the amount of income in the income account to be distributed will be at the discretion of the Managers. No distribution will be made if the income of the Fund for that financial year is 0% or if the Managers are of the opinion that it is economically impractical to do so.

Refer to Para 7, 8 and 21.3 on Pg 4 to 5 and Pg 19 of the Prospectus for further information on features of the product.

¹ The Prospectus is available from the Managers (whose operating address is at 80 Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624) or their authorised agents or distributors or through the Managers' website at uobam.com.sg.

Investment Strategy	
<ul style="list-style-type: none"> • The Managers intend to achieve the investment objective of the Fund by investing primarily in global bonds and money market instruments issued by government, statutory bodies or other public or private entities. • The Managers will manage the Fund as an absolute return target fund, and will use their flexibility to diversify into various pre-assessed asset classes. Within each asset class, the market specialists can optimise the portfolio returns by seeking the best investments on a risk-adjusted basis subject to investment guidelines and constraints. • The Managers' investment approach is research intensive, driven by fundamentals and valuation considerations, such as duration management, transaction costs and credit analysis and credit diversification. • <i>The Fund may use or invest in financial derivative instruments for the purposes of hedging existing positions in a portfolio or for efficient portfolio management or a combination of both purposes.</i> 	<p>Refer to Para 7.1, 7.2 and 10.2.7 on Pg 4 and Pg 8 of the Prospectus for further information on the investment focus and approach of the Fund and its exposure to financial derivative instruments.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • The Managers are UOB Asset Management Ltd. • The Trustee is HSBC Institutional Trust Services (Singapore) Limited. • The Custodian is State Street Bank and Trust Company. 	<p>Refer to Para 2 and 3 on Pg 3 of the Prospectus for further information on these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT? The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:</p>	<p>Refer to Para 10.1 and 10.2 on Pg 7 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to market risks in the global markets. <ul style="list-style-type: none"> o Prices of securities may be affected by changes in economic conditions, interest rates and the market's perception of the securities which in turn affects the price of Units. • You are exposed to credit risks. <ul style="list-style-type: none"> o Adverse changes in the financial condition of the issuer of the debt securities which the Fund is invested in, or in general economic conditions, or both, or an unanticipated rise in interest rate, may increase the potential for default. 	
Liquidity Risks	
<ul style="list-style-type: none"> • The Fund is not listed and you can redeem only on Dealing Days. <ul style="list-style-type: none"> o There is no secondary market for the Fund. All realisation forms should be submitted to authorised agents or distributors of the Managers. • You are exposed to liquidity risks. <ul style="list-style-type: none"> o Investments by the Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and the lack of liquidity. 	

Product-Specific Risks

- **You are exposed to interest rate risks.**
 - o The Fund’s investments in debt securities are subject to the risk of interest rate fluctuations which may affect the prices of the debt securities.
- **You are exposed to political risks.**
 - o The investments of the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities.
- **You are exposed to derivatives risk**
 - o The Fund may invest in derivatives, including foreign exchange forward contracts, equity index, future and option contracts (exchange-traded and over-the-counter). 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 the required margin is not provided within the prescribed time, the Fund’s investments may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely.
- **You are exposed to foreign exchange risk.**
 - o Where investments made by the Fund are denominated in foreign currencies, fluctuations in the exchange rates of such currencies against the Fund’s base currency (Singapore dollar) may affect the value of Units. The Fund’s foreign currency exposure may not be fully hedged depending on the circumstances of each case, including the outlook on the relevant currency, the hedging costs and the market liquidity of the relevant currency.
- **Other risks to your investment include counterparty risk and broker risk.**

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

- You will need to pay the following fees and charges as a percentage of your gross investment sum:

Subscription Fee	Currently 2%; maximum 3%
Realisation Charge	Currently NIL; maximum 1%
Switching fee	Currently 1%; maximum 1%

- The authorised agents and distributors of the Managers through whom you subscribe for Units may impose other fees and charges that are not disclosed in the Prospectus. You should check with the relevant agents or distributors on such fees and charges, if any.

Payable by the Fund from invested proceeds

- The Fund will pay the following fees and charges from its assets to the Managers, Trustee and other parties:

Management Fee	Currently 0.5% per annum; maximum 1.5% per annum
Trustee remuneration	Currently not more than 0.05% per annum (subject to the current agreed minimum of S\$5,000 per annum or such other minimum not exceeding S\$20,000 per annum as may be agreed between the Managers and the Trustee from time to time). Maximum 0.125% per annum.

Refer to Para 9 on Pg 6 of the Prospectus for further information on fees and charges.

Registrar and transfer agent fee	S\$15,000 per annum
Fund valuation and accounting services fee	Currently 0.125% per annum, subject to a maximum of 0.125% per annum
Audit fee, custodian fee and other fees and charges	Subject to agreement with the relevant parties. Each of the fees and charges may amount to or exceed 0.1% p.a., depending on the proportion that it bears to the Fund's NAV.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The issue price and realisation price of Units will generally be published 2 Business Days after the relevant Dealing Day in The Straits Times, The Business Times, Lianhe Zaobao and such other local or foreign publications as the Managers may decide upon and can also be obtained on 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 number.

Refer to Para 11.6, 13 and 15 on Pg 13 and 14 and 16 of the Prospectus for further information on valuation and exiting from the product.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

- You can exit the Fund on any Dealing Day by submitting a realisation form to any authorised agent or distributor of the Managers. If applicable to you and you wish to exit the Fund within the cancellation period of 7 calendar days from the time of your subscription, you may do so by submitting a cancellation form and you will not incur the Subscription Fee and fees stated above. However you will have to take the risk of any price changes in the NAV of the Fund since your subscription and pay any bank charges, administrative or other fee imposed by the relevant agent or distributor.
- You will normally receive the realisation proceeds within 4 Business Days from the Dealing Day on which your realisation form is received and accepted.
- The realisation price of your Units is determined as follows:
 - o If you submit the realisation form by 3pm on a Dealing Day, you will be paid a price based on the NAV of the Fund as at the Valuation Point of that Dealing Day
 - o If you submit the realisation form after 3pm on a Dealing Day or on a day not being a Dealing Day, you will be paid a price based on the NAV of the Fund as at the Valuation Point of the next Dealing Day.
- The net realisation proceeds that you will receive will be the realisation price of the Fund multiplied by the number of Units realised, less any charges. An example is as follows:

1,000 Units	x	S\$0.950	=	S\$950.00
Your realisation request		Notional Realisation Price		Gross Realisation Proceeds
S\$950.00	–	S\$0.00	=	S\$950.00
Gross Realisation Proceeds		Realisation Charge (0%)		Net Realisation Proceeds

CONTACT INFORMATION

HOW DO YOU CONTACT US?

24 hour Hotline No : 1800 22 22 228
 Fax No : (65) 6532 3868
 Email : uobam@uobgroup.com

APPENDIX: GLOSSARY OF TERMS		
Business Day:	Means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.	
Dealing Day:	Means every Business Day or such other day or days at such intervals as the Managers may from time to time determine with the prior consultation of the Trustee provided that reasonable notice of any such determination shall be given by the Managers to all holders at such time and in such manner as the Trustee may approve Provided That if on any day which would otherwise be a Dealing Day the recognised stock exchange or over-the-counter or over-the-telephone market on which investments of the Fund having in aggregate values amounting to at least 50 per cent of the value of the assets of the Fund (as at the relevant Valuation Point) are quoted, listed or dealt in is not open for normal trading, the Managers may determine that that day shall not be a Dealing Day.	
Launch Date:	For the purposes of this Product Highlights Sheet only, means the inception date of the Fund.	
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 assets of the Fund is to be determined or such other time as the Managers may with the prior approval of the Trustee determine and the Managers shall notify the holders of such change if required by the Trustee.	
NAV:	Means net asset value.	
Unit:	Means a unit of the Fund.	