

31 May 2019

Dear Unitholder

**UNITED EUROPEAN SMALL AND MID CAP FUND  
CHANGES TO UNDERLYING FUND**

Thank you for investing in the United European Small and Mid Cap Fund (the "**Fund**").

We, UOB Asset Management Ltd (the "**Managers**"), the managers of the Fund, are writing to inform you of changes in respect of the Fund's underlying fund, presently Amundi Funds II - European Potential (the "**Underlying Fund**"), a sub-fund of Amundi Funds II.

Merger of the Underlying Fund with the Target Sub-Fund

We have been informed by the management company of Amundi Funds II, Amundi Luxembourg S.A. (the "**Management Company**"), that following the merger of Pioneer Investments with the Amundi group in July 2017, the sub-funds of Amundi Funds II will be consolidated into sub-funds of Amundi Funds. In this regard, the Underlying Fund will merge with **Amundi Funds European Equity Small Cap** (the "**Target Sub-Fund**"), a sub-fund of Amundi Funds, on 7 June 2019 (the "**Merger Date**").

We set out below some of the salient terms of the merger as notified by the Management Company:

- 1) The fund merger will be carried out in compliance with applicable Luxembourg law, the management regulations of Amundi Funds II and the articles of association of Amundi Funds. The costs and expenses of the merger will be borne by the Management Company except banking and transaction related costs.
- 2) On the Merger Date, the Underlying Fund will transfer all its assets and liabilities to the Target Sub-Fund. As a consequence, the Underlying Fund will cease to exist. In exchange for units of the Underlying Fund, the Fund will receive shares of the Target Sub-Fund. No cash payment will be made as part of the exchange of units of the Underlying Fund into shares of the Target Sub-Fund.
- 3) To facilitate the merger process on the Merger Date, the Underlying Fund will stop accepting orders to redeem, subscribe or switch units from 6 p.m. (Luxembourg time) on 4 June 2019 ("**Cut-Off time**").
- 4) Both the Underlying Fund and Target Sub-Fund have the same management company (Amundi Luxembourg S.A.) and investment manager (Amundi SGR S.p.A). The Management Company does not anticipate any substantial increase in the level of fees and expenses following the merger with the Target Sub-Fund.
- 5) A summary of the main differences between the Underlying Fund and the Target Fund is set out in the Annex.

Impact of the fund merger to the Fund

With effect from the Merger Date, the Target Sub-Fund will become the Fund's new underlying fund. For the avoidance of doubt, there is no change to the investment objective of the Fund.

In view of paragraph 3 above, the Fund will not be able to redeem or subscribe for units in the Underlying Fund from the Cut-off time. **We have therefore decided to declare a fund holiday from 3 June 2019 to**

**10 June 2019 (both days included). During this period, units in the Fund will not be valued and subscriptions, realisations and switches will not be accepted or processed.**

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The above will be reflected in a replacement prospectus to the registered prospectus of the Fund to be lodged with the Monetary Authority of Singapore as soon as practicable. After the lodgment of the replacement prospectus, you may obtain a copy of it from us, any of our authorised agents or distributors, or from our website at [uobam.com.sg](http://uobam.com.sg).

**This notice is for your information only. These changes have no effect on your current holding of units in the Fund.**

We offer the following options for your consideration as a unitholder of the Fund:

**Option 1: Continue to hold your Units**

If you choose to continue holding your Units, **no further action is required** from you.

**Option 2: Switch your Units**

You may choose to switch your units in the Fund ("Units") (at the prevailing net asset value per Unit) to units in any other authorised collective investment scheme managed by us (each a "UOBAM Fund" and collectively, the "UOBAM Funds"), subject to the provisions on switching of units in the trust deed and the prospectus of the Fund, and the trust deed and prospectus of the relevant UOBAM Fund you wish to switch into.

Applications for switching of Units may be made by submitting the relevant form to any of our authorised agents or distributors through whom your Units were originally purchased.

If you maintain an account directly with us (and not through one of our authorised agents or distributors), please contact us at our number set out at the end of this letter by **19 June 2019**, so that your account can be transferred to one of our authorised agents or distributors to effect the switching of your Units in a timely manner.

There will be no switching fee imposed if you switch your Units between **11 June 2019 and 28 June 2019** (both dates inclusive). For the avoidance of doubt, please note that any switching of Units after **28 June 2019** may be subject to the payment of a switching fee. Please note that you may not switch your Units to units in any UOBAM Fund which are denominated in a different currency from your Units.

If you had invested in the Sub-Fund using your SRS monies, please note that you can only switch your Units to units in a UOBAM Fund which are available for investment using SRS monies.

*This notice is not to be construed as an offer of units in any UOBAM Fund and does not constitute investment advice or a recommendation on any investment. Before deciding whether to switch your Units to units in any of the UOBAM Funds, you should read the prospectus and product highlights sheet of the relevant UOBAM Fund carefully and consult your financial adviser(s) to help you assess the suitability of the relevant UOBAM Fund. Electronic copies of the prospectuses and product highlights sheets of the UOBAM Funds are available at <http://www.uobam.com.sg>, and hard copies*

*may be obtained from us or any of our authorised agents or distributors.*

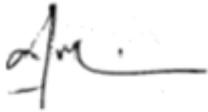
**Option 3: Realise your Units**

You may realise your Units by submitting a completed realisation form to any of our authorised agents or distributors from whom you purchased your Units or (if you maintain an account directly with UOBAM) to us. Please note that the realisation of your Units is subject to the provisions of the trust deed of the Fund. Currently, there is no realisation charge imposed for realisations of Units.

Please note that if you choose either Option 2 or Option 3, your SRS operator bank (where applicable), may charge you a fee at the prevailing prescribed rate for the processing of any transaction involving SRS monies.

We look forward to your continued support. Should you have any queries, please call our hotline number at 1800 222 2228 from 8 a.m. to 8 p.m. daily (Singapore time) or email us at [uobam@uobgroup.com](mailto:uobam@uobgroup.com).

Yours sincerely



Faizal Gaffoor  
Chief Marketing Officer

## Annex

Amundi Funds II – European Potential	Amundi Funds European Equity Small Cap
<b>Legal structure</b>	
The Underlying Fund is a sub-fund of Amundi Funds II, an open-ended mutual investment fund ( <i>fonds commun de placement</i> ) domiciled in, and governed by the laws of, Luxembourg.	<b>The Target Sub-Fund is a sub-fund of Amundi Funds, an open-ended investment company organised as a société anonyme and qualifying as a société d'investissement à capital variable (SICAV) established in and governed by the laws of Luxembourg.</b>
<b>Objective</b>	
Seeks to increase the value of your investment over the recommended holding period (5 years).	Seeks to increase the value of your investment over the recommended holding period (i.e. 5 years).
<b>Investment policy</b>	
<p>The Sub-Fund invests mainly in a broad range of equities of small cap companies that are based in, or do most of their business in Europe. The Sub-Fund defines small cap companies as those that, at the time of purchase, are within the market capitalization range of the MSCI Europe Small Companies Index. The Sub-Fund will invest at least 75% in equities issued by companies having their head office in the EU. The Sub-Fund may invest up to 10% of its assets in other UCIs and UCITS.</p> <p>The Sub-Fund may use derivatives to reduce various risks or for efficient portfolio management.</p>	<p>The Sub-Fund invests mainly in a broad range of equities of small cap companies that are based in, or do most of their business in Europe. The Sub-Fund defines small cap companies as those that, at the time of purchase, are within the market capitalization range of the MSCI Europe Small Companies Index. The Sub-Fund will invest at least 75% in equities issued by companies having their head office in the EU. The Sub-Fund may invest up to 10% of its assets in other UCIs and UCITS.</p> <p>The Sub-Fund makes use of derivatives to reduce various risks, for efficient portfolio management <b>and as a way to gain exposure (long or short) to various assets, markets or other investment opportunities (including derivatives which focus on equities).</b></p>
<b>Risk management method</b>	
Relative VaR	Commitment
<b>Risk reference portfolio</b>	
MSCI Europe Small Cap Index	Not applicable
<b>Maximum expected leverage</b>	
50%	110%
<b>Exposure to Securities Financing Transactions</b>	
<p>Expected: 0%</p> <p>Maximum: 0%</p>	<p>Expected: 5%</p> <p>Maximum: 90%</p>