

## Announcement of Annual Payout of PRU 3PLUS

To: Valued Investors of PRU 3Plus

Thank you for your subscription to PRU 3Plus (the "Fund").

The investment objective of the Fund is to seek to provide investors with:

- (i) principal repayment on the Maturity Date<sup>1,2</sup> (as defined below); and
- (ii) a payout<sup>1</sup> of 3.2%<sup>^</sup> of the Initial Offer Price per Unit held by each Holder as at each Anniversary Date

<sup>^</sup> Payout of PRU 3Plus was increased from 3% as stated in the prospectus to 3.2%.

"Maturity Date" means 20 August 2011 (or if such date does not fall on a Business Day, the next Business Day).

"Anniversary Date" means 20 August 2009, 20 August 2010 (or if such dates do not fall on a Business Day, the next Business Day) and the Maturity Date.

We are pleased to announce that for the second year from the Fund's inception, the annual payout will be made at 3.2% of the Initial Offer Price per unit held by each holder as at 20 August 2010.

This notice has been provided for your information only. Should you have any queries on the above, please do not hesitate to contact us at 6317 9618 or any of our appointed distributors for clarification.

Thank you and we look forward to your continued support.

Prudential Asset Management (Singapore) Limited

## FOOTNOTES:

1. The potential principal repayment on maturity date and the intended payouts are provided for by debt securities and derivative transactions employed as part of the investment approach of the Fund and not backed by a guarantee. Investors may lose part or all of their investment in the Fund in the event, amongst others, there is a downgrade of the debt securities, default by the issuers of the debt securities, a default of the swap counterparty to the derivative transactions, an early redemption of the note(s), or credit events/trading actions resulting in cumulative losses that exceed the initial loss protection level (as defined in the portfolio credit default swap agreement). As such, **there is no guarantee that any payout will be made or that the frequency and amount of payout as set out in the prospectus will be met or the principal may be repaid at maturity date. The value of units and the income accruing to the units in the Fund, if any, may fall or rise. A payout made is not in any way a forecast, indication or projection of the future or likely performance of the Fund. The making of a payout shall not be taken to imply that further payouts will be made. Investors should note that the amount of payouts may vary.** Please refer to the prospectus relating to the Fund for more details on the risks of investing in the Fund. The information provided by Prudential Asset Management (Singapore) Limited ("PAMS") does not have any regard to the specific investment objective(s), financial situation or the particular needs of any person. Investors may wish to seek advice from a financial adviser on any concern about their investment.

2. The Fund aims to repay the principal to investors upon maturity. However, investors will have to hold their investments in the Fund for the entire investment tenure of 3 years before they may benefit from the principal repayment. If investors realise their units before the Fund matures, the realisation price will be based on the prevailing net asset value which can vary according to market fluctuations and may be substantially less than the principal value per unit on maturity.

Although the investment tenure of the Fund is intended for 3 years from its commencement date ("start date"), investors should note the risk of early termination of the Fund due to early redemption of the note(s) upon certain specified events occurring. Investors should also note the risk of the maturity date of 3 years from the start date being extended in the event that the maturity date of the note(s) is extended upon certain specified events occurring. Please refer to the prospectus relating to the Fund for more details on the risks of investing in the Fund.

## IMPORTANT INFORMATION:

The Fund is no longer available for subscription. Capitalised terms used which are not defined in this announcement bear the same meaning as that in the prospectus relating to the Fund.

Investments in the Fund are not deposits with or other obligations of, or guaranteed or insured by PAMS, Merrill Lynch International or any subsidiary or associate thereof, or by any distributor of the Fund. Please note that past performance of the Fund or PAMS is not necessarily indicative of the future or likely performance of the Fund or PAMS.

PAMS is an ultimately wholly-owned subsidiary of Prudential plc of the United Kingdom. PAMS and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.

## Contact details

**Prudential Asset Management (Singapore) Limited**

30 Cecil Street #20-01 Prudential Tower Singapore 049712

Tel: 6317 9618 Fax: 6536 3521

Website: [www.prufunds.com.sg](http://www.prufunds.com.sg) (Registration No. 199407631H)