

PROSPECTUS

United Global Telecoms Fund

UNITED GLOBAL TELECOMS



UNITED GLOBAL TELECOMS FUND

DIRECTORY

Managers

UOB Asset Management Ltd
(Company Registration Number: 198600120Z)
Registered Address: 80, Raffles Place, UOB Plaza, Singapore 048624
Operating Address: 80, Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624

Directors of the Managers

Terence Ong Sea Eng
Yeo Eng Cheong
Thio Boon Kiat

Trustee

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

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

Solicitors to the Trustee

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

Custodian

State Street Bank and Trust Company
Registered Address: 225, Franklin Street, Boston, MA 02110, USA

UNITED GLOBAL TELECOMS FUND

Important Information

The managers of United Global Telecoms 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 that this Prospectus contains all information with respect to the Fund which is material in the context of the offer of units of the Fund 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 (as amended) constituting and relating to the Fund (the “**Deed**”).

Investors should consult the relevant provisions of the Deed and obtain independent professional advice in any event of any doubt or ambiguity relating thereto.

No application has been made for the units in the Fund (“**Units**”) to be listed on any stock exchange. There is no ready market for the Units. Investors may consequently only redeem their Units in accordance with and subject to the provisions of the Deed.

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

Investors should also consider the risks of investing in the Fund which are summarised in paragraph 9 of this Prospectus.

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

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UNITED GLOBAL TELECOMS FUND

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

1. Basic Information

1.1 United Global Telecoms Fund

The Fund is an open-ended, standalone, non-specialised unit trust constituted in Singapore.

1.2 Date of Registration and Expiry Date of Prospectus

The date of registration of this Prospectus with the MAS is 5 June 2009. This Prospectus shall be valid for 12 months after the date of registration (i.e. up to and including 4 June 2010) and shall expire on 5 June 2010.

1.3 Trust Deed and Supplemental Deeds

1.3.1 The deed of trust relating to the interests being offered for subscription or purchase (the “**Principal Deed**”) is dated 28 June 1999 and the parties to the Principal Deed are UOB Asset Management Ltd, as the managers of the Fund (the “**Managers**”), and HSBC Trustee (Singapore) Limited, as the trustee (the “**Retired Trustee**”).

1.3.2 The Principal Deed has been amended by the following supplemental deeds and amending and restating deeds:

Deed	Dated	Purpose	Parties
First Supplemental Deed	26 June 2002	To modify Clauses 9, 10(B), 13(C) and 13(F) of the Principal Deed to amend the method of rounding used in the calculation of the issue price and realisation price of Units of the Fund and to incorporate Practice Directions No. 10 and 11 issued by the MAS on 28 December 2001.	The Managers and the Retired Trustee

Deed	Dated	Purpose	Parties
Amending and Restating Deed	27 June 2003	To amend the Principal Deed to comply with the prescribed requirements for trust deeds under the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2002, to incorporate the investment guidelines for non-specialised funds issued by the MAS under the Code on Collective Investment Schemes on 23 May 2002 (last updated on 28 March 2003).	The Managers and the Retired Trustee
Second Amending and Restating Deed	25 June 2004	To amend the Principal Deed to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).	The Managers and the Retired Trustee
Supplemental Deed of Appointment and Retirement of Trustee	15 December 2004	To retire HSBC Trustee (Singapore) Limited as the trustee of the Fund and to appoint HSBC Institutional Trust Services (Singapore) Limited as the new trustee of the Fund.	The Managers, the Retired Trustee and HSBC Institutional Trust Services (Singapore) Limited (the " Trustee ")
Third Amending and Restating Deed	24 June 2005	To amend the Principal Deed to allow the Fund to accept foreign currencies for subscription and to pay out redemption proceeds in foreign currencies and to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).	The Managers and the Trustee
Fourth Amending and Restating Deed	23 June 2006	To amend the Deed to comply with all applicable fiscal, statutory or official requirements (whether or not having the force of law).	The Managers and the Trustee
Fifth Amending and Restating Deed	21 June 2007	To amend the Deed to, <i>inter alia</i> , reflect the change in the basis of quoting the prices of the Units from the existing dual-pricing basis to a single-pricing basis.	The Managers and the Trustee

Deed	Dated	Purpose	Parties
Sixth Amending and Restating Deed	18 June 2008	To amend Clause 26(B) of the Deed.	The Managers and the Trustee
Seventh Amending and Restating Deed	29 May 2009	To amend the Deed to, <i>inter alia</i> , reduce the age of contractual capacity in consistency with recent amendments to the Civil Law Act, Chapter 43 of Singapore and to amend the definition of “Value”.	The Managers and the Trustee

The Principal Deed as amended by the First Supplemental Deed, the Amending and Restating Deed, the Second Amending and Restating Deed, the Supplemental Deed of Appointment and Retirement of Trustee, the Third Amending and Restating Deed, the Fourth Amending and Restating Deed, the Fifth Amending and Restating Deed, the Sixth Amending and Restating Deed and the Seventh 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 unitholder (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 at the operating address of the Managers at 80, Raffles Place, 6th Storey, UOB Plaza 2, Singapore 048624 at all reasonable times during normal business hours (subject to such reasonable restrictions as the Managers may impose) and will be supplied by the Managers to any person upon application at a charge of S\$25 per copy of the document (or such other amount as the Trustee and the Managers may from time to time agree).

1.4 Accounts and reports

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

2. The Managers

The Managers of the Fund are UOB Asset Management Ltd (“**UOBAM**”), whose registered office is at 80, Raffles Place, UOB Plaza, Singapore 048624.

UOBAM is a wholly-owned subsidiary of UOB Group. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for 23 years and as of 30 April 2009 manages about S\$10.39 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 April 2009, UOBAM manages 44 unit trusts in Singapore, with total assets of about S\$2.13 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 structuring, providing advisory services and managing Collateralised Debt Obligations (**CDOs**), having managed or acted as a co-adviser in 20 CDO transactions. These CDOs are largely invested in global emerging and market securities as well as global investment grade, non-global investment grade and multi-sector credits.

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

As at 30 April 2009, UOBAM and its subsidiaries in the region have a staff strength of over 200 including 42 investment professionals in Singapore.

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

3. The Trustee and the 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 office is at 225 Franklin Street, Boston, MA 02110, U.S.A. and/or such other custodian as may be appointed from time to time in respect of the Fund or any of its assets (collectively or individually, the “**Custodian**”).

4. **The Register of Holders**

The registrar of the Fund is the Trustee. The Trustee has appointed the Managers, as the Trustee's agent, to carry out and administer the Trustee's duties in relation to the register of Holders (the "**Register**"), and the Managers have in turn appointed HSBC Securities Services (Transfer Agency) Pte. Limited as their sub-registrar to maintain the Register, which will be kept and can be inspected at its office at 60 Alexandra Terrace, #10-12/13, The Comtech, Singapore 118502.

A copy of the Register will also be kept at the operating office of the Managers at 156 Cecil Street #08-03 Far Eastern Bank Building, Singapore 069544, and is accessible to the public during normal business hours. 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 holdings, 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 interests under the Deed are PricewaterhouseCoopers LLP whose registered address is at 8, Cross Street, #17-00, PWC Building, Singapore 048424 (the "**Auditors**").

6. **Fund Structure**

The Fund is a non-specialised open-ended standalone unit trust constituted in Singapore.

7. **Investment Objective, Focus and Approach**

7.1 **Investment Objective**

The investment objective of the Fund is to achieve long-term capital appreciation by investing mainly in securities of companies engaged in the development, production or distribution of communications services or communications technology in any part of the world.

A company will be considered to be engaged in the communications industry if at the time of investment the Managers determine that a significant portion of the company's assets, gross income or net profits is committed to, or derived from, this field. A company will also be considered to be engaged in the communications industry if the Managers consider that the company has the potential for strong growth primarily as a result of particular services, products, technology, patents or other market advantages in this field.

7.2 Investment Focus and Approach

Investment Focus

The Managers will focus and invest mainly in companies that are competitive, well managed and offer attractive valuation in respect of their growth prospects over a multi-year investment horizon. The Managers will also invest in companies that offer attractive return of cash to shareholders such as dividends and share buybacks. They will target companies that exhibit good corporate governance and have a strong desire to maximize shareholder value. These companies may already have attained strong leadership or have good leadership prospects in their respective fields within the communications industry.

Some characteristics of companies with the above qualities are as follows:

- ❑ Focus on industry sectors that exhibit higher growth on a domestic or global scale
- ❑ High quality professional management at both senior and mid-level
- ❑ Ability to differentiate products and services against their competitors and produce sustainable good profit margins
- ❑ Transparency in presentation of financial and operating results
- ❑ Focus on maximizing and avoiding diluting shareholders value such as returning cash where appropriate (for the former) and avoiding costly acquisitions (for the latter)
- ❑ Good value relative to its peers and its long term intrinsic value using valuation methods such as price-to-earnings and discounted cash flow

Investment Approach

The investment process begins with a macro assessment of the investment environment. This assessment includes an economic overview that focuses on the economic cycle, inflation and interest rates. The potential impact upon the communications industry invested in is then evaluated as it relates to the macro assessment.

Once the macro environment has been assessed, long term investment themes that are poised to benefit from key growth communications industry trends are then identified. An example of such a growth trend is the shift from wireline communications networks to wireless networks.

The investment team (consisting of market and sector specialists) then screens its investment universe to determine which companies are best positioned to benefit from the strong growth momentum. Another key criteria is the focus on good value relative to the long-term growth prospects.

The Managers view the communications industry as being comprised of sub-sectors. Some examples are telecom services, telecom equipment and their related component suppliers, computers and their related component suppliers, the Internet, communications IT and software, broadcast media and service companies whose primary function are facilitating communications or producing such devices.

7.3 Authorised Investments of Fund

The Fund is invested in the following authorised investments (“**Authorised Investments**”):

- 7.3.1 any Investment¹ in or of companies engaged in the development, production or distribution of communications services or communications technology in any part of the world;
- 7.3.2 any Quoted Investment which is defined in the Deed as any Investment which is listed, quoted or dealt with on any Recognised Stock Exchange² or OTC Market³;
- 7.3.3 any Unquoted Investment which is defined in the Deed as any Investment which is not listed, quoted, or dealt with on any Recognised Stock Exchange or OTC Market; or
- 7.3.4 any other Investment not covered by paragraphs 7.3.1 to 7.3.3 above but approved in writing by the Trustee (such approval to be confirmed in writing).

¹ “**Investment**” is defined in the Deed to mean any share, stock, bond, note, debenture, debenture stock, loan, loan stock, certificates of deposit, commercial paper, promissory note, treasury bill, fixed or floating rate instrument, unit or sub-unit in any unit trust scheme, participation in a mutual fund, warrant, option or other stock purchase right, futures or any other security (as defined in the SFA) (all of the foregoing denominated in any currency) or any money market instrument or any other derivative which may be selected by the Managers for the purpose of investment of the deposited property or which may for the time being form part thereof.

² “**Recognised Stock Exchange**” is defined in the Deed to mean any stock exchange, futures exchange and organised securities exchange on which securities are regularly invested in any country in any part of the world and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect.

³ “**OTC Market**” is defined in the Deed to mean 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.

8. Fees and Charges

Fees and Charges Payable by Holder	
Subscription Fee:	Currently 5%. Maximum 5%.
Realisation Charge:	Currently 0%. Maximum 2%.
Switching fee*:	Currently 1%. Maximum 1%.
Fees Payable by Fund to the Managers, the Trustee and other parties	
Management fee:	Currently 1.5% p.a. Maximum 2%. p.a.
Trustee fee:	Currently up to 0.085% p.a. Maximum 0.1% p.a. Subject always to a minimum of S\$20,000 p.a.
Registrar fee (payable to the Trustee or their agents):	S\$15,000 p.a.
Accounting and valuation fee (payable to the Managers):	0.125% p.a.
Audit fee** (payable to the Auditors), custodian fee*** (payable to the custodian) and other fees and charges****:	Subject to agreement with the relevant parties, each fee may exceed 0.1% p.a., depending on the proportion each fee bears to the net asset value of the Fund.

* 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 to a discount of the subscription fee of the New Fund.

** The audit fee payable is subject to agreement with the Auditors for each financial year.

*** 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.

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

As required by the Code on Collective Investment Schemes issued by the MAS (the “**Code**”), all marketing, promotional and advertising expenses in relation to the Fund will be borne by the Managers and not charged to the assets of the Fund.

9. Risks

9.1 General risks

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, credit risks of issuers, foreign exchange risks, repatriation risks, political risk, liquidity risks and derivatives risks.

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 accruing from the Units, may fall or rise and that investors may not get back their original investment.

9.2 Specific risks

9.2.1 Market Risk

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

9.2.2 Foreign Exchange Risk

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

9.2.3 Political Risk

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

9.2.4 Derivatives Risk

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

Risk management procedures of the Managers

- (a) The Managers may use financial derivative instruments for the purposes of hedging existing positions in a portfolio or efficient portfolio management.
- (b) The Managers will ensure that the exposure of the Fund to financial derivative instruments will not at any time exceed 100% of the Value of the Deposited Property of the Fund. Such exposure will be calculated by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.
- (c) Description of risk management and compliance procedures and controls adopted by the Managers:
 - (i) The Managers will implement various procedures and controls to manage the risk of the assets of the Fund. The decision to invest in any particular security or instrument on behalf of the Fund will reflect the Managers' judgment of the benefit of such transactions to the Fund and will be consistent with the Fund's investment objectives in terms of risk and return.
 - (ii) *Execution of Trades.* Prior to each trade, the Managers will ensure that the intended trade will comply with the stated investment 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, Middle Office is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.

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

9.2.5 Liquidity Risk

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 such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and the lack of liquidity which are inherent characteristics of these Asian and/or emerging markets.

9.2.6 Small Capitalisation Companies Risk

Investments in small capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity. The result may be greater volatility in the share prices.

9.2.7 Single Country, Sector and Regional Risk

Investments in single country, sector or regional funds may present greater opportunities and potential for capital appreciation, but may be subject to higher risks as they may be less diversified than a global portfolio.

9.2.8 Interest Rate Risks

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

The above should not be considered to be an exhaustive list of the risks which investors should consider before investing in 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

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

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

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

Investors wishing to use their SRS monies to purchase Units shall indicate so on the application form. Further, the application form contains the investor’s instructions to the SRS operator bank to withdraw from the investor’s SRS account the purchase 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 receiving full payment in cleared funds.

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

10.2 Minimum Initial Subscription Amount and Minimum Subsequent Subscription Amount

The minimum initial subscription amount is S\$1,000 or its equivalent in US dollars or such other currency at the applicable rate of exchange as the Managers may decide and the minimum subsequent subscription amount is S\$500 or its equivalent in US dollars or such other currency as the Managers may decide.

10.3 Dealing deadline and pricing basis

10.3.1 Dealing deadline

The dealing deadline is 3 p.m. Singapore time on any Dealing Day⁴ (the “**Dealing Deadline**”). For applications received and accepted by the Managers or any agent or distributor appointed by the Managers by the Dealing Deadline, Units will be issued at the issue price for that Dealing Day. For applications received and accepted by the Managers after the Dealing Deadline on any Dealing Day or on a day not being a Dealing Day, Units will be issued at the issue price for the next Dealing Day.

⁴ “**Dealing Day**”, in connection with the issuance, cancellation and realisation of Units means every Business Day or such other day or days at such intervals as the Managers may from time to time determine with the prior consultation of the Trustee Provided That reasonable notice of any such determination shall be given by the Managers to all Holders at such time and in such manner as the Trustee may approve. Provided That if on any day which would otherwise be a Dealing Day the Recognised Stock Exchange or OTC Market on which investments of the Fund having in aggregate values amounting to at least 50 per cent. of the value of the deposited property (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.

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

10.3.2 Pricing basis

- (i) As Units are issued on a forward pricing basis, the issue price cannot be calculated at the time of application. In buying Units, an investor pays a fixed amount of money, e.g., S\$1,000, which will buy the investor the number of Units (including fractions of a Unit) obtained from dividing S\$1,000 by the issue price when it has been ascertained later.
- (ii) The issue price per Unit shall be ascertained by calculating the Value (as described in paragraph 21.7) as at the Valuation Point⁵ in relation to the Dealing Day on which such issue occurs of the proportion of the Deposited Property represented by one Unit, truncated to three decimal places (or such other method of rounding or number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if so required, charge a Subscription Fee which is deducted from the total amount paid by the investor for the subscription of Units (the “**Gross Investment Amount**”), and the resultant amount (the “**Net Investment Amount**”) will be applied towards the subscription of Units. The Subscription Fee shall be retained by the Managers for their own benefit and the amount of the adjustment shall be retained by the Fund. The Trustee shall be under no obligation to check the calculation of the amount payable in connection with any issue of Units pursuant to Clause 10 of the Deed but shall be entitled at any time to require the Managers to justify the same.
- (iii) If the Trustee determines (after consultation with the Managers) that it would be detrimental to existing Holders for the Managers to issue or continue to issue Units at a price based on the Value of the Deposited Property of the Fund as described in paragraph 10.3.2(ii) above then the Trustee shall instruct the Managers to substitute such value with the fair value as determined according to the provisions of the Deed. The Trustee may instruct the Managers temporarily to suspend the issue of Units during any period of consultation or adjustment arising from the provisions of this paragraph 10.3.2(iii).
- (iv) 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 with both Singapore dollars and US dollars and will quote the issue price in Singapore dollars and its equivalent in US dollars at the applicable rate of exchange. In future, the Managers may accept the purchase of Units in any other foreign currency and will quote the issue price in such currency at the applicable rate of exchange.

⁵ “**Valuation Point**” means 7.00 a.m. Singapore time on the day following the relevant Dealing Day on which the value of the deposited property is to be determined or such other time as the Managers may with the prior approval of the Trustee determine and the Managers shall inform the Holders of such change if required by the Trustee.

10.4 Numerical example of how Units are allotted:

The following is an example of the number of Units an investor will acquire based on a Gross Investment Amount of S\$1,000.00, a notional issue price of S\$1.000 and cash Subscription Fee of 5%:

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 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 income from them may go down as well as up. Investors should read the Prospectus before investing.

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

10.5 Confirmation of purchase and minimum fund size

A confirmation note detailing the investment amount and the number of Units allocated to an investor will be sent to the investor within five Business Days from the date of issue of Units for cash applications and within eleven Business Days from the date of issue of Units for SRS applications. Units will not be issued until subscription monies have been received by the Trustee.

The Managers have the discretion to terminate the Fund if the aggregate Value of the Deposited Property shall be less than S\$5,000,000 on any date.

10.6 Cancellation of Initial Subscription of Units by Investors

Subject to the provisions of the Deed and to the terms and conditions for cancellation of subscription in the cancellation form to be provided together with the application form for Units, every Holder shall have the right by notice in writing delivered to the Managers or their authorised agents or distributors to cancel his subscription for Units within seven 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 MAS) from the date of his subscription.

A Holder may choose to realise his Units under paragraph 12 of this Prospectus 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 10.6 if he chooses to realise his Units (i.e. there will be no refund of the Subscription Fee and the prevailing Realisation Charge, if any, as may be imposed) and the realisation proceeds may be lower than the cancellation proceeds if the appreciation in the value of the Units is less than the Subscription Fee and the prevailing Realisation Charge, if any, as may be imposed.

Investors should refer to the terms and conditions for cancellation of subscription attached to the cancellation form before purchasing Units.

11. Regular Savings Plan

The Managers may in their discretion implement a scheme for monthly investment in Units on the following basis. 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 such other number of Units as may be determined by the Managers) before embarking on a regular savings plan (“**RSP**”). The Holder may opt to invest a minimum sum of S\$100 (or such other amount as may be determined by the Managers) on a fixed day per month or S\$500 (or such other amount as may be determined by the Managers) on a fixed day per quarter through GIRO payment.

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

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

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

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

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

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

12. Realisation of Units

12.1 Realisation procedure

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

12.2 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 1,000 Units or the number of Units which were or would have been purchased for S\$1,000 or its equivalent in US dollars or such other currency as the Managers may decide at the prevailing issue price at the time of the Holder's initial subscription or purchase of Units (or such other number of Units or amount as may from time to time be determined by the Managers either generally or in any particular case or cases upon giving prior written notice to the Trustee and as permitted by the MAS) rounded down to two decimal places.

12.3 Dealing deadline and pricing basis

12.3.1 Dealing deadline

For requests received and accepted by the Managers or any agent or distributor appointed by the Managers by the Dealing Deadline on any Dealing Day, Units will be realised at the realisation price for that Dealing Day. For requests received and accepted by the Managers after the Dealing Deadline on any Dealing Day or on a day not being a Dealing Day, Units will be realised at the realisation price for the next Dealing Day.

12.3.2 Pricing basis

- (i) Units are realised on a forward pricing basis. Therefore, the realisation price cannot be calculated at the time of request.
- (ii) The realisation price per Unit shall be the price per Unit ascertained by the Managers by calculating the Value 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 represented by one Unit, truncated to three decimal places (or such other method of rounding or number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if so required, charge a Realisation Charge which is deducted from the total amount payable to the investor in respect of the realisation of Units (the "**Gross Realisation Proceeds**"), and the resultant

amount (the “**Net Realisation Proceeds**”) will be paid to the investor. The Realisation Charge shall be retained by the Managers and the amount of the adjustment aforesaid shall be retained by the Fund.

- (iii) Currently, no Realisation Charge is imposed.
- (iv) If the Trustee determines (after consultation with the Managers) that it would be detrimental to remaining Holders to realise or continue to realise Units at a price ascertained on the basis of the Value of the Deposited Property of the Fund as described in paragraph 12.3.2(ii) above, then the Trustee shall instruct the Managers either to substitute such value with the fair value as determined according to the provisions of the Deed or the Trustee may instruct the Managers temporarily to suspend the realisation of Units during any period of consultation or adjustment arising from the provisions of this paragraph 12.3.2(iv).
- (v) The Managers shall be entitled to convert the realisation price to a foreign currency at the applicable rate of exchange. The cost of the currency exchange, if any, will be borne by the investor. Currently, the Managers accept the purchase of Units with both Singapore dollars and US dollars and will quote the realisation price in Singapore dollars and its equivalent in US dollars at the applicable rate of exchange. In future, the Managers may permit the realisation of Units in any other foreign currency and will quote the realisation price in such currency at the applicable rate of exchange.
- (vi) For the avoidance of doubt, should a realisation request for any Units be received by the Managers prior to the receipt of the subscription monies in respect of such Units, the Managers may refuse to realise such Units until the Business Day following that upon which the subscription monies in respect of such Units have been received by the Trustee.

12.4 Numerical example of calculation of realisation proceeds

The net realisation proceeds payable to an investor on the realisation of 1,000 Units, and on a notional realisation price of S\$0.950, will be calculated as follows:

1,000 Units	x	S\$0.950	=	S\$950.00
Your realisation request		Realisation price		Gross realisation proceeds
S\$950.00	-	S\$0.00	=	S\$950.00
Gross realisation proceeds		Realisation charge (0%)		Net realisation proceeds

The above example is for illustrative purposes only and is purely hypothetical and is not a forecast or indication of any expectation of performance.

12.5 Payment of realisation proceeds

Realisation proceeds shall normally be paid by cheque or credited to the Holder's SRS account, as applicable, within six Business Days (or such other period as may be allowed by the MAS) in Singapore of the Dealing Day following the receipt and acceptance of the realisation form by the Managers or their duly authorised agent or distributor unless the realisation of Units has been suspended in accordance with paragraph 15 of this Prospectus.

13. Switching of Units

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

14. Obtaining Prices of Units

14.1 The indicative issue price and realisation price will be published in The Straits Times, The Business Times, Lianhe Zaobao, Today, Teletext and such other foreign publication as the Managers may decide upon, and can also be obtained from the Managers' website at uobam.com.sg 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 issue price and realisation price quoted will generally be published two Business Days after the relevant Dealing Day in Singapore dollars.

14.2 Investors should note that the frequency of the publication of the prices is dependent on the publication policies of the publisher concerned. Save for publications of the Managers, the Managers do not accept 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.

15. Suspension of Dealing

15.1 The Managers may, with the prior written approval of the Trustee, suspend the issue and realisation of Units during:

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

- (iii) 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 (including any period when the fair value of a material portion of the Authorised Investments cannot be determined);
- (iv) any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers, be carried out at normal rates of exchange;
- (v) 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);
- (vi) any period where dealing of Units is suspended pursuant to any order or direction of MAS; or
- (vii) 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, revolution, civil unrest, riots, strikes or acts of God.

15.2 Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers (or, as the case may be, to the Managers by the Trustee) and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph 15 shall exist upon the declaration in writing thereof by the Managers (or, as the case may be, by the Trustee).

16. Performance of the Fund

16.1 Past performance of the Fund and its benchmark as of 31 March 2009

	Average Annual Compounded Return			
	One Year	Three Year	Five Year	Since Inception⁶
NAV-NAV ⁷	-28.71 %	-8.17 %	-2.15 %	-4.64 %
NAV-NAV ⁸	-32.27 %	-9.72 %	-3.15 %	-5.15 %
Benchmark ⁹	-26.93 %	-4.86 %	-0.60 %	-6.19 %

* Source: Lipper, a Thomson Reuters Company

The benchmark of the Fund is the MSCI ACWI Telecoms.

⁶ Inception date is 16 August 1999.

⁷ Calculated in S\$ on a NAV-to-NAV basis as at 31 March 2009, with all dividends and distributions reinvested (net of reinvestment charges). Figures over the last one year show the percentage change, while figures for more than one year show the average annual compounded return.

⁸ Calculated in S\$ on a NAV-to-NAV basis as at 31 March 2009, taking into account the subscription fee, with all dividends and distributions reinvested (net of reinvestment charges). Figures over the last one year show the percentage change, while figures for more than one year show the average annual compounded return.

⁹ Formerly known as MSCI All Countries World Index (ACWI) Telecoms Index. Performance is calculated in S\$ as of 31 March 2009. Performance figures over the last one year show the % change, while the performance figures exceeding one year show the average annual compounded return.

The past performance of the Fund is not necessarily indicative of the future performance of the Fund.

16.2 Expense ratio

The expense ratio for the Fund for the financial year ending December 2008 is 2.08%¹⁰.

16.3 Turnover ratio

The turnover ratio for the Fund for the financial year ending December 2008 is 26.77%¹¹.

17. Soft Dollar Commissions/Arrangements

17.1 The Managers may from time to time receive or enter into soft-dollar commissions or arrangements in the management of the Fund. The soft-dollar commissions or arrangements which the Managers may receive or enter into include specific advice as to the advisability of dealing in, or of the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services and 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, the conduct of research and the analysis in relation to the investments managed for the clients.

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

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

¹⁰ 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 figures in the Fund's latest audited accounts. The following expenses as set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:

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

¹¹ The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage over the average net asset value, i.e., average daily net asset value over the same period used for calculating the expense ratio.

- 17.4 The Managers will only accept soft dollar commissions or arrangements in accordance with applicable regulatory requirements and industry standards.
- 17.5 The Managers do not, and are not entitled to, retain cash rebates for their own account in respect of rebates earned when transacting in securities on account of the Fund.

18. 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:

- Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- All investment ideas are shared equally among fund managers.
- The Managers subscribe to the Code of Ethics and the Standards of Professional Conduct as prescribed by the Chartered Financial Analyst Institute (“**CFA Institute**”) in U.S.A. CFA Institute is the primary professional organisation for security analysts, investment managers and others who are involved in the investment decision-making process. All Certified Financial Analyst charter holders of CFA Institute and candidates who are in pursuit of the charter, including those from Singapore, are expected to comply with CFA Institute standards. The Code of Ethics and the Standards of Professional Conduct are in place to ensure high ethical and professional standards of the investment professionals as well as fair treatment to the investing public.
- In addition, despite the possible overlap in the scope of investments, none of the funds are identical to one another and investment decisions are made according to the individual risk return characteristic of the fund.
- Most importantly, the Managers’ usual fair and unbiased practice is to allocate investment between various funds which place the same orders simultaneously on a pro rata basis. However, should any potential conflict 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.

The Managers and the Trustee shall conduct all transactions for and on behalf of the Fund at arm’s length.

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

19. Reports

Financial year-end and distribution of reports and accounts

The financial year-end for the Fund is 31 December. The annual report, annual accounts, and the auditors' report on the annual accounts will be prepared and sent to Holders within three months of the financial year-end (or such other period as may be permitted by the MAS). The semi-annual report and semi-annual accounts will be prepared and sent to Holders within two months of the financial half-year end, i.e., 30 June (or such other period as may be permitted by the MAS).

20. Queries and Complaints

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

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

21. Other Material Information

21.1 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.

21.2 Information on investments

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

21.3 Distribution of income and capital

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 relevant period at such time and in accordance with such method of calculations as the Trustee and Managers may agree having regard to the provisions of the Deed.

21.4 Exemptions from liability

21.4.1 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.

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

21.4.3 Neither the Trustee nor the Managers shall be responsible for any authenticity of any signature or of any seal affixed to any endorsement on any certificate or to any transfer or form of application, endorsement or other document affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Managers respectively shall nevertheless be entitled but not bound to require that the signature of any person to any document required to be signed by him under or in connection with the Deed shall be verified to its or their reasonable satisfaction.

21.4.4 The Trustee may act upon any advice of or information obtained from the Managers or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information provided the Trustee has acted in good faith. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant,

broker, lawyer, agent or other person as aforesaid or of the Managers. Any such advice or information may be obtained or sent by electronic mail, letter, telegram, telex or facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such electronic mail, letter, telegram, telex or facsimile although the same contains some error or is not authentic.

21.4.5 The Trustee shall not be under any liability on account of anything done or suffered to be done by the Trustee in good faith in accordance with or in pursuance of any request or advice of the Managers or the delegates or distributors appointed by the Managers. Whenever pursuant to any provision of the Deed, any certificate, notice, instruction or other communication is to be given by the Managers (or the delegates or distributors appointed by the Managers) to the Trustee the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Managers (or the relevant delegate or distributor) by any one person whose signature the Trustee is for the time being authorised by the Managers (or as the case may be, by the relevant delegate or distributor) under their common seal to accept and may act on verbal, electronic and telefacsimile instructions given by authorised officers of the Managers (or the relevant delegate or distributor) specified in writing by the Managers (or as the case may be, by the relevant delegate or distributor) to the Trustee.

21.4.6 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.

21.5 Investment restrictions

The investment guidelines for non-specialised funds issued by the MAS under Appendix 1, Annex 1a and Annex 1b to the Code, which guidelines may be amended from time to time, shall apply to the Fund.

21.6 Holders' right to vote

A meeting of Holders duly convened and held in accordance with the provisions of the Schedule of the Deed shall be competent by Extraordinary Resolution¹²:

- (i) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 37 of the Deed;
- (ii) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee or the remuneration of the Trustee;
- (iii) to terminate the Fund as provided in Clause 34(F) of the Deed;
- (iv) to remove the Auditors as provided in Clause 30(D) of the Deed;
- (v) to remove the Trustee as provided in Clause 31(C)(iv) of the Deed;
- (vi) to remove the Managers as provided in Clause 32(A)(v) of the Deed; and
- (vii) to direct the Trustee to take any action (including the termination of the Fund) pursuant to Section 295 of the SFA,

but shall not have any further or other powers.

21.7 Valuation

21.7.1 The Value, except where otherwise expressly stated in the Deed and subject always to the requirements of the Code, with reference to any Authorised Investment which is:

- (i) a Quoted Investment, shall be calculated, as the case may be, by reference to the official closing price, the last known transacted price or the last transacted price (or with the approval of the Trustee, the last bid price) on such Recognised Stock Exchange or OTC Market as at the Valuation Point in respect of the relevant Dealing Day (or at such other time as the Managers may from time to time after consultation with the Trustee and the Managers shall inform the Holders of such change if required by 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 shall appoint for the purpose) may in their absolute discretion select any one of such Recognised Stock Exchange or OTC Market for the foregoing purposes and, if there be no such official closing price, last known transacted price or last transacted

¹² An "Extraordinary Resolution" means a resolution proposed and passed as such by a majority consisting of seventy-five per cent. or more of the total number of votes cast for such resolution by Holders present and voting whether personally or by proxy.

price, the Value shall be calculated by reference to the last available prices quoted by responsible firms, corporations or associations on a Recognised Stock Exchange or an OTC Market at the Valuation Point in respect of the relevant Dealing Day on which the Net Asset Value is to be determined (or at such other time as the Managers may from time to time after consultation with the Trustee determine);

- (ii) an Unquoted Investment, shall be calculated by reference to, where applicable, (1) the initial value thereof being the amount expended in the acquisition thereof; (2) 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 particular market maker as the Managers may designate), as may be determined by the Managers to represent the fair value of such investment; or (3) 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, and 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;
- (iii) 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, any adjustment should be made to reflect the value thereof;
- (iv) a unit or share in a unit trust or mutual fund or collective investment scheme shall be valued at the latest published or available net asset value per unit or share, or if no net asset value per unit or share is published or available, then at their latest available realisation price; and
- (v) an investment other than as described above, shall be valued by a person approved by the Trustee as qualified to value such an investment 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 (i), (ii), (iii), (iv) and (v) above are not available, or if the value of the Authorised Investment determined in the manner described in (i), (ii), (iii), (iv) or (v) above, in the opinion of the Managers is not representative, then the Value shall be such value as the Managers may with due care and in good faith consider in the circumstances to be fair value and is approved by the Trustee and the Managers shall inform the Holders of such change if required by the Trustee. For the purposes of this proviso, the "fair value" shall be determined by the Managers in consultation with a stockbroker or an approved valuer and with the approval of the Trustee, in accordance with the Code.

The Managers may, to the extent permitted by the MAS, and subject to the prior approval of the Trustee, change the method of valuation as provided in this paragraph 21.7.1 and the Trustee shall determine if the Holders should be informed of such change.

In exercising in good faith the discretion given by the proviso above, the Managers shall not, subject to the provisions of the Code and any other applicable law, assume any liability towards the Fund, and the Trustee shall not be under any liability in accepting the opinion of the Managers, notwithstanding that the facts may subsequently be shown to have been different from those assumed by the Managers.

21.7.2 The Value of the Deposited Property or any proportion thereof shall be calculated in accordance with Clause 1(A) of the Deed, which includes the following adjustments:

- (a) every Unit agreed to be issued by the Managers shall be deemed to be in issue and the Deposited Property shall be deemed to include not only cash or other assets in the hands of the Trustee but also the value of any cash, accrued interest on bonds or interest-bearing instruments or other assets to be received in respect of Units agreed to be issued after deducting therefrom or providing thereout the Subscription Fee and (in the case of Units issued against the vesting of Authorised Investments) any moneys payable out of the Deposited Property pursuant to Clause 10 of the Deed;
- (b) where Authorised Investments have been agreed to be purchased or otherwise acquired or sold but such purchase, acquisition or sale has not been completed, such Authorised Investments shall be included or excluded and the gross purchase, acquisition or net sale consideration excluded or included as the case may require as if such purchase, acquisition or sale had been duly completed;
- (c) where in consequence of any notice or request in writing given pursuant to Clause 12, 12A or 13 of the Deed a reduction of the Fund by the cancellation of Units is to be effected but such reduction has not been completed the Units in question shall not be deemed to be in issue and any amount payable in cash and the value of any Authorised Investments to be transferred out of the Deposited Property after deducting therefrom or providing thereout the Realisation Charge (if any) in pursuance of such reduction shall be deducted from the Value of the Deposited Property;
- (d) there shall be deducted on a proportionate basis any amounts not provided for above which are payable out of the Deposited Property including:
 - (i) any amount of the management fee, the setting-up fee, the remuneration of the Trustee and any other expenses accrued but remaining unpaid;

- (ii) the amount of tax, if any, on capital gains (including any provision made for unrealised capital gains) accrued up to the end of the last accounting period and remaining unpaid;
 - (iii) the amount in respect of tax, if any, on net capital gains realised during a current accounting period prior to the valuation being made as in the estimate of the Managers will become payable;
 - (iv) the aggregate amount for the time being outstanding of any borrowings effected under Clause 16(C) of the Deed together with the amount of any interest and expenses thereon accrued pursuant to Clause 16(C)(v) of the Deed and remaining unpaid; and
 - (v) all such costs, charges, fees and expenses as the Managers may have determined pursuant to the provisions of the Deed;
- (e) there shall be taken into account such sum as in the estimate of the Managers will fall to be paid or reclaimed in respect of taxation related to Income up to the time of calculation of the Value of the Deposited Property;
 - (f) there shall be added the amount of any tax, if any, on capital gains estimated to be recoverable and not received;
 - (g) any Value (whether of an Authorised Investment, cash or a liability) otherwise than in dollars and any non-dollar borrowing shall be converted into dollars at the rate (whether official or otherwise) which the Managers shall after consulting with or in accordance with a method approved by the Trustee deem appropriate to the circumstances having regard inter alia to any premium or discount which may be relevant and to the costs of exchange;
 - (h) where the current price of an Authorised Investment is quoted “ex” dividend, interest or other payment but such dividend, interest or other payment has not been received the amount of such dividend, interest or other payment shall be taken into account; and
 - (i) there shall be taken into account such estimated sum approved by the Trustee as in the opinion of the Managers represents provision for any nationalisation, expropriation, sequestration or other restriction relating to the Deposited Property,

provided that the Managers may, to the extent permitted by the MAS and subject to the prior approval of the Trustee, change the method of valuation provided in this paragraph 21.7.2, and the Trustee shall determine if the Holders shall be informed of such change.

21.8 Termination of the Fund

21.8.1 Subject to Section 295 of the SFA, the Fund may be terminated:

- (i) either by the Trustee or the Managers in their absolute discretion by not less than six months' notice in writing to the other given so as to expire at the end of the accounting period current at the end of the fifth year after the date of the Deed or any year thereafter. Either the Trustee or the Managers shall be entitled by notice in writing as aforesaid to make the continuation of the Fund beyond any such date conditional on the revision to its or their satisfaction at least three months before the relevant date of its or their remuneration under the Deed. In the event that the Fund shall fall to be terminated or discontinued the Managers shall give notice thereof to all Holders not less than three months in advance;
- (ii) by the Trustee by notice in writing:
 - (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 MAS which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund; and
 - (c) if within the period of three months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of Clause 31 of the Deed;
- (iii) by the Managers in their absolute discretion by notice in writing:
 - (a) on the third anniversary of the date of the Deed or on any date thereafter if on such date the aggregate Value of the Deposited Property shall be less than S\$5,000,000; or
 - (b) if any law shall be passed, any authorisation withdrawn or revoked or any direction issued by the MAS which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Fund; and
- (iv) at any time after five years from the date of the Deed 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.

21.8.2 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 three months after the service of such notice and the Managers shall give written notice to the MAS not less than seven days (or such other period as may be permitted by the MAS) before such termination.

21.8.3 The Trustee may (with the consent of the Managers) remove the Fund to the jurisdiction of a country other than Singapore, if it appears to the Trustee to be beneficial to the Fund and in the interests of the Holders to do so. The circumstances in which the Trustee may exercise its discretion hereunder are limited to the outbreak of war or grave civil unrest threatening the safe maintenance of the banking system or securities market in Singapore.

发售计划说明书

大华全球电信基金

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