

# UNITED EMERGING MARKETS PORTFOLIOS

United Emerging Markets Bond Fund  
United Emerging Markets Equity Fund  
United Emerging Markets Local  
Currency Bond Fund

P r o s p e c t u s



## **DIRECTORY**

### **MANAGERS**

UOB Asset Management Ltd  
(Company Registration Number: 198600120Z)

<i>Registered Address:</i>	<i>Operating Address:</i>
80 Raffles Place	80 Raffles Place
UOB Plaza	6th Storey
Singapore 048624	UOB Plaza 2
	Singapore 048624

### **Directors of the Managers**

Terence Ong Sea Eng  
Cheo Chai Hong  
Goh Yu Min  
Thio Boon Kiat

### **TRUSTEE / REGISTRAR**

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

*Registered Address:*  
21 Collyer Quay #10-02  
HSBC Building  
Singapore 049320

### **CUSTODIANS**

*United Emerging Markets Bond Fund:*  
State Street Bank and Trust Company  
One Lincoln Street  
Boston, MA 02111  
United States of America

*United Emerging Markets Equity Fund /  
United Emerging Markets Local Currency Bond Fund:*  
The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

### **AUDITORS**

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

### **SOLICITORS TO THE MANAGERS**

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

### **SOLICITORS TO THE TRUSTEE**

Drew & Napier LLC  
10 Collyer Quay #10-01  
Ocean Financial Centre  
Singapore 049315

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## IMPORTANT INFORMATION

UOB Asset Management Ltd (the “**Managers**”) accept full responsibility for the accuracy of the information contained in this Prospectus of **United Emerging Markets Portfolios** (the “**Fund**”) and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein misleading. Unless otherwise stated or the context otherwise requires, all terms not defined in this Prospectus have the same meanings as ascribed to them in the deed of trust dated 27 June 2001 (as amended) constituting and relating to the Fund (the “**Deed**”).

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

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and may only be used in connection with the offering of units (“**Units**”) in the sub-funds of the Fund (collectively, the “**Sub-Funds**” and each, a “**Sub-Fund**”) offered in this Prospectus as contemplated herein. This Prospectus may be supplemented or replaced from time to time to reflect material changes.

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 such laws and regulations in any relevant jurisdiction that may be applicable to them. No representation is made as to the tax status of the Fund or any Sub-Fund.

Investors should carefully consider the usual risks involved in investing and participating in collective investment schemes and the risks of investing in the Sub-Funds before making an investment decision. Details of the risks involved are set out in Part VIII of this Prospectus. Investors should note that their investments can be volatile and there can be no assurance that the Sub-Funds will be able to attain their objectives. The prices of Units as well as the income from them may go up as well as down to reflect changes in the value of the relevant Sub-Fund. An investment should only be made by those persons who can sustain losses on their investments. Investors should satisfy themselves of the suitability to them of an investment in the relevant Sub-Fund based on their personal circumstances.

No person, other than the Managers, has been authorised to issue any advertisements or to give any information, or to make any representations in connection with the offering, subscription or sale of Units, other than those contained in this Prospectus and, if issued, given or made, such advertisements, information or representations must not be relied upon as having been authorised by the Managers.

Investors should note that the Units are not listed on any stock exchange. Investors may subscribe for or realise their Units through the Managers or any of their authorised agents or distributors subject to the ultimate discretion of the Managers in respect of the subscription, sale, switching, conversion or realisation of an investor’s Units in accordance with and subject to the provisions in the Deed.

Applications may be made in other jurisdictions to enable Units of any Sub-Fund to be marketed freely in those jurisdictions.

All enquiries in relation to the Fund or the Sub-Funds should be directed to the Managers or their authorised agents or distributors.

# UNITED EMERGING MARKETS PORTFOLIOS

*The collective investment schemes offered pursuant to this Prospectus are sub-funds of the Fund and are each an authorised scheme constituted in Singapore under the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “Authority”). The Authority assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the Authority does not imply that the SFA, or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Sub-Funds. The meanings of terms not defined in this Prospectus can be found in the Deed.*

## I. BASIC INFORMATION

### 1. The Fund

This Prospectus relates to a Singapore constituted open-ended umbrella fund known as United Emerging Markets Portfolios. As at the date of this Prospectus, the Fund comprises the following Sub-Funds:

- (a) United Emerging Markets Bond Fund (“**EM Bond Fund**”);
- (b) United Emerging Markets Equity Fund (“**EM Equity Fund**”); and
- (c) United Emerging Markets Local Currency Bond Fund (“**EM LCY Bond Fund**”).

The Managers are presently offering for subscription Units in the Sub-Funds for such period as the Managers may decide from time to time.

### 2. Date of registration and expiry of Prospectus

The date of registration of this Prospectus with the Authority is 25 March 2015. This Prospectus is valid for 12 months after the date of registration (i.e., up to and including 24 March 2016) and shall expire on 25 March 2016.

### 3. Deed of Trust and Supplemental Deeds

The Fund is constituted as a unit trust by way of a deed of trust dated 27 June 2001 (the “**Principal Deed**”) and the parties to the Principal Deed are the Managers and RBC Dexia Trust Services Singapore Limited (now known as RBC Investor Services Trust Singapore Limited), the former trustee of the Fund.

The Principal Deed has been amended by the following supplemental deeds and amendment deeds (collectively, the “**Supplemental Deeds**”):

- (i) a First Supplemental Deed dated 26 June 2002;
- (ii) a First Amendment Deed dated 27 June 2003;
- (iii) a Second Amendment Deed dated 15 December 2004;
- (iv) a Third Amendment Deed dated 14 December 2005;
- (v) a Fourth Amendment Deed dated 17 October 2006;
- (vi) a Fifth Amendment Deed dated 29 June 2007;
- (vii) a Sixth Amendment Deed dated 12 October 2007;
- (viii) a Seventh Amendment Deed dated 10 October 2008;
- (ix) an Eighth Amendment Deed dated 29 May 2009;
- (x) a Ninth Amendment Deed dated 7 October 2009;

- (xi) a Tenth Amendment Deed dated 29 September 2010;
- (xii) a Supplemental Deed of Appointment and Retirement of Trustee dated 26 January 2011;
- (xiii) an Eleventh Amendment Deed dated 22 September 2011;
- (xiv) a Twelfth Amendment Deed dated 21 September 2012;
- (xv) a Thirteenth Amendment Deed dated 3 April 2013;
- (xvi) a First Supplemental Deed dated 18 July 2013; and
- (xvii) a Fourteenth Amendment Deed dated 1 April 2014.

The Principal Deed as amended by the Supplemental Deeds shall hereinafter be referred to as the “**Deed**”.

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

A copy of the Deed is available for inspection free of charge at the Managers’ operating office at 80 Raffles Place, 6<sup>th</sup> Storey UOB Plaza 2, Singapore 048624 during normal business hours (subject to such reasonable restrictions as the Managers may impose) and will be supplied by the Managers upon request at a charge not exceeding S\$25 per copy of the document (or such other amount as the Trustee and the Managers may from time to time agree).

#### 4. Semi-annual report and audited financial statement

Copies of the latest semi-annual and annual reports, semi-annual and annual accounts as well as the auditors’ report on the annual accounts relating to the Fund, where available, may be obtained from the Managers upon request at their operating office at 80 Raffles Place, 6<sup>th</sup> Storey, UOB Plaza 2, Singapore 048624 during normal business hours, subject to such reasonable restrictions as the Managers may impose.

## II. **THE MANAGERS, ITS DIRECTORS AND KEY EXECUTIVES**

### 5. The Managers

The Managers 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 United Overseas Bank Limited (“**UOB**”). Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 29 years. UOBAM is licensed and regulated by the Authority. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. UOBAM has two joint ventures: Ping An UOB Fund Management Company and UOB-SM Asset Management Pte Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 31 December 2014, UOBAM manages 52 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM’s investments team conducts independent and rigorous fundamental research within a proven investment process and framework. In equities, UOBAM’s team has acquired specialist skills in investment in global markets and major global sectors. It combines a disciplined research effort that aims to identify and invest in high performing businesses at the right price, with a systematic model portfolio construction process, to diversify sources of alpha to achieve more consistent performance over time. In fixed income, UOBAM’s coverage spans a wide spectrum comprising G10 government bonds, developed market corporate bonds, Asia sovereigns and corporates,

emerging market bonds and Singapore fixed income. In addition to independent research to uncover relative value opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

In addition, UOBAM is committed to achieving consistently good performance. Since 1996, UOBAM has won a total of 147 awards. These awards recognise not just excellence in UOBAM's investment performance across different markets and sectors, but also outstanding performance at the firm level.

As at 31 December 2014, UOBAM and its subsidiaries in the region have a staff strength of over 300 including about 50 investment professionals in Singapore.

The Managers are entitled to delegate certain or all of their duties. The Managers have delegated their administration and valuation functions in respect of each Sub-Fund to the administrator, whose details are set out in paragraph 7A below, and back office functions to UOB.

The Managers maintain professional indemnity insurance coverage which complies with the requirements under applicable laws, regulations and guidelines, or as directed by the Authority.

Please refer to the Deed for details on the Managers' role and responsibilities.

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

5A. Directors and key executives of the Managers

Terence Ong Sea Eng, Chairman and Executive Director

**Mr Terence Ong Sea Eng** is the Chairman and Executive Director of UOBAM. Mr Ong, who joined UOB in 1982, has overall responsibility for the management and growth of UOB's global treasury and fund management businesses. He holds a Bachelor of Accountancy from the then University of Singapore and has 30 years of experience in treasury services and operations.

Cheo Chai Hong, Director

**Mr Cheo Chai Hong** is a Director of UOBAM. He joined UOB in 2005, is currently in charge of a team of credit approvers for UOB SME & Structured Trade & Ship Finance in Singapore and overseas branches and subsidiaries. He also heads the Group Corporate Planning and Strategy Department which is responsible for helping the UOB group to formulate its strategic direction and corporate governance structure.

Mr Cheo holds a Bachelor of Business Administration (Honours) from the then University of Singapore and he has more than 30 years of experience in Corporate and Investment Banking, Project and Ship Finance and Credit Management and Approval.

Goh Yu Min, Director

**Mr Goh Yu Min** is a Director of UOBAM. He joined the UOB group in 1997 and is presently an Executive Director with UOB group's Strategy and International Management team. He has experience in private equity investments and private equity fund-of-funds investments.

Mr Goh holds a Master of Business Administration degree in Banking and Finance from the Nanyang Business School, Nanyang Technological University and a Bachelor of Mathematics degree from the University of Waterloo.

Thio Boon Kiat, Director and Chief Executive Officer

**Mr Thio Boon Kiat** is the Chief Executive Officer of UOBAM. He is a Chartered Financial Analyst charter holder and graduated with a Bachelor of Business Administration (First Class Honours) degree from the National University of Singapore. In 2004, he attended the Investment Management Program at Harvard Business School. In 2006, he also attended the Mastering Alternative Investments programme by Insead University.



Mr Thio has over 20 years of investment management experience. He joined UOBAM in 1994 from the Government of Singapore Investment Corporation (GIC), as a portfolio manager managing Singapore, and subsequently Asia Pacific and Global Equity portfolios. Over the years, he also headed the International Equities and Global Technology teams. In 2004, Mr Thio was appointed as Chief Investment Officer of UOBAM, a position he held until 2011 when he was promoted to his current appointment of Chief Executive Officer.

John J. Doyle III, Chief Investment Officer, Equities & Multi Assets

**Mr John J. Doyle III**, Chief Investment Officer, Equities & Multi Assets, joined UOBAM in April 2001. Mr Doyle was promoted to Chief Investment Officer in September 2011. Prior responsibilities include serving as Deputy Chief Investment Officer Equities, Head of International Equities and Head of Asian Equities. He continues to oversee the UOBAM's Equity research and investment processes as well as the Multi Asset investment processes. Mr Doyle had previously worked in senior research roles for Salomon Smith Barney (Singapore), UBS Securities (Singapore), and MeesPierson Securities (HK).

Mr Doyle has over 23 years of experience, having started his career with Scudder, Stevens & Clark (Boston). His work experience includes both detailed securities research and analysis as well as portfolio management. Mr Doyle graduated with a Bachelor of Arts (Economics) degree from the University of Vermont in 1988. The majority of his experience relates to conducting research and managing equity portfolios. At UOBAM, he is the designated person responsible for the investment management of the EM Equity Fund.

Chong Jiun Yeh, Chief Investment Officer, Fixed Income & Structured Investments

**Mr Chong Jiun Yeh**, Chief Investment Officer, Fixed Income & Structured Investments, joined UOBAM in March 2008. He was formerly the Managing Director (Fund Management) and Co-Head of Portfolio Management for ST Asset Management Ltd. (“**STAM**”), a wholly owned subsidiary of Temasek Holdings. Prior to joining STAM, he was Head of Fixed Income and Currencies at OUB Asset Management Ltd, and has also spent part of his career with Newton Investment Management.

Mr Chong has over 18 years of experience in managing equities, fixed income and structured finance portfolios, including emerging market sovereign and investment grade credits (cash and synthetic), G-7 bonds and currencies, as well as Asian equities. He has worked with rating agencies, insurers, investment partners and banks in structuring investment products and customizing solutions for investors. Mr Chong graduated with a Bachelor of Science (Estate Management), Second Upper Honours degree from the National University of Singapore. At UOBAM, he is the designated person responsible for the investment management of EM Bond Fund and EM LCY Bond Fund.

### **III. THE TRUSTEE, CUSTODIANS AND ADMINISTRATOR**

6. The Trustee

The trustee of the Fund (the “**Trustee**”) is HSBC Institutional Trust Services (Singapore) Limited whose registered address is at 21 Collyer Quay, #10-02, HSBC Building, Singapore 049320. HSBC Institutional Trust Services (Singapore) Limited is regulated in Singapore by the Authority, and was appointed as the trustee of the Fund with effect from 1 March 2011 following the retirement of the previous trustee, RBC Dexia Trust Services Singapore Limited (now known as RBC Investor Services Trust Singapore Limited).

Please refer to the Deed for details on the Trustee’s role and responsibilities.

7. The Custodian

The Trustee has appointed:

- (a) State Street Bank and Trust Company as the global custodian of EM Bond Fund; and
- (b) The Hongkong and Shanghai Banking Corporation Limited as the global custodian of EM Equity Fund and EM LCY Bond Fund.

State Street Bank and Trust Company (“**SSBT**”) is a trust company organised under the laws of the Commonwealth of Massachusetts with its principal place of business at One Lincoln Street, Boston, MA 02111, United States of America.

SSBT was founded in 1792 and is a wholly owned subsidiary of State Street Corporation. It is licensed and regulated by the Federal Reserve Bank of Boston.

SSBT provides custodial services in over 100 markets by utilizing its local market custody operations and through its network of sub-custodian banks. It may appoint sub-custodians in markets where EM Bond Fund invests and has in place processes dealing with the selection and ongoing monitoring of such sub-custodians. SSBT has comprehensive processes for the initial selection and ongoing monitoring of its sub-custodians, each of which is chosen based upon securities processing and local market expertise, and must satisfy stringent operating requirements in terms of structure, communications, asset servicing and reporting capabilities. All sub-custodians appointed shall be licensed and regulated under applicable law to carry out the relevant financial activities in the relevant jurisdiction.

SSBT's Network Management and Correspondent Banking teams conduct ongoing assessments and due diligence reviews of all sub-custodians. In addition, SSBT's Enterprise Risk Management group regularly tracks and analyzes the financial and market conditions of these providers and meets regularly with its Network Management team to discuss any market or provider issues.

The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**"), whose registered address is at 1 Queen's Road Central, Hong Kong, is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission of Hong Kong.

The Trustee has appointed HSBC as the global custodian to provide custodial services to EM Equity Fund and EM LCY Bond Fund globally. HSBC is entitled to appoint sub-custodians to perform any of its duties in specific jurisdictions where such Sub-Funds invest.

HSBC is a global custodian with direct market access in certain jurisdictions. In respect of markets for which it uses the services of selected sub-custodians, HSBC shall act in good faith and use reasonable care in the selection and monitoring of its selected sub-custodians.

The criteria upon which a sub-custodian is appointed is pursuant to all relevant governing laws and regulations and subject to satisfying all requirements of HSBC in its capacity as global custodian. Such criteria may be subject to change from time to time and may include factors such as the financial strength, reputation in the market, systems capability, operational and technical expertise. All sub-custodians appointed shall be licensed and regulated under applicable law to carry out the relevant financial activities in the relevant jurisdiction.

Other custodians may be appointed from time to time in respect of any of the Sub-Funds or any of their assets. All custodians shall collectively be referred to as the "**Custodian**".

Further details of the custodial arrangement in respect of the Deposited Property are set out at paragraph 44 below.

7A. The administrator

The administrator of each of the Sub-Funds is HSBC Institutional Trust Services (Singapore) Limited, whose registered office is at 21 Collyer Quay, #10-02, HSBC Building, Singapore 049320.

#### **IV. OTHER PARTIES**

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

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

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

## V. STRUCTURE OF THE FUND

10. The Fund is an umbrella fund comprising three Sub-Funds, EM Bond Fund, EM Equity Fund and EM LCY Bond Fund, each of which is a Singapore authorised, Singapore-dollar denominated open-ended collective investment scheme.

The Managers may at any time determine that a new Sub-Fund or a new Class<sup>1</sup> in respect of any existing Sub-Fund be established and the establishment of any new Sub-Fund shall be provided for by deed supplemental to the Deed. Each new Sub-Fund so created shall constitute a new trust separate and distinct from the subsisting trusts of the existing Sub-Funds.

Each Sub-Fund may consist of one or more Classes of Units, with each Class bearing different characteristics such as their currency of denomination, fee structure, minimum threshold amounts for subscription, holding and realisation, eligibility requirements, mode of investment and the availability of participation in a RSP (as defined in paragraph 26 below). A separate net asset value per Unit (in the currency of denomination of the relevant Class), which may differ as a consequence of such variable factors, will be calculated for each Class. Save for such differences, Holders of each Class of a Sub-Fund have materially the same rights and obligations under the Deed. Investors should note that the assets of a Sub-Fund are pooled and invested as a single fund and are not segregated in respect of each Class thereof.

For example, Classes may be established with different currencies of denomination, or as accumulation or distribution Classes. Each such Class will be designated accordingly. Distribution classes (collectively, “**Distribution Classes**” and each, a “**Distribution Class**”), which declare and pay distributions in accordance with the applicable distribution policies, are referenced as “Dist” (e.g. Class SGD Dist) and accumulation classes (collectively, “**Accumulation Classes**” and each, an “**Accumulation Class**”), which do not declare or pay distributions but accumulate investment gains and income in their net asset value, are referenced as “Acc” (e.g. Class USD Acc).

Where a new Class is established, Units in the relevant Sub-Fund or in any existing Class may be re-designated so long as there is no prejudice to existing Holders of the Sub-Fund or Class as a whole. Subject to the foregoing, the Managers with prior notification to the Trustee shall have the discretion to launch or delay the launch of any of the Sub-Funds or Classes at any time and from time to time.

### 10A. Classes and base currencies

The base currency of each Sub-Fund is the Singapore Dollar.

The following Classes of Units (and their respective currencies of denomination) have been established within the relevant Sub-Fund and are currently offered for subscription:

Sub-Fund	Class	Currency of denomination
EM Bond Fund	None	Not applicable
EM Equity Fund	Class SGD	Singapore Dollar
	Class USD	US Dollar
EM LCY Bond Fund	Class SGD Acc	Singapore Dollar
	Class SGD Dist	Singapore Dollar
	Class USD Acc	US Dollar
	Class USD Dist	US Dollar

References to “**Units**” in this Prospectus will, insofar as they refer to Units in a Sub-Fund which offers different Classes, denote Units in either each Class of Units in the relevant Sub-Fund or Units in all relevant Classes of Units in the relevant Sub-Fund.

<sup>1</sup> A “**Class**” refers to any class of Units in a Sub-Fund which may be designated as a class distinct from another class in the same Sub-Fund as may be determined by the Managers from time to time.

## VI. INVESTMENT OBJECTIVE, FOCUS AND APPROACH

### 11. Investment objective

Sub-Fund	Investment objective
EM Bond Fund	To maximise returns, with high yield and capital appreciation over the longer term, by investing primarily in Emerging Markets debt investments and products.
EM Equity Fund	To achieve a total return consisting of capital appreciation and income by investing in a diversified portfolio of equity and equity-related securities. The Sub-Fund will invest in corporations and/or other entities which are located, incorporated or have significant business operations or assets in Emerging Markets.
EM LCY Bond Fund	To achieve a total return consisting of income and capital appreciation over the longer term by investing primarily in a diversified portfolio of debt instruments which are issued by governments, quasi-government bodies, international and multi-national organisations, banks, financial institutions, corporations and/or other entities located, incorporated or having significant business operations or assets in Emerging Markets. The Sub-Fund's investments in these debt instruments will primarily be denominated in the local currency of an Emerging Market at the time of investment.

The expression “**Emerging Market**” shall refer to any country:

- (i) considered middle income or low income (or sub-categories or gradations thereof) by the World Bank;
- (ii) classified as an emerging market and/or developing economy by the International Monetary Fund;
- (iii) included in any emerging or emerging market index constructed by any major index provider (including, without limitation, MSCI, JP Morgan, S&P Dow Jones and FTSE); or
- (iv) reasonably considered to be an emerging market by the Managers from time to time.

### 12. Investment focus and approach

Sub-Fund	Investment focus and approach
EM Equity Fund	<p>EM Equity Fund seeks to capitalise on the opportunities to invest in companies that benefit from the attractive macroeconomic backdrop of many Emerging Markets, and at the same time control risks.</p> <p>EM Equity Fund will invest in equity securities and equity-related securities of companies that are listed on exchanges in Emerging Markets. EM Equity Fund will also seek to gain exposure to companies that are domiciled in Emerging Markets, but with primary listings, or depository receipts that are traded on other exchanges. EM Equity Fund may also seek to gain exposure to Emerging Markets by investing in companies that are domiciled and listed in developed markets, but that have a substantial portion of business derived in Emerging Markets.</p> <p>The Managers operate a disciplined investment process. The process is designed to deliver an active management that combines bottom up securities selection and top down economic and market analysis to deliver attractive risk adjusted performance for investors across market cycles.</p> <p>The Managers employ a rigorous and disciplined investment research process to identify and invest in high performing businesses at the right price, in order to deliver superior and consistent long term investment performance. “High performing businesses” are defined as having both superior quality and growth characteristics.</p> <p>In the event the Managers find that there are no suitable investment opportunities for EM Equity Fund at any time, EM Equity Fund may temporarily invest in money market instruments, short-term debt securities or hold cash deposits. EM Equity Fund may also hold part of its assets in liquid investments or cash for liquidity purposes.</p>

Sub-Fund	Investment focus and approach
EM Bond Fund and EM LCY Bond Fund	<p>Each Sub-Fund seeks to achieve its investment objective by investing primarily in debt securities (including non-investment grade securities) and debt obligations issued by governments, quasi-government bodies, international and multi-national organisations, banks, financial institutions, corporations and/or other entities located, incorporated or having significant business operations or assets in the Emerging Markets. Such investments would include, without limitation, fixed and floating rate debt instruments, convertible debt instruments or instruments which are convertible or exchangeable into other securities, mortgage or asset-backed securities, and synthetic or structured products which are linked to or derive their values from other securities or are linked to other assets or currencies. Subject to the provisions of the Code on Collective Investment Schemes issued by the Authority (the “Code”), each Sub-Fund may also invest in or hold stressed, distressed and/or defaulted debt investments. Each Sub-Fund may also invest in other Authorised Investments (as defined in the prospectus of the Fund) to achieve its investment objective.</p> <p>Each Sub-Fund may also invest in financial derivative instruments to optimise returns. Such financial derivative instruments include futures, options, warrants, swaps (such as credit default swaps and total return swaps) and forward currency contracts.</p> <p>To enhance its risk/return profile, each Sub-Fund may, from time to time and at the Managers’ discretion, invest (whether directly or through financial derivative instruments) in debt securities and debt obligations issued by governments, quasi-government bodies, international and multi-national organisations, banks, financial institutions, corporations and/or other entities located outside the Emerging Markets. Each Sub-Fund may also invest in investments other than debt securities and debt obligations including, equity and equity related securities, whether issued by entities in the Emerging Markets or otherwise. Such investments are not expected to form a significant part of the relevant Sub-Fund’s portfolio.</p> <p>Where any debt instruments invested into by a Sub-Fund are converted or exchanged into other securities (including equity or equity related securities), the relevant Sub-Fund may hold such securities upon such conversion or exchange.</p> <p><b>In the case of EM Bond Fund</b>, while it invests mainly in US Dollar denominated securities, the Managers may invest in securities which are denominated in any other currency.</p> <p><b>In the case of EM LCY Bond Fund</b>, while its investments will primarily be denominated in the local currency of an Emerging Market at the time of investment, the Managers may invest in securities which are denominated in US Dollar or any other currency.</p> <p>The Managers’ investment philosophy is to achieve consistent performance through rigorous and independent fundamental research to uncover relative value opportunities. The Managers adopt diversified strategies combined with active risk management with the aim to generate favorable long-term risk adjusted returns vis-à-vis the benchmark for fixed income portfolios.</p> <p>The Managers’ investment approach embodies two key principles:</p> <ul style="list-style-type: none"> <li>• adding value through credit or security selection backed by its independent fundamental bottom-up research; and</li> <li>• adopting a disciplined top-down strategy including adjustments to traditional variables such as duration, currency and sector.</li> </ul> <p>Each Sub-Fund may also hold part of its assets in liquid investments or cash for liquidity purposes.</p>

13. Authorised Investments

Subject to the Code, the authorised investments of each Sub-Fund (“**Authorised Investments**”) are any of the following Investments<sup>2</sup>:

- (a) any Quoted Investment<sup>3</sup>;
- (b) any Unquoted Investment<sup>4</sup>;
- (c) any index futures, foreign exchange transactions and forward rate transactions (including but not limited to currency options) or other derivatives; and
- (d) any other investments not covered by sub-paragraphs (a), (b) and (c) above selected by the Managers and approved by the Trustee (such approval to be confirmed in writing).

*Investors should note that the Sub-Funds intend to use or invest in financial derivatives. Further information is set out in paragraph 15 of this Prospectus.*

14. Investment restrictions

The Sub-Funds are subject to the investment guidelines and borrowing limits for collective investment schemes as set out in the Code. The latest version of the Code may be found at the Authority’s website: [www.mas.gov.sg](http://www.mas.gov.sg). Investors should note that the Authority may, from time to time, update or amend the Code.

None of the Sub-Funds currently intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the provisions of the Code. Accordingly, a Sub-Fund may at such time in the future become subject to the provisions on securities lending and repurchase transactions as set out in the Code.

14A. Product Suitability

Sub-Fund	Product Suitability
EM Bond Fund	The Sub-Fund is only suitable for investors who: <ul style="list-style-type: none"><li>(a) seek long term capital appreciation;</li><li>(b) also seek regular income; and</li><li>(c) are comfortable with the greater volatility and risks of a bond fund which invests primarily in the debt investments and products of Emerging Markets.</li></ul>

<sup>2</sup> “**Investment**” means any share, stock, warrant, option or other stock purchase right, interest-bearing instrument, bond, discount bond, note, discount note, exchange fund note, debenture, debenture stock, banker’s acceptance, debt security, loan, loan convertible into security, loan stock, certificates of deposit, currency deposits, commercial paper, promissory note, unit or sub-unit in any unit trust scheme, participation in a mutual fund, other interests in collective investment schemes, share or unit or sub-unit or participation or other interest in any hedge fund, treasury bill, fixed or floating rate debt instrument, futures, forward, swap, floor, collar, index and forward currency exchange contract, credit derivative, credit linked and structured notes or any other securities (as defined in the SFA) (all of the foregoing denominated in any currency) or any other money market instrument or any other derivative or short position which may be selected by the Managers or their delegate for the purpose of investment of the Deposited Property or which may for the time being form part thereof.

<sup>3</sup> “**Quoted Investment**” means any Investment which is listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market, while “**Recognised Stock Exchange**” means, subject to the provisions of the Code, 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 part of the world, dealing in the Authorised Investment which the Managers may from time to time elect and “**OTC Market**” means, subject to the provisions of the Code, 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.

<sup>4</sup> “**Unquoted Investment**” means any Investment which is not listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.

Sub-Fund	Product Suitability
EM Equity Fund	EM Equity Fund is only suitable for investors who: <ul style="list-style-type: none"> <li>(a) seek capital appreciation; and</li> <li>(b) are comfortable with the greater volatility and risks of an equity fund which invests in Emerging Markets.</li> </ul>
EM LCY Bond Fund	EM LCY Bond Fund is only suitable for investors who: <ul style="list-style-type: none"> <li>(a) seek long term capital appreciation;</li> <li>(b) also seek regular income; and</li> <li>(c) are comfortable with the greater volatility and risks of a bond fund which invests primarily in debt instruments in the Emerging Markets denominated primarily in the currencies of Emerging Markets.</li> </ul>

15. Risk management procedures of the Managers relating to the use of financial derivative instruments

The Managers may use or invest in financial derivative instruments (“**FDIs**” or “**derivatives**”):

- in respect of EM Bond Fund and EM LCY Bond Fund: for the purposes of hedging existing positions in a portfolio, efficient portfolio management, optimising returns of the Sub-Fund, or a combination of two or more of these purposes; and
  - in respect of EM Equity Fund: for the purposes of hedging existing positions in a portfolio, efficient portfolio management or a combination of both purposes.
- (a) The Managers will ensure that the global exposure of each Sub-Fund to FDIs or embedded FDIs will not at any time exceed 100% of the net asset value of the relevant Sub-Fund. The Managers will apply a commitment approach to determine each Sub-Fund’s global exposure to FDIs by converting the positions in the FDIs into equivalent positions in the underlying assets of those FDIs and will calculate such exposure in accordance with the provisions of the Code.
- (b) 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 each Sub-Fund. The decision to invest in any particular security or instrument on behalf of a Sub-Fund will reflect the Managers’ judgment of the benefit of such transactions to the relevant Sub-Fund and will be consistent with the relevant Sub-Fund’s investment objective in terms of risk and return.
  - (ii) *Execution of Trades.* Prior to each trade, the Managers will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions of the relevant Sub-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 relevant Sub-Fund. In the event of any non-compliance, the Managers’ middle office department is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
  - (iii) *Liquidity.* In the event there are unexpectedly large realisations of Units in a Sub-Fund, there may be a possibility that the assets of the Sub-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 each Sub-Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions.
  - (iv) *Counterparty exposure.* A Sub-Fund may have credit exposure to counterparties by virtue of positions in FDIs and other financial instruments held by the Sub-Fund. To the extent that a counterparty defaults on its obligations and the relevant Sub-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 and in its income stream and incur extra costs associated with the exercise of

its financial rights. Subject to the provisions of the Code, the Managers will restrict their dealings with counterparties to entities 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., a financial strength rating of above C by Moody's Investors Service, or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, the Managers will take steps to unwind the relevant Sub-Fund's position with that counterparty as soon as practicable.

- (v) *Volatility.* To the extent that a Sub-Fund has exposure to FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case where the investment is made directly into the underlying security, the value of the relevant Sub-Fund's assets will have a higher degree of volatility. A Sub-Fund may use FDIs for hedging purposes to reduce the overall volatility of the value of its assets. At the same time, the Managers will ensure that the global exposure of each Sub-Fund to FDIs and embedded FDIs will not exceed the net asset value of that Sub-Fund, as stated in paragraph (a) above.
- (vi) *Valuation.* A Sub-Fund may have exposure to over-the-counter FDIs that are difficult to value accurately, particularly if there are complex positions involved. The Managers will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.
- (c) The Managers will ensure that the risk management and compliance procedures and controls adopted by them are adequate and have been implemented, and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of each Sub-Fund, but subject always to the requirements under the Code.
- (d) Each Sub-Fund may net its over-the-counter financial derivative positions with a counterparty through a bilateral contract for novation or other bilateral agreement with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code, and that the Managers will obtain, or have obtained (as applicable), the legal opinions as stipulated in the Code.
- (e) Where a Sub-Fund uses or invests in financial derivatives on commodities, all such transactions shall be settled in cash at all times.

16. Distribution policy

Sub-Fund	Distribution policy
EM Bond Fund	The Managers currently intend to make regular monthly distributions of 5% per annum (or such other percentage as the Managers may from time to time determine) of the net asset value per Unit as at the last Business Day <sup>5</sup> of every month or such other date as the Managers may from time to time determine (" <b>Distribution Date</b> ").
EM Equity Fund	Currently, the Managers do not intend to make regular distributions in respect of Units of the Sub-Fund.
EM LCY Bond Fund	Distributions (if any) will only be made in respect of the Distribution Classes of EM LCY Bond Fund.  The Managers currently intend to make regular monthly distributions of 5% per annum (or such other percentage as the Managers may from time to time determine) of the net asset value per Unit of the relevant Distribution Class as at the Distribution Date, provided that no distributions will be made in the first 6 months (or such other period as the Managers may determine at their sole discretion) following the inception of EM LCY Bond Fund.

Distributions shall be based on the number of Units held or deemed to be held by each Holder as at the relevant Distribution Date as evidenced by the Register. Distributions will be made to Holders within 30 days from the relevant Distribution Date.

<sup>5</sup> "**Business Day**" means a day (other than Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.



The receipt of distribution payouts (if any) is optional for investors in Sub-Funds other than EM LCY Bond Fund. Such investors may choose, at the time of application for Units, to either receive distribution payouts (if any) or have them reinvested into the relevant Sub-Fund or Class. Such an election once made shall apply to all of the Units in the relevant Sub-Fund or Class then held by the same Holder at any particular time and such an election may only be withdrawn by the Holder giving the Managers not less than 30 days' previous notice in writing. Investors should note that such an election is subject to availability and should contact the relevant authorised agent or distributor of the Managers for more information on such election.

*Investors should note that the making of distributions is at the absolute discretion of the Managers and that distributions are not guaranteed. The making of any distribution shall not be taken to imply that further distributions will be made. The Managers reserve the right to vary the frequency and/or amount of distributions. Distributions in respect of a Sub-Fund or Class may be made out of the income and/or out of the net capital gains and, in the event that income and/or net capital gains are insufficient, out of the capital of the relevant Sub-Fund or Class.*

*Investors should also note that the declaration and/or payment of distributions (whether out of income, net capital gains, capital or otherwise) may have the effect of lowering the net asset value of the relevant Sub-Fund or Class.*

## VII. FEES AND CHARGES

17. The fees and charges payable by investors and payable out of each Sub-Fund are outlined below:

Payable by a Holder	
Subscription fee	Currently 5%; maximum 5%.
Realisation charge	Currently nil; maximum 2%.
Switching Fee <sup>(1)</sup>	Currently 1%; maximum 2%.

Payable out of each Sub-Fund to the Managers, the Trustee and other parties	
Management fee	<u>EM Bond Fund</u> Currently 1.75% p.a.; maximum 2% p.a. <u>EM Equity Fund (all Classes)</u> Currently 1.50% p.a.; maximum 2.50% p.a. <u>EM LCY Bond Fund (all Classes)</u> Currently 1.25% p.a.; maximum 2.50% p.a.
Trustee fee	Currently not more than 0.05% p.a. (subject always to a minimum of S\$5,000 p.a.); maximum 0.20% p.a.
Registrar and transfer agent fee	0.125% p.a. (subject to a minimum of S\$15,000 p.a. and a maximum of S\$25,000 p.a.).
Valuation and accounting fee (payable to the Managers)	<u>EM Bond Fund</u> Currently 0.08% p.a.; maximum 0.2% p.a. <u>EM Equity Fund and EM LCY Bond Fund</u> Currently 0.125% p.a.; maximum 0.2% p.a.
Audit fee <sup>(2)</sup> (payable to the Auditors), custodian fee <sup>(3)</sup> (payable to the Custodian), transaction costs <sup>(4)</sup> and other fees and charges <sup>(5)</sup>	Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% p.a., depending on the proportion that each fee or charge bears to the net asset value of the relevant Sub-Fund.

<sup>(1)</sup> In the case of a switch of Units in a Sub-Fund to units of any other fund managed by the Managers (referred to as “New Units” and “New Fund” respectively), the switching fee referred to relates to the 1% subscription fee imposed by the Managers for investment into the New Fund. Such 1% switching fee would, in the case of a New Fund which normally imposes a subscription fee of more than 1%, effectively translate into a discount of the subscription fee of the New Fund.

(2) The audit fee payable is subject to agreement with the Auditors in respect of each Sub-Fund for the relevant financial year. Based on the audited accounts and the average net asset value of the relevant Sub-Fund for the financial year ended 30 June 2014:

<b>Fund</b>	<b>Period</b>	<b>Audit fee</b>
EM Bond Fund	1 July 2013 – 30 June 2014	The audit fee did not amount to or exceed 0.1%.
EM LCY Bond Fund	1 October 2013 – 30 June 2014	The audit fee amounted to 0.18%.

(3) The custodian fee 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 relevant Sub-Fund. Under the Deed, the custodian fee for EM Bond Fund is subject to a maximum of 0.25% per annum of the net asset value of EM Bond Fund, exclusive of any goods and services tax (“GST”). The Custodian is also entitled to a fee per transaction (not exceeding US\$50 per transaction in the case of EM Bond Fund) in relation to the acquisition, holding, registration or realisation of any Authorised Investments in relation to the relevant Sub-Fund. Based on the audited accounts and the average net asset value of the relevant Sub-Fund for the financial year ended 30 June 2014:

<b>Fund</b>	<b>Period</b>	<b>Custodian fee</b>
EM Bond Fund	1 July 2013 – 30 June 2014	The custodian fee did not amount to or exceed 0.1%.
EM LCY Bond Fund	1 October 2013 – 30 June 2014	The custodian fee did not amount to or exceed 0.1%.

(4) Transaction costs which do not include the transaction fees mentioned above include all expenses relating to the purchase and sale of financial instruments. Based on the audited accounts and the average net asset value of the relevant Sub-Fund for the financial year ended 30 June 2014:

<b>Fund</b>	<b>Period</b>	<b>Transaction costs</b>
EM Bond Fund	1 July 2013 – 30 June 2014	The transaction costs did not amount to or exceed 0.1%.
EM LCY Bond Fund	1 October 2013 – 30 June 2014	The transaction costs did not amount to or exceed 0.1%.

(5) Other fees and charges include printing costs, account and professional fees, GST and other out-of-pocket expenses. Based on the audited accounts and the average net asset value of the relevant Sub-Fund for the financial year ended 30 June 2014:

<b>Fund</b>	<b>Period</b>	<b>Other fees and charges</b>
EM Bond Fund	1 July 2013 – 30 June 2014	The aggregate of such fees and charges amounted to 0.12%.
EM LCY Bond Fund	1 October 2013 – 30 June 2014	The aggregate of such fees and charges amounted to 0.17%.

In respect of notes (2), (3), (4) and (5) above, as EM Equity Fund has not been incepted as at the date of this Prospectus, its audited accounts are not available at the time of lodgment of this Prospectus and therefore information on the audit fee, custodian fee, transaction costs and other fees and charges for EM Equity Fund is not available.

As required by the Code, all marketing, promotional and advertising expenses in relation to each Sub-Fund will be borne by the Managers and not charged to or borne by the Deposited Property<sup>6</sup> of the relevant Sub-Fund.

<sup>6</sup> “**Deposited Property**” means all the assets, including cash, for the time being held or deemed to be held upon the trusts of the Deed (or if the context so requires, the part thereof attributable to the Sub-Fund), excluding any amount for the time being standing to the credit of the distribution accounts (or as the case may be, the distribution account of the Sub-Fund) referred to in Clause 19(D) of the Deed.

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

The Managers may at any time differentiate between applicants as to the amount of the subscription fee, realisation charge, switching fee and other charges (if any) payable to the Managers upon the issue, realisation or switching of Units (as the case may be), or allow to investors discounts on such basis and to such extent as they may think fit (such discounts to be borne by the Managers and not by the relevant Sub-Fund), or to waive such fees and charges (if any).

## VIII. RISKS

### 18. General risks

- (i) Investment in the Sub-Funds are not meant to produce returns over the short term and investors should not expect to obtain short-term gains from such investment.
- (ii) Investors should be aware that the price of Units and the income accruing from them may fall or rise. Investors may not get back their original investment (in whole or in part). **No guarantee is given, express or implied, that investors will receive back their original investment.**
- (iii) There is no guarantee that the investment objectives of the Sub-Funds will be achieved. Investments in the Sub-Funds are not deposits or other obligations of, or guaranteed or insured by any party and are subject to investment risks, including the possible loss of the principal amount invested.
- (iv) Investors should consider and satisfy themselves as to the risks of investing in the Sub-Funds. Generally, some of the risk factors that should be considered by investors are market risks, interest rate risks, derivatives risks, underlying risks, counterparty credit risks, default risks, foreign exchange risks, liquidity risks and exceptional market conditions risks. ***These and the risks described below are not exhaustive and investors should be aware that the Sub-Funds may be exposed to other risks of an exceptional nature from time to time.***

### 19. Specific risks

Described below are certain risk factors, including risk factors peculiar to investing in Emerging Markets. These require consideration of matters not usually associated with investing in securities of issuers in the developed capital markets of OECD countries. The economic and political conditions in Emerging Markets differ from those in developed markets, and offer less social, political and economic stability. The absence in many cases, until relatively recently, of any move towards capital markets structures or to a free market economy means investing in these countries is more risky than investing in more developed markets. These risks are likely to exist to a greater or lesser degree in most of the markets in which the Sub-Funds may invest.

#### (a) Market risk

Investors in the Sub-Funds should consider and satisfy themselves as to the usual risks of investing and participating in 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 value of Units to rise or fall.

#### (b) Equity risk

Some Sub-Funds may invest in stocks and other equity securities which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities. This in turn may affect the value or volatility of the relevant Sub-Fund.

(c) Debt securities risk

Investments in bonds and other debt securities are subject to interest rate fluctuations and credit risks, such as the risk of default by issuers.

Interest rate risks may arise from unexpected changes in the term structure of interest rates, which are in turn dependent on general economic conditions. In general, the prices of debt securities are subject to interest rate fluctuations; prices of debt securities generally rise when interest rate falls, and generally fall when interest rate rises. The longer the term of a debt security, the more sensitive it will be to fluctuations in value from interest rate changes. In addition, such investments are subject to the specific ability of the issuers of such securities to meet their debt obligations and are hence dependent on the financial health of the issuers, which may change adversely over time due to their specific business conditions and general market conditions.

Investments in debt securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal especially if the issuer is highly leveraged. Such issuer's ability to meet its debt obligations may also be adversely affected by specific corporate developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. Also, an economic downturn or an increase in interest rates may increase the potential for default by the issuers of these securities. Therefore, investments by a Sub-Fund (such as EM Bond Fund and EM LCY Bond Fund) in debt securities may lead to greater volatility in the value of Units of the Sub-Fund. Also, a change in the credit rating of a debt security as a result of any of the above factors can affect that security's liquidity and therefore have an impact on the value of Units in the relevant Sub-Fund.

The Managers may seek to invest in US Dollar or other freely convertible currency denominated debt instruments so that the relevant Sub-Fund (such as EM Bond Fund and EM LCY Bond Fund) is exposed to the relevant Emerging Markets. Debt obligations acquired by a Sub-Fund may have no credit rating or a low rating. Such securities and assets may involve greater risks of loss of income and principal than rated or higher-rated securities assets and are speculative in nature. Although they may offer higher yields than do higher-rated securities, they generally involve greater price volatility and risk of default in payment of principal and income.

No assurance can be given that investments acquired by a Sub-Fund will continue to earn yields comparable to those earned historically, nor can any assurance be given that issuers whose obligations the relevant Sub-Fund acquires will make payments on such obligations as they become due.

(d) Emerging Markets risk

Investments by each Sub-Fund in Emerging Markets may involve a high degree of risk and may be considered speculative. Such risks include (i) greater risk of expropriation, confiscatory taxation, nationalisation, and social, political and economic instability; (ii) the current small size of the markets for securities of Emerging Market issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which may restrict the relevant Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

(e) Political and economic risks

The value of Units and the income generated by the Sub-Funds may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation and interest rates, currency repatriation and other political and economic developments in law or regulations and, in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership, and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries.

(f) Repatriation of capital, dividends, interest and other income risks

It may not be possible for a Sub-Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government consent to do so. The relevant Sub-Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions which may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

(g) Regulatory risk

The issuers or instruments in which a Sub-Fund invests may be or become subject to unduly burdensome and restrictive regulation affecting commercial freedom and this in turn may have an adverse impact on the value of the relevant Sub-Fund and therefore the value of the Units. Over-regulation may therefore be a form of indirect nationalisation.

(h) Nature of investments and market risks

The investments to be made by the Sub-Funds carry risks not usually associated with investing in securities in more developed markets. The Sub-Funds are likely to experience greater price volatility and significantly lower liquidity than if invested in more developed markets. With nascent capital markets in many of the countries in which the Sub-Funds may invest, there are often severe difficulties in meeting investor demand for the available debt and/or equity instruments. This can lead to primary issues and auctions of such instruments being greatly over subscribed.

(i) Lack of market economy

Businesses in the countries in which the Sub-Funds may invest may have little or no history of operating within a market-oriented economy or under the pressures imposed by operating within a developed country. In general, relative to companies operating in developed economies, companies in such countries may be characterised by a lack of (i) experienced management, (ii) modern technology and (iii) a sufficient capital base with which to develop and expand their operations. It is unclear what will be the effect on such companies, if any, of attempts by such countries to move towards more market-oriented economies.

(j) Derivatives risk

The Sub-Funds may enter into transactions involving FDIs, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, stocks, currencies, interest rates, exchange rates, bond indices and stock indices.

While the prudent and judicious use of FDIs by professional investment managers can be beneficial, FDIs involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with FDIs are market risk, management risk, credit risk, liquidity risk and leverage risk.

Investments in some FDIs may require the deposit of an 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 investments may be liquidated at a loss. Therefore, it is essential that investments in FDIs are monitored closely. The Managers have controls for investments in FDIs and have in place systems to monitor the FDI positions of the Sub-Funds. Please see paragraph 15 above for more information on the risk management procedures of the Managers on the use of FDIs.

(k) Synthetic product risk

A Sub-Fund (such as EM Bond Fund, EM Equity Fund and EM LCY Bond Fund) may use synthetic products to overcome issues and mitigate certain risks associated with direct investment in the underlying obligations. The synthetic products in which a Sub-Fund may invest are subject to counterparty and regulatory risks. The counterparty risk arises in relation to each party with whom the relevant Sub-

Fund contracts for the purpose of making investments (the counterparty) and, where relevant, the entity in the relevant Emerging Market with whom the counterparty has made arrangements to ensure an on-shore presence in the Emerging Market. The relevant Sub-Fund may not be entitled to assert any rights against the entity in the Emerging Market with whom it does not have a contractual relationship. The relevant Sub-Fund may not be able to procure that the counterparty asserts its own rights, if any, against the on-shore entity in the Emerging Market with whom it has made arrangements. In the event of the counterparty's insolvency, the relevant Sub-Fund will only rank as unsecured creditors. In the event of the insolvency of any entity in the Emerging Market with whom the relevant Sub-Fund does not have a contractual relationship, it is likely that the relevant Sub-Fund will lose its entire investment. The effectiveness and legality of the synthetic product structure, and in particular the ability of the relevant Sub-Fund's counterparties to invest efficiently in the Emerging Market from off-shore, is subject to intervention by the relevant local authorities, their re-interpretation of law and current commercial and tax efficient practice and legislation, as well as to changes in relevant laws and regulations. As a result, the relevant Sub-Fund may not get back all or any part of its investment in the synthetic products in which it invests or may find that the proceeds of its investments are not repatriable. It may not be possible for the relevant Sub-Fund to negotiate favourable terms for its investment in synthetic products. In some cases, the relevant Sub-Fund may be obliged to hold harmless and indemnify its counterparty from and against all losses resulting from a breach by the relevant Sub-Fund of its obligations or in respect of all costs and expenses incurred by the counterparty in relation to its arrangements with the relevant on-shore entities. If the underlying investment remains unpaid or is re-scheduled (including being the subject of a moratorium, debt substitution, exchange or similar event) the relevant Sub-Fund could lose part or the whole of its investment.

Similarly, if the underlying investment or the synthetic product structure is re-characterised, the relevant Sub-Fund may be forced to terminate its investment in synthetic products earlier than had been anticipated and at a loss to part or all of the investment.

(l) Illiquidity of investments

Many of the investments which a Sub-Fund may make are traded only on over-the-counter markets and there may not be an organised public market for such securities. The effect of this will be to increase the difficulty of valuing the relevant Sub-Fund's investments and until a market develops, certain of the relevant Sub-Fund's investments may generally be illiquid. There may be no established secondary market for certain of the investments made by the relevant Sub-Fund. Reduced secondary market liquidity may affect adversely the market price of the relevant Sub-Fund's investments and the relevant Sub-Fund's ability to dispose of particular investments to meet its liquidity requirements or in response to specific events such as deterioration in the creditworthiness of any particular issuer. Due to the lack of adequate secondary market liquidity for certain securities, the Managers may find it more difficult to obtain accurate market quotations for the purposes of valuing the relevant Sub-Fund and calculating the net asset value. Market quotations may only be available from a limited number of sources and may not represent firm bids for actual sales. In addition, the current or future regulatory regime may adversely affect liquidity.

(m) Broker risk

The Managers may engage the services of third party securities brokers and dealers to acquire or dispose the investments of a Sub-Fund and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in its transactions, the Managers consider, amongst other things, the range and quality of the professional services provided by such brokers and dealers, the credit standing, and the licensing or regulated status of such brokers and dealers.

It is possible that the brokers or dealers with which a Sub-Fund does business may encounter financial difficulties that may impair the operational capabilities of that Sub-Fund. In the event that one of these brokers or dealers were to fail or become insolvent, there is a risk that the relevant Sub-Fund's orders may not be transmitted or executed and its outstanding trades made through the broker or dealer may not settle.

(n) Settlement risk

Because of the absence of organised securities markets as well as the underdeveloped state of the legal, banking and telecommunications systems in the countries in which a Sub-Fund may invest, issues may arise in relation to settlement, clearing and registration of transactions in securities. Furthermore, due to limitations of the local postal and banking systems of the countries in which a Sub-Fund may invest, no

guarantee can be given that all entitlements attaching to securities and assets acquired by a Sub-Fund, including interest and dividends, can be realised. Neither the Managers nor the Trustee or any of their authorised agents or distributors make any representation or warranty about, or any guarantee of, the operation, performance or settlement, clearing and registration of transactions dealing in any investments which a Sub-Fund may make.

(o) Custody risk

Custody services in many Emerging Markets remain undeveloped and, although the Managers and the Trustee will endeavour to put into place control mechanisms, including the selection of agents to register investments on behalf of the Sub-Funds and regular audits of entries on relevant registers to ensure that the Sub-Funds' interests continue to be recorded, the Sub-Funds are subject to transaction and custody risks arising from dealing in Emerging Market investments.

It must be appreciated that the Sub-Funds may be investing in countries where the current law and market practice carries fewer safeguards than in more developed markets and that the Managers can accept no liability for losses resulting from acting in accordance with such practice.

(p) Counterparty risk

The Sub-Funds are exposed to the risk that a counterparty may default on its obligations to perform under a particular contract (including over-the-counter FDIs). In the event of a bankruptcy or insolvency of a counterparty, a Sub-Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the relevant Sub-Fund seeks to enforce its rights. The relevant Sub-Fund may also be unable to realise any gains on the investment during such period and may incur fees and expenses to enforce its rights. There is also a possibility that the contracts may be terminated due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

(q) Possible business failures

The insolvency or other business failure of any one or more of a Sub-Fund's investments could have an adverse effect on the Sub-Fund's performance and ability to achieve its objectives. Many of the target investment countries have enacted or are in the process of enacting laws on the insolvency of enterprises, but there is as yet no significant level of experience in how these laws will be implemented and applied in practice. The lack of generally available financing alternatives for companies in many of the target investment countries increases the risk of business failure.

(r) Accounting practice

Accounting standards in the countries in which the Sub-Funds may invest may not correspond to International Accounting Standards in all material respects. In addition, auditing requirements and standards differ from those generally accepted in the international capital markets and consequently information which would be available to investors in developed capital markets is not always obtainable in respect of companies in such countries.

(s) Quality of information

Investors in the countries in which the Sub-Funds may invest generally have access to less reliable or less detailed information, including both general economic data and information concerning the operations, financial results, capitalisation and financial obligations, earnings and securities of specific enterprises. The quality and reliability of information available to the Sub-Funds will, therefore, be less than in respect of investments in developed countries. Obligations on companies to publish information are also more limited, thus further restricting the Managers' ability to carry out due diligence. At present the Managers will be obliged to make investment decisions and investment valuations on the basis of financial information that will be less complete and reliable than that customarily available in developed countries. Also, the quality and reliability of official data published by the government and government agencies in countries in which the Sub-Funds may invest are generally not equivalent to that of more developed countries.

(t) Legal risk

The rate of legislative change in certain of the countries in which the Sub-Funds may invest is extremely rapid and the content of proposed legislation when eventually adopted into law is difficult or impossible to predict. Such proposed legislation may have an adverse effect on foreign investment. It is similarly difficult to anticipate the impact of legislative reforms on securities in which the Sub-Funds may invest. Although there is often significant political support in Emerging Markets for legislative change to bolster and facilitate the movement to a more developed market economy, it is not certain that legislation when enacted will advance this objective either consistently or in a coherent manner. In some cases, the magnitude of the changes taking place has resulted in a lack of confidence in the courts to give clear and consistent judgments. Legislation can be published by a variety of governmental bodies and remaining up to date and in complete compliance with legal rules and standards can often be difficult. There may also be a lack of precedents in relation to the legal status and the enforceability of investments which are denominated in local currencies or governed by local laws.

(u) Taxation

Tax law and practice in countries in which the Sub-Funds may invest may not be clearly established as that of the developed nations. It is possible therefore that the current interpretation of the law or understanding of practice may change or, indeed, that the law may be changed with retrospective effect. Accordingly, it is possible that a Sub-Fund could become subject to taxation in the countries in which the Sub-Fund may invest that is not anticipated either at the date of this document or when investments are made, valued or disposed of. In addition, in certain countries in which the Sub-Funds may invest, the domestic tax burden is high and the discretion of local authorities to create new forms of taxation has resulted in a proliferation of taxes, in some cases imposed or interpreted retrospectively.

(v) Foreign exchange and currency risks

The investments of the Sub-Funds may be denominated in currencies which are not freely convertible into one of the major currencies. The local currencies may be convertible into other currencies only inside the relevant Emerging Market where the limited availability of such other currencies may inflate their values relative to the local currency in question. Such internal exchange markets can therefore be said to be neither liquid nor competitive. In addition, many of the currencies of countries in which the Sub-Funds may invest have experienced steady devaluation relative to freely convertible currencies.

The value of an investment in a Sub-Fund will be affected by fluctuations in the value of the underlying currency of denomination of the Sub-Fund's investments against the base currency of the Sub-Fund or by changes in exchange control regulations, tax laws, withholding taxes and economic or monetary policies. The local currencies in which the investments of the Sub-Funds may be denominated may from time to time experience substantially greater volatility against the base currency of the Sub-Fund than the major convertible currencies of developed countries. Adverse fluctuations in currency exchange rates may result in a decrease in the net return and in a loss of capital for the Sub-Fund. Accordingly, investors must recognise that the value of Units may fall as well as rise for this reason as may the ability to generate sufficient income to pay distributions.

Investors who invest in the Sub-Funds will be affected by fluctuations in the value of the Singapore Dollar (the base currency of the Sub-Funds) relative to the US Dollar, as it is anticipated that at any given time, many of the Sub-Funds' investments will be denominated in US Dollars.

The Managers may hedge the foreign currency exposure and may attempt to mitigate the risks associated with currency fluctuations by entering into forward, futures and options contracts to purchase or sell the currency of denomination of any investment held by a Sub-Fund and any other currencies held by the Sub-Fund, to the extent such contracts are available on acceptable terms. Investors should realise that such contracts may not be available in all of the currencies which the investments of the relevant Sub-Fund may be denominated in from time to time and may in the event of major market disruptions or for other reasons be unenforceable.

Additionally, a Sub-Fund may have Classes of Units that are denominated in currencies other than the base currency of the Sub-Fund. For instance, Class USD Units of EM Equity Fund and EM LCY Bond Fund are denominated in US Dollars, which is not the base currency of EM Equity Fund and EM LCY Bond



Fund. Changes in the exchange rate between the base currency of the relevant Sub-Fund and the currency of denomination of the relevant Class may adversely affect the value of the Units of the relevant Class, as expressed in the currency of denomination of the relevant Class. Subject to the same considerations in the foregoing sub-paragraph, the Managers may or may not mitigate the exchange rate risks to the extent of the value of the assets of the relevant Sub-Fund attributed to the relevant Class by hedging such exchange rate risks, and to the extent that they do not do so, investors will be exposed to exchange rate risks. Investors should note that although a financial instrument used to mitigate the exchange rate risks of a Class may not be used in relation to the other Classes of Units within the relevant Sub-Fund, the financial instrument will comprise the assets (or liabilities) of the relevant Sub-Fund as a whole. The gains (or losses) on and the costs of the relevant financial instruments will, however, accrue solely to the relevant Class of Units of the relevant Sub-Fund.

(w) Banking systems

In addition to being ill-developed, the local banking systems in many of the countries in which the Sub-Funds may invest are subject to 2 main risks: first, the insolvency of a bank due to concentrated debtor risk and, second, the effect of inefficiency and fraud in bank transfers. In addition, banks have not developed the infrastructure to channel domestic savings to companies in need of finance who thereby can experience difficulty in obtaining working capital.

(x) Risk of mismanagement by debt issuers

The debt securities which a Sub-Fund (such as EM Bond Fund and EM LCY Bond Fund) may invest into may be issued by companies in Emerging Markets. Unlike developed markets, such Emerging Market companies are generally less transparent, have poorer corporate governance standards and are less well regulated. There are risks that management of such companies may not act at all times in the companies' best interest or may be subject to fraud, corruption or mismanagement, which could have an adverse impact on the companies' credit standing or negatively affect such companies' ability to repay the principal and/or interest on debt securities which may have been invested into by the relevant Sub-Fund.

(y) Actions of institutional investors

The Managers may accept subscriptions from institutional investors and such subscriptions may constitute a large portion of the total investments in a Sub-Fund. Whilst these institutional investors will not have any control over the Managers' investment decisions, the actions of such investors may have a material effect on the relevant Sub-Fund. For example, substantial realisations of Units by an institutional investor over a short period of time could necessitate the liquidation of the relevant Sub-Fund's assets at a time and in a manner which does not provide maximum economic advantage to the relevant Sub-Fund and which could therefore adversely affect the value of the relevant Sub-Fund's assets.

(z) Risk of use of rating agencies and other third parties

Credit ratings of instruments invested into by a Sub-Fund (such as EM Bond Fund and EM LCY Bond Fund) represent the Managers' and/or rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent changes in circumstances may take time.

The Managers are entitled to rely, without independent investigation, upon pricing information and valuations furnished to a Sub-Fund by third parties, including pricing services and independent brokers/dealers. Their accuracy depends on these parties' methodology, due diligence and timely response to changing conditions. The Managers cannot be held responsible for any failures by such parties in their valuations.

(aa) Exceptional market conditions risk

Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions. For example, this may occur during volatile markets or crisis situations or where trading under the rules of the relevant stock exchange is suspended, restricted or otherwise impaired. During such times, a Sub-Fund may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. Placing a stop-loss order may not necessarily limit a Sub-Fund's losses to intended amounts as market conditions may

make it impossible to execute such an order at the ideal price. In addition, such circumstances may force a Sub-Fund to dispose of assets at reduced prices, thereby adversely affecting the Sub-Fund's performance. Further, a Sub-Fund's assets may become difficult to value with any degree of accuracy or certainty. The dumping of securities in the market could further deflate prices. If the relevant Sub-Fund incurs substantial trading losses, the need for liquidity could rise sharply at the same time that access to liquidity is impaired. Further, in a market downturn, a Sub-Fund's counterparties' financial conditions could be weakened, thereby increasing the Sub-Fund's credit risk.

(bb) Liquidity risk of investments

Investments by a Sub-Fund in some 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 lack of liquidity which are inherent characteristics of these markets.

(cc) Risks relating to distributions

A Sub-Fund may from time to time make distributions to Holders of the relevant Sub-Fund or the relevant Distribution Classes. Such distributions are at the absolute discretion of the Managers and are not guaranteed. Distributions may be made from dividend/interest income and net capital gains derived from the investments of the relevant Sub-Fund. Dividend/interest income may be adversely affected by events such as (but not limited to) investee entities suffering unexpected losses and/or paying lower than expected dividends, and adverse currency exchange rate fluctuations. In the event that distributable income and/or net capital gains are insufficient, distributions may also be made out of the capital of the relevant Sub-Fund or the relevant Class. Investors should note that the declaration and/or payment of distributions (whether out of income, net capital gains, capital or otherwise) may have the effect of lowering the net asset value of the relevant Sub-Fund or the relevant Class. Moreover, distributions out of the capital of the relevant Sub-Fund or the relevant Class may amount to a reduction of part of the Holder's original investment. Such distributions may also result in reduced future returns to Holders of the relevant Sub-Fund or the relevant Class.

## **IX. SUBSCRIPTION OF UNITS**

### **20. Subscription procedure**

Applications for Units may be made by submitting application forms (which may be obtained from authorised agents or distributors of the Managers) to any of the authorised agents or distributors of the Managers, through automated teller machines ("ATMs") (as and when ATM applications are made available by the Managers or their authorised agents or distributors), through websites designated by the Managers or through other sales channels made available by the Managers. The acceptance or non-acceptance of applications for Units shall be at the absolute discretion of the Managers acting in consultation with the Trustee.

Applications should be accompanied by such documents as may be required, with the subscription monies in full, failing which the Managers reserve the right to reject the relevant application. Applicants may make payment for Units by telegraphic transfer and should contact the Managers for details regarding such payment. All bank charges incurred in respect of a telegraphic transfer will be borne by the applicant.

Investors may subscribe for Units either with cash or with Supplementary Retirement Scheme ("SRS") monies. Investments using SRS monies are only available for Units in Sub-Funds (or Classes thereof) which are denominated in Singapore Dollars.

Investments in Units using SRS monies are subject to availability and investors should check with their SRS operator bank before deciding on any investment using SRS monies. Investors wishing to use their SRS monies to purchase Units must indicate this on the relevant application form which contains the relevant investor's instructions to his SRS operator bank to withdraw from the investor's SRS account the subscription monies in respect of the Units applied for.

Units will generally only be issued when subscription monies have been received by the Trustee on a cleared funds basis in the relevant currency, although the Managers may at their discretion issue Units before receiving full payment in cleared funds or, if required, conversion to the relevant currency (save for those subscriptions made through the use of SRS monies).

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

21. Minimum initial subscription amount and minimum subsequent subscription amount

The minimum initial subscription amounts and minimum subsequent subscription amounts for an investment in the Sub-Funds are as follows:

Sub-Fund		Minimum initial subscription amount	Minimum subsequent subscription amount
EM Bond Fund		S\$1,000*	S\$500*
EM Equity Fund	Class SGD	S\$1,000	S\$500
	Class USD	US\$1,000	US\$500
EM LCY Bond Fund	Class SGD Acc / Dist	S\$1,000	S\$500
	Class USD Acc / Dist	US\$1,000	US\$500

\*(or, where payment is made in US Dollars, US\$1,000 (minimum initial subscription amount) and US\$500 (minimum subsequent subscription amount), where applicable) or its equivalent in such other currencies at the applicable rate of exchange as determined by the Managers.

The Managers may from time to time revise the minimum initial subscription amounts and the minimum subsequent subscription amounts upon giving prior notice to the Trustee.

Investors should also note that the authorised agents and distributors of the Managers may impose a higher minimum initial or subsequent subscription amount. Investors should therefore check with the relevant authorised agents or distributors of the Managers before submitting their applications for subscriptions.

21A. Initial offer period and initial issue price

The initial offer period for Class SGD Units and Class USD Units of EM Equity Fund as well as for Class SGD Dist, Class USD Acc and Class USD Dist of EM LCY Bond Fund will be for such period and at such time as determined by the Managers in their sole discretion. During the initial offer period, Class SGD Units of EM Equity Fund and Class SGD Dist of EM LCY Bond Fund will be offered at the initial offer price of S\$1.00 per Unit and Class USD Units of EM Equity Fund and Class USD Acc and Class USD Dist of EM LCY Bond Fund will be offered at the initial offer price of US\$1.00 per Unit.

22. Dealing deadline and pricing basis

22.1 The dealing deadline is 3.00 p.m. Singapore time on any Dealing Day<sup>7</sup> (the “**Dealing Deadline**”). If any application for Units is received and accepted by the Managers or any authorised agent or distributor by the Dealing Deadline in respect of a Dealing Day, the issue of Units shall be effected on that Dealing Day. If any application for Units is received and accepted by the Managers or any authorised agent or distributor after the Dealing Deadline in respect of a Dealing Day or on a day which is not a Dealing Day, the issue of Units shall be effected on the next Dealing Day at that Dealing Day’s issue price.

<sup>7</sup> “**Dealing Day**”, in connection with the issuance, cancellation, valuation and realisation of Units of the Sub-Fund, 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. If on any day which would otherwise be a Dealing Day the Recognised Stock Exchange or the OTC Market on which investments of the relevant Sub-Fund having in aggregate values amounting to at least 50% of the value of the assets of the relevant Sub-Fund (as at the relevant Valuation Point) are quoted, listed, or dealt in is not open for normal trading, the Managers may determine that that day shall not be a Dealing Day.

- 22.2 After the initial offer period of a Sub-Fund or any Class thereof, Units are issued on a forward pricing basis and the issue price therefore cannot be ascertained at the time of application.
- 22.3 The issue price per Unit of each Sub-Fund or Class shall be ascertained by calculating the net asset value per Unit of such Sub-Fund or Class as at the Valuation Point<sup>8</sup> in relation to the Dealing Day on which such issue occurs of the proportion of the Deposited Property of the relevant Sub-Fund or Class represented by one Unit of such Sub-Fund or Class, truncated to 3 decimal places (or such other method of adjustment or number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if 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**”) of the relevant Sub-Fund or Class, and the resultant amount (the “**Net Investment Amount**”) will be applied towards the subscription of Units of the relevant Sub-Fund. The subscription fee will be retained by the Managers for their own benefit and the amount of the adjustment will be retained by the relevant Sub-Fund and, where applicable, attributed to the relevant Class. The Managers may, subject to the prior approval of the Trustee, change the method of determining the issue price and the Trustee shall determine if the affected Holders should be informed of such change.
- 22.4 Currently, the Managers quote the issue prices of, and accept payment for subscription of, Units in the following manner:

Sub-Fund		Issue price	Payment for subscription of Units
EM Bond Fund		Quoted in Singapore Dollars and (where applicable) in its equivalent in US Dollars by conversion at the applicable rate of exchange determined by the Managers.	The Managers accept payment in Singapore Dollars (for payment using SRS monies) and in both Singapore Dollars and US Dollars (for cash payment).*
EM Equity Fund	Class SGD	Quoted in the currency of denomination of the relevant Class.	The Managers will generally only accept payment in the currency of denomination of the relevant Class.
	Class USD		
EM LCY Bond Fund	Class SGD Acc / Dist		
	Class USD Acc / Dist		

\* Investors who paid for their Units in Singapore Dollars will have their Units issued at the issue price (quoted in Singapore Dollars), and investors who paid for their Units in US Dollars will have their Units issued at the issue price (converted at the applicable rate of exchange and quoted in US Dollars).

- 22.5 In future, the Managers may accept the purchase of Units in any or all of the Sub-Funds (or Classes thereof) in other foreign currencies and will in such event, quote the issue price in such currency at the applicable rate of exchange as determined by the Managers. The Managers may also accept payment in any other currency from time to time at its sole discretion. Acceptance of subscriptions in currencies other than the currency of denomination of the relevant Sub-Fund or Class is at the discretion of the Managers and subject to such additional terms as they may impose from time to time. The costs of such currency exchange, if any, will be borne by the investor. Investors should also be aware of the foreign exchange and currency risks of investing in any Sub-Fund or Class, which are summarised in paragraph 19(v) above.
- 22.6 The Managers shall be entitled from time to time after the initial issue of Units of a Sub-Fund or Class to make an offer for Units in relation to the Sub-Fund or Class (referred to as the “**fixed price**”) equal to the price per Unit ascertained in accordance with Clause 11(B) of the Deed as at the third Business Day immediately preceding the date of first publication of such offer and for a period not exceeding 14 Business Days (or such other period as the Managers may from time to time after consultation with the Trustee determine) from the date of such publication. Units in relation to such Sub-Fund or Class may be issued or sold by the Managers at the fixed price whether pursuant to the offer or not subject always to Clause 10(C) of the Deed.

<sup>8</sup> “**Valuation Point**” means the close of business of the last relevant market in relation to the relevant Dealing Day on which the net asset value of a Sub-Fund or Class (as the case may be) is to be determined pursuant to the provisions of the Deed or such other time as the Managers may with the approval of the Trustee determine and the Managers shall notify the affected holders of such change if required by the Trustee.

22.7 If a Unit is to be issued to a person resident outside Singapore, the Managers shall be entitled to deduct from the Gross Investment Amount an additional amount which is equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if such person had been resident in Singapore. The Managers shall be entitled to deduct from the Gross Investment Amount an amount equal to the sum of all bank charges and commissions incurred or to be incurred by the relevant Sub-Fund as a consequence of the settlement of any subscription or purchase of Units in any currency other than the base currency of the relevant Sub-Fund or Class.

23. Numerical example

23.1 EM Bond Fund

The number of Units an investor will receive with a Gross Investment Amount of S\$1,000.00, based on a notional issue price of S\$1.000 and a notional subscription fee of 5%, will be calculated as follows:

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

23.2 EM Equity Fund and EM LCY Bond Fund

The following is an example of the number of Units of Class SGD of EM Equity Fund / Class SGD Acc of EM LCY Bond Fund that an applicant will acquire based on a Gross Investment Amount of S\$1,000.00, a notional issue price of S\$1.000 and a notional 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 Units
Net Investment Amount		Issue price		Number of Units allotted

*The examples above are hypothetical and are not indicative of any future issue price. The actual issue price will fluctuate according to the then prevailing net asset value of the relevant Class of Units of the relevant Sub-Fund. Where applicable, investors should note that the net asset value and/or issue prices may differ in respect of the different Classes of Units in the relevant Sub-Fund.*

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

24. Confirmation of subscription

A confirmation note detailing the investment amount and the number of Units allocated to an investor will be sent within 5 Business Days (in the case of cash applications) or 11 Business Days (in the case of SRS applications) from the date of issue of the relevant Units.

25. Cancellation of subscription for Units

Subject to the provisions of the Deed and to the terms and conditions for cancellation of subscription in the cancellation form to be provided together with the application form for Units, every Holder shall have the right by notice in writing delivered to the Managers or their authorised agents or distributors to cancel his purchase of Units within 7 calendar days from the date of his initial subscription of Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed or permitted by the Authority) (the “**Cancellation Period**”), provided that where the last day of the Cancellation Period falls on a Sunday or a public holiday in Singapore, the Cancellation Period shall be extended to the next calendar day, not being a Sunday

or a public holiday in Singapore. However, the Holder will have to take the risk of any price changes in the net asset value of the relevant Sub-Fund since the date of his subscription and pay any bank charges, administrative or other fee imposed by the relevant agent or distributor.

A Holder may choose to realise his Units in accordance with paragraphs 27 to 30 of this Prospectus instead of cancelling his subscription for Units but should note that he will not enjoy the benefits of a cancellation under this paragraph 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 Units is less than the aggregate of the subscription fee and the prevailing realisation charge (if any) as may be imposed.

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

25A. Minimum size and other conditions for launch

- (a) The Managers reserve the right not to proceed with the launch of a Sub-Fund or any Class thereof in the event that:
  - (i) the capital raised for the relevant Sub-Fund or Class as at the close of its initial offer period is less than S\$5,000,000 (or its equivalent); or
  - (ii) the Managers are of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the relevant Sub-Fund or Class.
- (b) In such event, the Managers may at their discretion declare the relevant Sub-Fund or Class (as the case may be) to be deemed not to have commenced, and shall notify the relevant investors of the same and return the subscription monies received (without interest) to the relevant investors no later than 30 Business Days after the close of the relevant initial offer period.

**X. REGULAR SAVINGS PLAN**

26. Currently, a regular saving plan (“RSP”) is available only in respect of the following Units:

- (a) Units of EM Bond Fund;
- (b) Units of Class SGD of EM Equity Fund; and
- (c) Units of Class SGD Acc and Class SGD Dist of EM LCY Bond Fund.

Some authorised agents and distributors of the Managers may make available RSPs for Units in other Classes and investors should contact the relevant authorised agent or distributor for further information on availability.

A Holder must have the minimum holding of Units in the relevant Sub-Fund or Class as specified in paragraph 28, or its equivalent in such other currency as the Managers may decide based on the issue price prevailing on the date of application (or such other number of Units as the Managers may from time to time determine) to join the RSP, whichever is the lower number.

A Holder may opt to invest a minimum sum of S\$100 on a fixed day per month or S\$500 on a fixed day per quarter through Interbank GIRO payment (or such other amounts or in such other currencies as the Managers or the relevant authorised agent or distributor may determine from time to time).

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 or the relevant authorised agent or distributor may determine from time to time) and submit it together with the relevant application form as required by the authorised agent or distributor.

For RSP using SRS monies, Holders must submit the relevant application form as required by the authorised agent or distributor. RSPs using SRS monies are subject to availability and investors should check with their SRS operator bank before deciding on any RSP using SRS monies.

Payment for the RSP will be debited from the account indicated on the relevant RSP transaction form on the 25th calendar day (or on the next Business Day if that day is not a Business Day) of (i) each month (in the case of monthly RSP subscriptions) or (ii) the last month of each calendar quarter (in the case of quarterly RSP subscriptions), or in each case, such other day as the Managers or the relevant authorised agent or distributor may stipulate. The investment will be made on the same Business Day (or the next Dealing Day if that day is not a Dealing Day) after payment has been debited, with the allotment of Units made normally within 2 Business Days thereafter, or such other day as the Managers or the relevant authorised agent or distributor may stipulate.

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 the relevant Holder. After 2 consecutive unsuccessful debits, the RSP will be terminated and no notification of such termination will be sent to the relevant Holder.

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

A Holder may terminate his participation in the RSP without penalty upon giving not less than 30 days' prior written notice to the Managers or the authorised agent or distributor from whom he applied for the RSP.

Investors should note that RSPs are currently only offered and operated directly by authorised agents and distributors of the Managers and that the terms and conditions of RSPs offered by each authorised agent or distributor (including the application and termination procedures, the minimum initial investment amount, the minimum periodic subscription amounts and the periodic basis for the RSP) may vary. Investors should contact the relevant authorised agent or distributor for details of the RSP offered before applying.

## XI. REALISATION OF UNITS

### 27. Realisation procedure

Holders may realise their Units on any Dealing Day. Requests for realisation of Units may be made by submitting realisation forms (which may be obtained from authorised agents or distributors of the Managers) to any of the authorised agents or distributors of the Managers, through ATMs (as and when ATM realisations are made available by the Managers or their authorised agents or distributors), through websites designated by the Managers or through other sales channels made available by the Managers. Requests for realisation of Units should be submitted through the authorised agent or distributor through whom Units were originally purchased.

The Managers may limit the total number of Units of each Sub-Fund which Holders may realise on any Dealing Day in the circumstances described in paragraphs 28.3 to 28.5 and realisations of Units may be suspended in the situations described in paragraph 33.

### 28. Minimum holding and limits on realisation

28.1 A Holder shall not be entitled to realise part of his holding of Units if thereby his holding of Units in the relevant Sub-Fund would be reduced to less than the minimum holding amount set out below:

Sub-Fund		Minimum holding
EM Bond Fund		1,000 Units or such number of Units as may be purchased for S\$1,000 (or where the purchase was made in US Dollars, US\$1,000)*
EM Equity Fund	Class SGD	1,000 Units or such number of Units as may be purchased for S\$1,000
	Class USD	1,000 Units or such number of Units as may be purchased for US\$1,000
EM LCY Bond Fund	Class SGD Acc / Dist	1,000 Units or such number of Units as may be purchased for S\$1,000
	Class USD Acc / Dist	1,000 Units or such number of Units as may be purchased for US\$1,000

\* or the equivalent in such other currencies as may be determined by the Managers upon giving prior written notice to the Trustee and as permitted by the relevant authorities from time to time.

In any such event, the Managers shall require such Holder to realise all of his holding of Units in the relevant Sub-Fund if by such Holder's request his holding would be so reduced, and the following provisions are to be read and construed subject thereto. The Managers reserve the right to revise the minimum holding amounts stated in this paragraph.

- 28.2 Presently, no Holder may realise less than 100 Units in each request.
- 28.3 The Managers may, with a view to protecting the interests of all Holders of any Sub-Fund or Class and with the approval of the Trustee, limit the total number of Units which Holders of such Sub-Fund or Class may realise and which the Managers are entitled to have cancelled on any Dealing Day to 10% of the total number of Units relating to such Sub-Fund or Class then in issue (disregarding any Units which have been agreed to be issued), such limitation to be applied pro rata to all Holders in relation to such Sub-Fund or Class who have validly requested realisations on such Dealing Day and the Managers, so that the proportion realised of each holding so requested to be realised or cancelled is the same for all Holders of such Sub-Fund or Class and the Managers.
- 28.4 Any Units which are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to the relevant provisions of the Deed) on the next succeeding Dealing Day provided that if on such next succeeding Dealing Day, the total number of Units relating to such Sub-Fund or Class to be cancelled or realised (as the case may be), including those carried forward from any earlier Dealing Day, exceeds such limit, the Managers shall be entitled to further carry forward the requests for realisation or cancellation (as the case may be) until such time as the total number of Units to be realised or cancelled (as the case may be) on a Dealing Day falls within such limit and provided further that any Units which have been carried over as aforesaid shall on any such succeeding Dealing Day be realised or cancelled in priority to any new Units due to be realised or cancelled on that Dealing Day. If realisation requests are carried forward as aforesaid, the Managers shall, within 7 Business Days, give notice to the Holders affected thereby that such Units have not been realised or cancelled and that (subject as aforesaid) they shall be realised or cancelled on the next succeeding Dealing Day.
- 28.5 If, immediately after any relevant day, the number of Units in relation to any Sub-Fund or Class in issue or deemed to be in issue, having regard to realisations and issues falling to be made by reference to that relevant day, would be less than such proportion (not exceeding 90%), as may be determined by the Managers from time to time, of the number of Units of the Sub-Fund or Class in issue or deemed to be in issue on that relevant day, the Managers may upon notification to the Trustee with a view to protecting the interests of all Holders of the relevant Sub-Fund or Class, elect that the realisation price in relation to all (but not some only) of the Units of the relevant Sub-Fund or Class to be realised by reference to that relevant day shall be the price per Unit of the Sub-Fund or Class which, in the opinion of the Managers, reflects a fairer value<sup>9</sup> for the Deposited Property of the Sub-Fund or Class having taken into account the necessity of selling a material proportion<sup>10</sup> of the Investments at that time constituting part of the Deposited Property of the Sub-Fund or Class; and by giving notice to the Holders of Units of the Sub-Fund or Class affected thereby within 2 Business Days after the relevant day, the Managers may upon notification to the Trustee and subject to the provisions of the Code, suspend the realisation of those Units for such reasonable period as may be necessary to effect an orderly realisation of Investments.

29. Dealing deadline and pricing basis

- 29.1 Requests for realisation of Units received and accepted by the Managers or their authorised agents or distributors by way of a realisation form (or in such other form or manner as may be approved from time to time by the Managers) by the Dealing Deadline in respect of a Dealing Day shall be realised at the realisation price for that Dealing Day. Requests received and accepted by the Managers or their authorised agents or distributors after the Dealing Deadline in respect of a Dealing Day or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.
- 29.2 Units are realised on a forward pricing basis. Therefore, the realisation price cannot be calculated at the time of request.
- 29.3 The realisation price per Unit of any Sub-Fund or Class shall be the price per Unit ascertained by the Managers by calculating the net asset value per Unit of such Sub-Fund or Class as at the Valuation Point in relation to the Dealing Day on which the realisation request is received and accepted of the proportion of the Deposited Property

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<sup>9</sup> The "fairer value" for the Deposited Property of such Sub-Fund shall be determined by the Managers in consultation with an approved valuer and upon notification to the Trustee.

<sup>10</sup> The "material proportion" of the Investments means such proportion of the Investments which when sold will cause the reduction of the value of the Deposited Property of such Sub-Fund.



of such Sub-Fund or Class then represented by one Unit of such Sub-Fund or Class and truncated to 3 decimal places (or such other method of adjustment or other number of decimal places as determined by the Managers with the approval of the Trustee). The Managers may, if so required, charge a realisation charge which is deducted from the total amount payable to the Holder in respect of the realisation of Units (the “**Gross Realisation Proceeds**”) of the relevant Sub-Fund or Class, and the resultant amount (the “**Net Realisation Proceeds**”) will be paid to the Holder. The realisation charge shall be retained by the Managers for their own benefit and the amount of the aforesaid adjustment shall be retained by the relevant Sub-Fund and, where applicable, attributed to the relevant Class.

29.4 Currently, the Managers quote the realisation prices of Units, and allow Units to be realised, in the following currencies:

Sub-Fund		Realisation price*	Currency in which Units may be realised
EM Bond Fund		Quoted in Singapore Dollars and (where applicable) in its equivalent in US Dollars by conversion at the applicable rate of exchange determined by the Managers.**	The Managers permit the realisation of Units in Singapore Dollars and its equivalent in US Dollars.
EM Equity Fund	Class SGD	Quoted in the currency of denomination of the relevant Class.	The Managers will only permit realisation of Units in the currency of denomination of the relevant Class.
	Class USD		
EM LCY Bond Fund	Class SGD Acc / Dist		
	Class USD Acc / Dist		

\* The Managers will be entitled to convert the realisation price of Units to a foreign currency at the applicable rate of exchange as determined by the Managers. The cost of the currency exchange, if any, will be borne by the investor.

\*\* In future, the Managers may permit the realisation of Units in EM Bond Fund in any other foreign currency and will, in such event, quote the realisation price in such currency at the applicable rate of exchange as determined by the Managers. The cost of the currency exchange, if any, will be borne by the investor.

29.5 If a Holder is resident outside Singapore, the Managers shall be entitled to deduct from the total amount which would otherwise be payable to the Holder on the realisation of his Units an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Holder had been resident in Singapore.

29.6 For the avoidance of doubt, should a realisation request for 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 Dealing Day following that upon which the subscription monies in respect of such Units have been received by the Trustee.

29.7 Bank charges (if any) incurred in respect of a telegraphic transfer of realisation proceeds to a Holder’s bank account will be borne by the Holder.

30. Numerical example

30.1 EM Bond Fund

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

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

### 30.2 EM Equity Fund and EM LCY Bond Fund

The Net Realisation Proceeds payable to an investor on the realisation of 1,000 Units of Class SGD of EM Equity Fund / Class SGD Acc of EM LCY Bond Fund, and on a notional realisation price of S\$0.900\* and on the basis that there is no realisation charge, will be calculated as follows:

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

*\* The examples above are hypothetical and are not indicative of any future realisation price. The actual realisation price will fluctuate according to the then prevailing net asset value of the relevant Class of Units of the relevant Sub-Fund. Where applicable, investors should note that the net asset value and/or realisation prices may differ in respect of the different Classes of Units in the relevant Sub-Fund.*

*\*\* No realisation charge is currently imposed.*

30.3 The Net Realisation Proceeds will normally be paid by cheque or credited to the Holder's SRS account, as applicable, within:

- (a) 4 Business Days for EM Bond Fund and EM LCY Bond Fund; and
- (b) 6 Business Days for EM Equity Fund.

(or such other period as may be permitted by the Authority) from the Dealing Day on which the realisation form is received and accepted by the Managers or the relevant authorised agent or distributor, unless the realisation of Units has been limited in accordance with paragraphs 28.3 to 28.5 above or suspended in accordance with Part XIV of this Prospectus.

## XII. SWITCHING OF UNITS

31.1 Subject to the provisions of the Deed and the Code, the Managers may, on the application of a Holder and subject to such restrictions as the Managers may impose from time to time, allow the Holder to switch all or any of his Units of any Sub-Fund (the "**original Sub-Fund**") or Class (the "**original Class**") held by him for units in any Group Fund (as defined below) or any other Sub-Fund (the "**new Sub-Fund**") or Class (the "**new Class**") provided that:

- (a) no switching of Units shall be permitted during the initial offer period of the original Sub-Fund or original Class (as the case may be);
- (b) no Units shall be switched during any period when the right of Holders to require the realisation of Units of the original Sub-Fund or original Class (as the case may be) is suspended pursuant to the provisions of the Deed or (if applicable) when the issuance or switching of Units of the new Sub-Fund or new Class (as the case may be) is suspended pursuant to the provisions of the Deed or on any Common Dealing Day (as defined below) on which the number of Units of the original Sub-Fund or original Class (as the case may be) that can be realised by any Holder is limited (as described in paragraphs 28.3 to 28.5 above);
- (c) no switching shall be permitted which would result in the relevant Holder holding Units below the applicable minimum holding of either the original Sub-Fund or original Class (as the case may be) or the new Sub-Fund or new Class (as the case may be) or such other number of Units or amount as the Managers may from time to time determine either generally or in respect of any particular case or cases upon giving prior written notice to the Trustee;
- (d) no switching shall be permitted between Units denominated in different currencies (whether from different Sub-Funds or Classes).

“**Group Fund**” means a collective investment scheme the managers of which are the Managers or a corporation under their control or under common control with them or at least 50% of the share capital of which is held by a corporation which is a shareholder of the Managers and which has approved the terms of any switch which may be made under the provisions of the Deed.

- 31.2 Applications for switching of Units may be made via switching forms which may be obtained from the authorised agents or distributors of the Managers. A Holder shall not without the consent of the Managers be entitled to withdraw a switching form duly completed and submitted in accordance with this paragraph.
- 31.3 Subject as hereinafter provided, the switching of the original Units shall be made on a day which is both a Dealing Day in relation to Units of the original Sub-Fund or original Class (as the case may be) and a dealing day/Dealing Day in relation to units of (as the case may be) the Group Fund, the new Sub-Fund or the new Class (“**Common Dealing Day**”) on which the switching form is received by the Managers by 3 p.m. (Singapore time) on such Common Dealing Day. For a switching form received on a day which is not a Common Dealing Day or received after 3 p.m. (Singapore time) on a Common Dealing Day, such switching form shall be treated as having been received before 3 p.m. (Singapore time) on the next Common Dealing Day.
- 31.4 Switching of Units of any original Sub-Fund or original Class (as the case may be) into Units of a new Sub-Fund or new Class (as the case may be) shall be effected by the cancellation of such Units of the original Sub-Fund or original Class (as the case may be) and by the issue of Units of the new Sub-Fund or new Class (as the case may be), such cancellation and issue taking place on the relevant Common Dealing Day, and the number of Units of the new Class or new Sub-Fund (as the case may be) to be issued on switching shall be determined by the Managers in accordance with the provisions of the Deed.
- 31.5 Switching of Units of any original Sub-Fund or original Class (as the case may be) into units of a Group Fund shall be effected by the Holder surrendering his Units of such Sub-Fund or Class to the Managers who shall thereupon pay to the managers of the Group Fund concerned a sum representing the value of the switched Units calculated in accordance with the provisions of the Deed in consideration of the issue to that Holder of units in that Group Fund to the same value as the aforesaid sum representing such Units less such amount, if any, as the managers of that Group Fund may determine to deduct therefrom by way of switching fee, which shall be paid to the managers of the Group Fund for their own account.
- 31.6 Units purchased with SRS monies may only be switched for units of a new Class, new Sub-Fund or Group Fund (as the case may be) which may be subscribed or purchased with SRS monies. Units purchased with cash may only be switched for units of a new Class, new Sub-Fund or Group Fund (as the case may be) which may be subscribed or purchased with cash.

### **XIII. OBTAINING PRICES OF UNITS**

32. The indicative prices of Units may be obtained from authorised agents and distributors of the Managers or by calling the Managers’ hotline at telephone number 1800 22 22 228 from 8 a.m. to 8 p.m. daily (Singapore time). Prices may also be published in local or foreign publications such as The Straits Times and The Business Times, and on the Managers’ website at uobam.com.sg or any other website designated by the Managers.

The actual prices quoted will generally be published 2 Business Days after the relevant Dealing Day in the relevant Class currency (for EM Equity Fund and EM LCY Bond Fund) and in both Singapore Dollars and US Dollars (for EM Bond Fund). 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 errors on the part of the publishers concerned in the prices published in any publication or for any non-publication or late publication of prices by such publishers, and will incur no liability in respect of any action taken or loss suffered by investors upon such publication by such publishers.

#### **XIV. SUSPENSION OF DEALINGS**

33. Subject to the provisions of the Code and the Deed, the Managers or the Trustee may, with the prior written approval of the other, suspend the issue and realisation of Units in relation to any Sub-Fund or Class during:
- (a) any period when the Recognised Stock Exchange or the OTC Market on which any Authorised Investments forming part of Deposited Property of the relevant Sub-Fund for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
  - (b) the existence of any state of affairs which, in the opinion of the Managers and the Trustee might seriously prejudice the interests of the Holders in relation to such Sub-Fund or Class as a whole or of the Deposited Property of the relevant Sub-Fund;
  - (c) any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments in the opinion of the Managers and the Trustee 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 Deposited Property of the relevant Sub-Fund cannot be determined);
  - (d) any period when remittance of moneys which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers and the Trustee be reasonably carried out at normal rates of exchange;
  - (e) in respect of any Sub-Fund that invests its assets in other collective investment schemes, any period when the issue or realisation of all or a substantial portion of the units or shares held by the Sub-Fund in the corresponding underlying schemes is suspended;
  - (f) any 48 hour period (or such longer period as may be agreed between the Managers and the Trustee) prior to the date of any meeting of Holders in relation to such Sub-Fund or Class (or any adjourned meeting thereof);
  - (g) any period when the dealing of Units of such Sub-Fund or Class is suspended pursuant to any order or direction of the relevant authority;
  - (h) any period when the business operations of the Managers or the Trustee in relation to the operations of such Sub-Fund or Class are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolutions, civil unrest, riots, strikes or acts of God;
  - (i) exceptional circumstances, where the Managers have determined that such suspension is in the best interest of the Holders of such Sub-Fund or Class; or
  - (j) such other circumstances as may be required under the provisions of the Code.

Subject to the provisions of the Code, the Managers and/or the Trustee may from time to time also suspend the issue and/or realisation of Units in certain situations as set out in the Deed.

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

34. In the event that the Trustee shall at any time (after consultation with the Managers) determine that it would be detrimental to existing Holders for the Managers to issue or continue to issue Units of any Sub-Fund or Class at a price based on the net asset value of such Sub-Fund or Class in accordance with the Deed, then the Trustee shall instruct the Managers to substitute such net asset value with the fair value as determined in accordance with Clause 10(D) of the Deed. Subject to the provisions of the Code, the Trustee may instruct the Managers to temporarily suspend the issue of Units in relation to any Sub-Fund or Class during any period pursuant to Clause 11(B)(v) of the Deed.

## XV. PERFORMANCE OF THE SUB-FUNDS

### 35. EM Bond Fund

The past performance and benchmark of the EM Bond Fund as at 31 December 2014, and the expense and turnover ratios of the EM Bond Fund, are set out below:

Inception date 20 August 2001	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since inception (%)	Expense ratio (%) <sup>(1)</sup>	Turnover ratio (%) <sup>(2)</sup>
(NAV-NAV) <sup>(3)</sup>	8.82	4.82	4.79	5.98	8.71	1.99	51.05
(NAV-NAV <sup>^</sup> ) <sup>(4)</sup>	3.14	2.76	3.42	5.16	8.03		
Benchmark (in SGD): JP Morgan EMBI Global Diversified Index	12.75	6.89	6.33	5.55	7.25		

### EM Equity Fund

As EM Equity Fund and its Classes have not been incepted, a track record of at least one year is not available at the time of lodgment of this Prospectus.

The benchmark against which the performance of the EM Equity Fund will be measured is the MSCI Emerging Markets Index.

As EM Equity Fund has not been incepted, the audited accounts for EM Equity Fund are not available at the time of lodgment of this Prospectus. As such, no expense ratio or turnover ratio is currently available.

### EM LCY Bond Fund

Class SGD Acc (Inception date: 1 October 2013)	1 year (%)	3 years (%)	5 years (%)	10 years (%)	Since inception (%)	Expense ratio (%) <sup>(1)</sup>	Turnover ratio (%) <sup>(2)</sup>
(NAV-NAV) <sup>(3)</sup>	-4.25	N.A.	N.A.	N.A.	-4.27	2.66	52.50
(NAV-NAV <sup>^</sup> ) <sup>(4)</sup>	-9.03	N.A.	N.A.	N.A.	-8.12		
Benchmark (in SGD): JP Morgan Global Bond Index – Emerging Market Global Diversified*	-3.97	N.A.	N.A.	N.A.	-3.25		

\* The benchmark of EM LCY Bond Fund at its inception was JP Morgan GBI – EM Diversified Index. It was changed to JP Morgan Global Bond Index – Emerging Market Global Diversified with effect from 25 March 2015 to align the benchmark of EM LCY Bond Fund with the benchmark used by similar funds in the market.

As the remaining Classes of EM LCY Bond Fund have not been incepted, a track record of at least one year is not available at the time of lodgment of this Prospectus.

#### Notes:

Source: Lipper, a Thomson Reuters Company.

<sup>^</sup> Taking into account the subscription fee.

<sup>(1)</sup> The expense ratio is calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on the audited accounts of the relevant Sub-Fund for the financial year ended 30 June 2014. The following expenses (where applicable) as set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
  - (b) interest expense;
  - (c) foreign exchange gains and losses of the Sub-Fund, whether realised or unrealised;
  - (d) front-end loads, back-end loads and other costs arising from the purchase or sale of a foreign unit trust or mutual fund;
  - (e) tax deducted at source or arising from income received, including withholding tax; and
  - (f) dividends and other distributions paid to Holders.
- (2) The turnover ratio for the financial year ended 30 June 2014 is calculated based on the lesser of purchases or sales of the relevant Sub-Fund's underlying investments expressed as a percentage of the daily average net asset value of the Deposited Property of the relevant Sub-Fund.
- (3) Calculated in S\$ on a NAV-to-NAV basis as at 31 December 2014, with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.
- (4) Calculated in S\$ on a NAV-to-NAV basis as at 31 December 2014, taking into account the subscription fee and realisation charge (if any), with all dividends and distributions reinvested (net of reinvestment charges). Figures for one year show the percentage change, while figures for more than one year show the average annual compounded return.

***Investors should note that past performance of each Sub-Fund or Class thereof is not necessarily indicative of the future performance of that Sub-Fund or Class.***

## **XVI. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS**

36. Subject to the provisions of the Code, the Managers may, from time to time, receive or enter into soft-dollar commissions or arrangements in respect of the management of the Sub-Funds. The Managers will comply with applicable regulatory and industry standards on soft-dollars.

The soft-dollar commissions or arrangements may include specific advice as to the advisability of dealing in, or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities, to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis and custodial service in relation to the investments managed for clients.

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

The Managers may not accept or enter into soft-dollar commissions or arrangements unless (a) such soft-dollar commissions or arrangements can reasonably be expected to assist them in their management of the relevant Sub-Fund, (b) best execution is carried out for the transactions, and (c) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Managers do not, and are not entitled to, retain cash or commission rebates for their own account in respect of rebates earned when transacting in securities for account of any Sub-Fund.

## XVII. CONFLICTS OF INTEREST

37. The Managers are of the view that there is no conflict of interest in managing their other funds and the Sub-Funds because of the following structures in place:

- 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 the United States of America. The CFA Institute is the primary professional organisation for security analysts, investment managers and others who are involved in the investment decision-making process. All charter holders of the CFA Institute and candidates who are in pursuit of the charter, including those from Singapore, are expected to comply with CFA Institute standards. The Code of Ethics and the Standards of Professional Conduct are in place to ensure high ethical and professional standards of investment professionals as well as fair treatment of 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 relevant fund.
- Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- 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 conflicts of interest arise from a situation of competing orders for the same securities, the Managers will 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.

38. The Managers and the Trustee will conduct all transactions for and on behalf of the Sub-Funds on an arm’s length basis.

Associates of the Trustee may be engaged to provide banking, brokerage or financial services to any Sub-Fund or the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee and make profits from these activities. Such services to the Sub-Funds or the Fund, where provided, and such activities with the Trustee, where entered into, will be on an arm’s length basis.

The Managers, their related entities, officers or employees may from time to time invest and deal in Units in any Sub-Fund for their respective individual accounts or (in the case of the Managers and their related entities) for the account of another person (including, without limitation, their other clients).

In such an event, the Managers will have regard to their obligations to the relevant Sub-Fund and, in particular, their obligation to act in the best interests of the relevant Sub-Fund and its Holders so far as practicable, having regard to applicable laws and their obligations to their other clients. In the event that a conflict of interest does arise, the Managers will endeavour to ensure that such conflict is resolved fairly.

Subject to the provisions of the Code, the Managers may from time to time invest monies of any Sub-Fund in the securities of any of their related corporations (as defined in Section 6 of the Companies Act, Chapter 50 of Singapore) (if more than one, “**Related Corporations**” and each, a “**Related Corporation**”). The Managers may also invest monies of any Sub-Fund in other collective investment schemes managed by the Managers or their Related Corporations, and deposit monies of any Sub-Fund in the ordinary course of business of the Sub-Fund with their Related Corporations which are banks licensed under the Banking Act, Chapter 19 of Singapore, finance companies licensed under the Finance Companies Act, Chapter 108 of Singapore, merchant banks approved as financial institutions under Section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction. The Managers will endeavour to ensure that such investments and deposits are made on normal commercial terms and are consistent with the investment objective, focus and approach of the relevant Sub-Fund.

## **XVIII. REPORTS**

- 39.1 The financial year-end of each Sub-Fund is 30 June. The semi-annual report and the semi-annual accounts of each Sub-Fund will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 2 months of the period to which the report and accounts relate (or such other period as may be permitted by the Authority). The annual report, the annual accounts and the auditors' report on the annual accounts of each Sub-Fund will be sent or made available to Holders (by post or by such electronic means as may be permitted under the Code) within 3 months of the period to which the reports and accounts relate (or such other period as may be permitted by the Authority).
- 39.2 If such accounts and reports are sent or made available to Holders by electronic means, the Trustee will also make available or cause to be made available, hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of such request (or such other period as may be permitted by the Authority). Holders may also at any time choose to receive hardcopies of all future accounts and reports at no cost to them, by notifying the relevant authorised agent or distributor in writing.

## **XIX. QUERIES AND COMPLAINTS**

40. All enquiries and complaints about the Sub-Funds or the Fund should be directed to the Managers at:

Hotline Number	:	1800 22 22 228
Operating hours	:	8 a.m. to 8 p.m. daily (Singapore time)
Facsimile Number	:	6532 3868
E-mail	:	uobam@uobgroup.com

## **XX. OTHER MATERIAL INFORMATION**

41. Market Timing

Each Sub-Fund is not designed and managed to support short 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 interests of other investors. In addition, short-term trading in Units increases the total transaction costs of a Sub-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 a Sub-Fund which may disrupt the investment strategies to the detriment of other 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 or to any Sub-Fund (as provided in the Code), the Managers will inform the relevant 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 interests of investors in each Sub-Fund.

42. Information on investments

At the end of each quarter, Holders will receive a statement showing the value of their investment in the relevant Sub-Fund. However, if a Holder conducts any transaction(s) within a particular month, he/she will receive an additional statement at the end of that month.

43. Distribution of income and/or any net capital gain

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 of the relevant Sub-Fund or attributable to the relevant Class, and if the Managers deem fit such part or all of the net capital gains realised on the sale of Authorised Investments in relation to such Sub-Fund or attributable to such Class in respect of the amount available for distribution referred to in Clause 20(B) of the Deed at such time and in accordance with such method of calculations as the Trustee and the Managers may agree having regard to the provisions of the Deed. In the event the Managers decide in respect of a Sub-Fund or Class that no distribution of any income and/or any net capital gain of that Sub-Fund or attributable to that Class is to be made in respect of any period, the Managers shall by notice in writing so notify the Trustee and direct the



Trustee that the income and/or net capital gains, if any, of that Sub-Fund or attributable to that Class in respect of the amount available for distribution be accumulated and capitalised. In addition, in the event that the income and/or net capital gains referred to in the foregoing are insufficient, the Managers shall (subject to any applicable law or regulation and the Code), have the discretion, with the prior consent of the Trustee, to determine whether a distribution of capital of any Sub-Fund or such part attributable to any Class of a Sub-Fund is to be made.

Where the Managers have indicated an intention to make any distributions to the Holders of a Sub-Fund or Class, investors should note that the intention of the Managers to make such distributions is not guaranteed and there is no assurance that any distribution or distribution level will be met. The making of any distribution shall not be taken to imply that further distributions will be made. The Managers reserve the right to vary the frequency and/or amount of the distributions and the discretion to determine whether distributions will be paid out or reinvested.

#### 44. Custody of Deposited Property

The Trustee shall be responsible for the safe custody of the Deposited Property. Any Authorised Investments forming part of the Deposited Property shall, whether in bearer or registered form, be paid or transferred to or to the order of the Trustee forthwith on receipt by the Managers and be dealt with as the Trustee may think proper for the purpose of providing for the safe custody thereof. The Trustee may from time to time upon notification in writing to the Managers appoint such person or persons as it thinks fit (including itself or its associates) as agents, nominees, custodians or sub-custodians in respect of any of the Deposited Property, and the fees and expenses of such agents, nominees, custodians and sub-custodians shall be paid out of the Deposited Property. Subject to Clause 28(D) of the Deed, the Trustee shall remain liable for any act or omission of any agent, nominee, custodian or sub-custodian with whom bearer Authorised Investments or documents of title to be registered Authorised Investments are deposited as if the same were the act or omission of the Trustee. In relation to any Investment in registered form, the Trustee shall not be liable for any act or omission of any agent, nominee, custodian, joint custodian or sub-custodian appointed by it except where the Trustee shall have been negligent or in default in the appointment and monitoring thereof. The Trustee may at any time procure that:

- (i) the Trustee; or
- (ii) any officer or responsible official of the Trustee jointly with the Trustee; or
- (iii) any nominee appointed by the Trustee; or
- (iv) any such nominee of the Trustee; or
- (v) any custodian, joint custodian or sub-custodian appointed pursuant to the provisions of Clause 28(A) of the Deed; or
- (vi) any company operating a recognised clearing system in respect of the Authorised Investments of any Sub-Fund; or
- (vii) any broker, financial institution or other person (or in each case, its nominee) with whom the same is deposited in order to satisfy any requirement to deposit margin or security,

takes delivery of and retains and/or is registered as proprietor of any Investment or other property held upon trusts of the Deed.

Notwithstanding anything contained in the Deed:

- (a) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any depository or clearing system with which Authorised Investments may be deposited or any broker, financial institution or other person with whom Authorised Investments are deposited in order to satisfy any margin requirement (each a “**Depository**”), except where (I) the Trustee is responsible for procuring the Depository and the Trustee has failed to exercise reasonable skill and care in the procurement of such Depository in respect of the Authorised Investments involved, or (II) the Trustee is in wilful default;

- (b) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian appointed by the Trustee except where (I) the Trustee has failed to exercise reasonable skill and care in the selection, appointment and monitoring of such appointee (having regard to the market in which the relevant appointee is located), or (II) the Trustee is in wilful default; and
- (c) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian not selected or appointed by it.

Any Authorised Investment in registered form shall as soon as reasonably practicable after receipt of the necessary documents by the Trustee, be registered in the name of the Trustee and/or its nominee and shall remain so registered until disposed of pursuant to the provisions of the Deed. Subject as aforesaid the Trustee shall retain the documents of title to all Authorised Investments held upon any trusts of the Deed in its possession in safe custody.

#### 45. Valuation

Except where otherwise expressly stated, subject to the provisions of the Code, the Value of the assets comprised in each Sub-Fund with reference to any Authorised Investment which is:

- (a) 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 on such Recognised Stock Exchange or OTC Market on which the Investment is traded before the Valuation Point in respect of the Dealing Day on which the value is to be determined. Where such Quoted Investment is listed, dealt or traded in more than one Recognised Stock Exchange or OTC Market, the Managers (or such person as the Managers may appoint for the purpose) may in their absolute discretion select any one of such Recognised Stock Exchange or OTC Market for the foregoing purposes and, if there be no such official closing price, last known transacted or last transacted price, the value shall be calculated by reference to the last available price(s) quoted by responsible firms, corporations or associates on a Recognised Stock Exchange or an OTC market at the Valuation Point in respect of the Dealing Day on which the net asset value is to be determined;
- (b) an Unquoted Investment, shall be calculated by reference to, where applicable: (i) the initial value thereof being the amount expended in the acquisition thereof; (ii) the price of the relevant Investment as quoted by a person, firm or institution making a market in that Investment, if any (and if there shall be more than one such market maker then such market maker as the Managers may designate), as may be determined by the Managers to represent the fair value of such Authorised Investment; or (iii) the sale prices of recent public or private transactions in the same or similar investments, valuations of comparable companies or discounted cash flow analysis, as may be determined to represent the fair value of such Authorised Investment. In the valuation of such Investment the Managers may take into account relevant factors including without limitation significant recent events affecting the issuer such as pending mergers and acquisitions and restrictions as to saleability or transferability;
- (c) cash, deposits and similar assets shall be valued at their face value (together with accrued interest) unless, in the opinion of the Managers (after consultation with the Trustee), any adjustment should be made to reflect the value thereof;
- (d) a unit or share in a unit trust scheme or mutual fund or collective investment scheme shall be valued at the latest published or available 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
- (e) an Investment other than as described above, shall be valued in such manner and at such time as the Managers after consultation with the Trustee shall from time to time determine.

Provided that, if the quotations referred to in (a) to (e) above are not available, or if the value of the Authorised Investment determined in the manner described in (a) to (e) above, in the opinion of the Managers, do not represent a fair value of such Authorised Investment, then the Value shall be such value as the Managers may, with due care and in good faith, consider in the circumstances to be fair and is approved by the Trustee and the Managers shall notify the Holders of such change if required by the Trustee. For the purposes of this proviso, the “fair value” shall be determined by the Managers in consultation with a stockbroker or an approved valuer and with the approval

of the Trustee in accordance with the Code. Where the fair value of a material portion of the Deposited Property cannot be determined, the Managers shall, subject to the provisions of the Code, suspend valuation and dealing in the Units.

In exercising in good faith the discretion given by the proviso above, the Managers shall not assume any liability towards the Fund or any Sub-Fund provided they have acted without negligence and with due care, 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.

46. Indemnities and Protection accorded to the Managers and/or the Trustee

46.1 Neither the Trustee nor the Managers nor any company controlled by them or either of them nor any person, firm or corporation (hereinafter referred to as a “**delegate**”) entitled to exercise any investment powers or discretions under the Deed pursuant to a delegation by the Managers shall as principal sell, or deal in the sale of, Authorised Investments to the Trustee for account of any Sub-Fund or vest Authorised Investments in the Trustee against the issue of Units or purchase Authorised Investments from the Trustee acting for the account of the relevant Sub-Fund except as provided under paragraphs (a), (b) and (c) below and each shall (without incurring any liability for failure to do so) use its best endeavours to procure that no such sale or dealing or vesting or purchase except as provided under paragraphs (a), (b) and (c) below shall be made by (i) any person, firm or corporation holding or beneficially entitled to 10% or more of the share capital of the Trustee or the Managers or any delegate, (ii) or by any corporation controlled by any such person, firm or corporation, (iii) or by any director of the Trustee or of the Managers, or of any delegate (being a corporation) or of any such corporation, (iv) or by any partner of any such firm. Each such person or body (other than the Trustee and the Managers) referred to in this paragraph shall be known as a “**connected person**”. Nothing shall prevent:

- (a) any sale for account of any Sub-Fund of any Authorised Investment to, or any purchase for account of any Sub-Fund of any Authorised Investment from, the Trustee or Managers or any delegate of any other collective investment scheme for account of such scheme, notwithstanding that the Trustee and/or the Managers and/or any delegate and/or any connected person may be, or be interested in, the Trustee or the Managers or delegate of, or any person, firm or corporation to whom any investment powers or discretions may have been delegated under such a scheme provided that:
  - (1) the value of the Authorised Investment in question is certified in writing for the purpose of the transaction by a stockbroker or an approved valuer; and
  - (2) the Trustee shall be of the opinion that the terms of such transaction shall not be such as are likely to result in any prejudice to Holders; or
- (b) the Trustee or the Managers or any delegate or any connected person from becoming the owner of Units and holding, disposing of, or otherwise dealing with, the same, with the same rights (subject as provided in paragraph 1 of the schedule on meetings of Holders in the Deed) which they would have had if neither the Trustee nor the Managers nor any connected person were a party to, or delegate under, the Deed, provided that in so owning, holding or disposing of or otherwise dealing with Units, the Trustee and the Managers shall each maintain with respect to the Trustee or the Managers and any of its or their respective connected persons a register giving details of such transactions, including the prices, discounts, net prices, quantities of Units transacted and dates of and parties to such transactions, or from buying, holding or dealing in any Authorised Investments upon their respective individual accounts, notwithstanding that similar Authorised Investments may be held under the Deed as part of the Deposited Property; or
- (c) the Managers or any delegate or any connected person from receiving commissions, terms and other benefits (through standing arrangements with brokers used for securities transactions relating to any Sub-Fund and other funds managed by the Managers by which the Managers or any connected person may be provided with research, statistical or other essential investment services for which the Managers or any connected person make or makes no direct payment but instead endeavour or endeavours to place business with such brokers) which they or it may receive in relation to any transaction effected for the account of any Sub-Fund provided that the requirements of the Code are complied with and the amount of such commissions, terms and other benefits is not in excess of rates or terms commonly receivable by fund managers or other relevant persons in like transactions and that they or it shall do so on the best terms reasonably obtainable having regard to the interests of the relevant Sub-Fund and provided further that any such commissions, terms or other benefits shall exclude cash or commission rebates and shall be so received in circumstances that

do not raise any financial burden for the relevant Sub-Fund. Such commissions, terms and other benefits received by the Managers shall be disclosed to Holders in the half-yearly reports referred to in Clause 30(A) (ix) of the Deed if required by the relevant authorities.

Neither the Trustee nor the Managers nor any delegate nor any connected person shall be liable to account, either to the other or others of them or to the Holders or any of them, for any profits or benefits made or derived by or in connection with any transaction permitted under paragraphs (a), (b) and (c) above.

- 46.2 In no event shall a Holder have or acquire any rights against the Managers or the Trustee except as expressly conferred on the Holder hereby nor shall the Trustee be bound to make any payment to any Holder except out of the funds held by it for that purpose under the provisions of the Deed.
- 46.3 The Trustee and the Managers respectively 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.
- 46.4 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.
- 46.5 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 (sent by facsimile, electronic means or otherwise) affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Managers respectively shall nevertheless be entitled but not bound to require that the signature of any 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.
- 46.6 Any indemnity expressly given to the Trustee and/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.
- 46.7 Nothing contained in the Deed shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustee separately from acting as managers or trustee of funds separate and distinct from the Fund and the Sub-Funds and neither of them shall in any way be liable to account to the Fund or the Sub-Funds or any other person for any profit or benefit made or derived hereby or in connection therewith.
- 46.8 Neither the Trustee nor the Managers shall be responsible for acting upon any resolution purported to have been passed at any meeting of the Holders in respect whereof minutes shall have been made and signed even though it may be subsequently found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Holders.
- 46.9 The Trustee and the Managers may accept as sufficient evidence of the net asset value of any Authorised Investment or the cost price or sale price thereof or of any market quotation a certificate by a stockbroker or any other person, firm or association qualified in the opinion of the Managers and Trustee to provide such a certificate.

- 46.10 At all times and for all purposes of the Deed the Trustee and the Managers may rely upon the established practice and rulings of any Recognised Stock Exchange or OTC Market and any committees and officials thereof on which any dealing in any Authorised Investment or other property is from time to time effected in determining what shall constitute good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under the Deed.
- 46.11 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. Whenever pursuant to any provision of the Deed any certificate, notice, instruction or other communication is to be given 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 by any one person whose signature the Trustee is for the time being authorised by the Managers under their common seal to accept and may act on verbal, written, electronic mail and facsimile instructions given by authorised officers of the Managers specified in writing by the Managers to the Trustee.
- 46.12 The Trustee may accept as sufficient evidence of the value of any Authorised Investment or the cost price or sale price thereof or of any quotation from a Recognised Stock Exchange or an OTC Market a certificate by a stockbroker or other professional person approved by the Trustee as qualified to value such Authorised Investment.
- 46.13 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 letter, electronic form (including electronic mail) or facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, electronic form (including electronic mail) or facsimile although the same contains some error or is not authentic.
- 46.14 Except if and so far as the Deed otherwise expressly provides, the Trustee shall as regards all the trusts, powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and time for the exercise thereof and in the absence of proven fraud or negligence the Trustee shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.
- 46.15 Nothing contained in the Deed shall prevent the Trustee or an associate thereof from contracting or entering into any financial, banking or any other type of transaction with each other or with the Managers, any Sub-Fund or any Holder or any company or body any of whose shares or other securities form part of the Deposited Property or from being interested in any such contract or transaction. The Trustee or any associate thereof shall not be liable to account either to any Sub-Fund or to the Managers or to the Holders or any of them for any profits or benefits made or derived from or in connection with any such transaction provided that any such transaction shall be on an arm's length basis.
- 46.16 The Trustee shall not be under any obligation to institute, acknowledge service of, appear in, prosecute or defend any action, suit, proceedings or claim in respect of the provisions hereof or in respect of the Deposited Property or any part thereof or any corporate or shareholders' action which in its opinion would or might involve it in expense or liability, unless the Managers shall so request in writing, and shall so often as required by the Trustee furnish it with an indemnity satisfactory to it against any such expense or liability.
- 46.17 Subject as expressly provided in the Deed, the Trustee shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Trustee to have recourse to the Deposited Property or any part thereof but this shall be without prejudice to the obligation of the Managers to reimburse the Trustee on account of the Deposited Property in respect of all such matters as fall within Clause 25(B) of the Deed.
- 46.18 Before making any distribution or other payment in respect of any Unit of a Sub-Fund or Class or in respect of management fee relating to the relevant Sub-Fund or Class or the remuneration of the Trustee, the Trustee may make such deductions as by the law of Singapore or by the law of any other country in which such payment or distribution is made the Trustee is required or entitled to make in respect of any income or other taxes, charges or assessments whatsoever and the Trustee may also deduct the amount of any stamp duties or other governmental taxes or charges payable by it or for which it might be made liable in respect of such distribution or any documents

signed by it in connection therewith. The Trustee shall not be liable to account to any Holder of any Sub-Fund or Class or otherwise for any payment made or suffered by the Trustee in good faith to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under the Deed notwithstanding that any such payments ought not to be or need not have been made or suffered.

- 46.19 The Trustee shall not be responsible for verifying or checking any valuation of the Deposited Property or any part thereof or any calculation of the prices at which Units are to be issued or realised, except as herein expressly provided, but shall be entitled at any time to require the Managers to justify the same.
- 46.20 The Trustee (or the Managers or other agents with the approval of the Trustee) shall (subject as provided in the Deed) be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of 6 years from the date of registration thereof and all distribution mandates which have been cancelled or lapsed at any time after the expiration of 6 years from the date of cancellation or lapse thereof and all notifications of change of address after the expiration of 6 years from the date of the recording thereof and all forms of proxy in respect of any meeting of Holders 6 years from the date of the meeting at which the same are used and all registers, statements and other records and documents relating to the relevant Sub-Fund at any time after the expiration of 6 years from the termination of the relevant Sub-Fund. Neither the Trustee nor the Managers nor their agents shall be under any liability whatsoever in consequence thereof and unless the contrary be proved every instrument of transfer so destroyed shall be deemed to have been a valid and effective instrument duly and properly registered and every other document hereinbefore mentioned so destroyed shall be deemed to have been a valid and effective document in accordance with the recorded particulars thereof.

Provided always that:

- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
  - (ii) nothing in Clause 28(L) of the Deed shall be construed as imposing upon the Trustee or the Managers or other agents any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of paragraph (i) above are not fulfilled; and
  - (iii) references to the destruction of any document in this paragraph 46.20 include references to the disposal thereof in any manner.
- 46.21 In the absence of fraud or negligence, the Managers shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by them in good faith under the Deed.
- 46.22 The Managers shall not be under any liability except for fraud or wilful default or such liability as may be assumed by them under the Deed nor shall the Managers (save as otherwise appears in the Deed) be liable for any act or omission of the Trustee.
- 46.23 Nothing herein shall prevent the Managers or any associate thereof from contracting or entering into any financial, banking or any other type transaction with the Trustee (when acting other than in its capacity as Trustee of the Fund) or any Holder or any company or body any of whose shares or other securities form part of the Deposited Property or from being interested in any such contract or transaction. The Managers or any associate thereof shall not be liable to account to the Trustee or to the Holders or any of them for any profits or benefits made or derived from or in connection with any such transaction provided that any such transaction shall be on an arm's length basis.

#### 47. Termination of the Fund or the Sub-Fund

- 47.1 Either the Trustee or the Managers may in their absolute discretion terminate the Fund by not less than 6 months' notice in writing to the other given so as to expire at the end of the Accounting Period (as defined in the Deed) current at the end of the fifth year after 27 June 2001 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 3 months before the relevant date of its or their remuneration hereunder. In the event that the Fund shall be terminated the Managers shall give notice thereof to all Holders not less than 3 months in advance of such termination.

Either the Trustee or the Managers may in their absolute discretion terminate any Sub-Fund (other than EM Bond Fund) or any Class by not less than 3 months' notice in writing to the other.

Subject as aforesaid the Fund, Sub-Funds and Classes shall continue until terminated in the manner hereinafter provided.

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

- (i) 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;
- (ii) if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund;
- (iii) if within the period of 3 months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of Clause 33 of the Deed;
- (iv) if within the period of 3 months from the date of the Trustee removing the Managers, the Trustee has failed to appoint new managers within the terms of Clause 34 of the Deed; and
- (v) if the relevant authority so directs pursuant to the SFA.

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

47.3 Any Sub-Fund or Class may be terminated by the Managers by notice in writing as hereinafter (i) if the aggregate net asset value of that Sub-Fund or Class shall be less than S\$5,000,000 (or its equivalent in any other currency); or (ii) if any law shall be passed which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue that Sub-Fund or Class.

The Fund may be terminated by the Managers in their absolute discretion by notice hereinafter (i) if the aggregate net asset value of the Fund shall be less than S\$5,000,000 (or its equivalent in any other currency); (ii) if any law shall be passed which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue with the Fund; or (iii) if the relevant authority so directs pursuant to the Securities and Futures Act.

47.4 The party terminating the Fund or the relevant Sub-Fund shall give notice thereof to the Holders of the Fund or the relevant Sub-Fund (as the case may be) fixing the date at which such termination is to take effect which date shall not be less than 3 months after the service of such notice. The Managers shall give not less than 7 days (or such other notice period as may be permitted by the relevant authority) prior notice of such termination to the relevant authority.

The party terminating the relevant Class shall give notice thereof to the Holders of that Class fixing the date at which such termination is to take effect which date shall not be less than 3 months after the service of such notice (or such earlier date as may be necessary to comply with any law).

47.5 The Fund or any Sub-Fund may at any time after 5 years from 27 June 2001 be terminated by extraordinary resolution of a meeting of the Holders of that Sub-Fund or a meeting of the Holders of all the Sub-Fund in the case of termination of the Fund duly convened and held in accordance with the provisions contained in the schedule to the Deed and such termination shall take effect from the date on which the extraordinary resolution is passed or such later date (if any) as the extraordinary resolution may provide.

Any Class may at any time be terminated by the Holders of that Class by extraordinary resolution and such termination shall take effect from the date on which the extraordinary resolution is passed or such later date (if any) as the extraordinary resolution may provide.

47.6 The Trustee may (with the consent of the Managers) move 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.

48. Rights of voting

Subject to the relevant provisions of the Deed, the Managers may exercise or refrain from exercising any rights of voting conferred by any of the Deposited Property of the relevant Sub-Fund in what they may consider to be the best interests of the Holders.

However, notwithstanding the above, in respect of voting rights where the Managers may face conflicts of interests, the Managers shall cause such voting rights to be exercised in consultation with the Trustee.

The phrase “**rights of voting**” or the word “**vote**” used in this paragraph 48 shall be deemed to include not only a vote at a meeting but any consent to or approval of any arrangement, scheme or resolution or any alteration in or abandonment of any rights attaching to any part of the Deposited Property and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.



# UNITED EMERGING MARKETS PORTFOLIOS

comprising the following sub-funds:

**United Emerging Markets Bond Fund**  
**United Emerging Markets Equity Fund**  
**United Emerging Markets Local Currency Bond Fund**

(Constituted in Singapore pursuant to the Deed of Trust dated 27 June 2001, as amended)

## FIRST SUPPLEMENTARY PROSPECTUS DATED 24 APRIL 2015

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

This First Supplementary Prospectus is lodged pursuant to Section 298 of the Securities and Futures Act (Chapter 289 of Singapore) and is supplemental to the prospectus registered on 25 March 2015 (the “**Prospectus**”) relating to the United Emerging Markets Portfolios.

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

This First Supplementary Prospectus sets out the amendments made to the Prospectus in relation to, inter alia, (i) the United States Foreign Account Tax Compliance Act and (ii) the Managers’ right to compulsorily realise Units.

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

1.1 The following new paragraphs are inserted immediately before the last paragraph in the Important Information section of the Prospectus:

#### **“Prohibition against U.S. investors”**

The Units are being offered and sold outside the United States to persons that are not:

- (i) U.S. Persons (as defined in Regulation S promulgated under the Securities Act of 1933 of the United States of America (“U.S.”), as amended (the “**U.S. Securities Act**”)) in reliance on Regulation S promulgated under the U.S. Securities Act; or
- (ii) “United States persons” (as defined in Section 7701(a)(30) of the U.S. Internal Revenue Code, as amended, and referred to herein as “**U.S. Taxpayers**”). Currently, the term “**U.S. Taxpayer**” includes: a U.S. citizen or resident alien of the United States (as defined for U.S. federal income tax purposes); any entity treated as a partnership or corporation for U.S. tax purposes that is created or organized in, or under the laws of, the United States or any state thereof (including the District of Columbia); any other partnership that may be treated as a U.S. Taxpayer under future U.S. Treasury Department regulations; any estate, the income of which is subject to U.S. income taxation regardless of source; and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Taxpayers. Persons who are aliens as to the United States but who have spent 183 days or more in the United States in any of the last two years should check with their tax advisors as to whether they may be considered residents of the United States.

Units are not and may not be offered, made available, sold to or for the account of any U.S. Persons or U.S. Taxpayers. Applicants for Units may be required to declare that they are not U.S. Taxpayers and that they are neither acquiring Units on behalf of U.S. Taxpayers nor acquiring Units with the intent to sell or transfer them to U.S. Taxpayers.

## **Foreign Account Tax Compliance Act (“FATCA”)**

FATCA was enacted in 2010 by the United States Congress as part of the U.S. Hiring Incentives to Restore Employment (HIRE) Act to target non-compliance with tax laws by U.S. Taxpayers using overseas accounts. Under FATCA, financial institutions outside of the U.S. are required to regularly submit information on financial accounts held by U.S. Taxpayers to the U.S. tax authorities. Failure to comply with FATCA may, amongst other things, subject the relevant Sub-Fund to U.S. withholding tax on certain types of payments made to the Sub-Fund. Accordingly, it is intended that the Sub-Funds comply with FATCA.

For the purpose of complying with FATCA, the Managers, the Trustee and/or other service providers of the relevant Sub-Fund may be required to report and disclose information on certain investors in the relevant Sub-Fund to the U.S. tax authorities and/or such Singapore authority as may be required under Singapore laws and regulations to be implemented as part of any intergovernmental agreement (“IGA”) entered into between the U.S. and Singapore\* in connection with FATCA and/or withhold certain payments to such investors.

Investors are required to:

- (a) provide such information, documents and assistance in connection with the above as the Managers and/or the Trustee may require from time to time; and
- (b) notify the Managers or any of their authorised agents or distributors in writing immediately in the event that the relevant investor is or becomes a U.S. Taxpayer, or is holding Units for the account of or benefit of a U.S. Taxpayer.

Each investor is also deemed to have consented to the Managers, the Trustee and/or other service providers to the relevant Sub-Fund carrying out their obligations in reporting and disclosing information on him and his investments to the U.S. tax authorities and/or such Singapore authority as may be required under Singapore laws and regulations to be implemented as part of any IGA entered into between the U.S. and Singapore.”

- 1.2 Paragraphs 3(xvi) and (xvii) are deleted in their entirety and replaced with the following:

“(xvi) a First Supplemental Deed dated 18 July 2013;

(xvii) a Fourteenth Amendment Deed dated 1 April 2014; and

(xviii) a First Supplemental Deed dated 23 April 2015.”

## **2. The following amendments will take effect from 29 May 2015:**

- 2.1 The following new paragraph is inserted immediately before the last paragraph in the Important Information section of the Prospectus:

“The Managers may compulsorily realise all or part of the Units held by any Holder pursuant to paragraph 30A of this Prospectus, in the event of any of the circumstances set out thereunder.”

- 2.2 Paragraph 22.3 is amended by:

2.2.1 deleting the words “net asset value per Unit” and replacing them with “net asset value”; and

2.2.2 deleting the words “or such other method of adjustment or number of decimal places” and replacing them with “or such other method of determination or adjustment or number of decimal places”.

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\* Pursuant to the IGA entered into between Singapore and the U.S. on 9 December 2014, Singapore-based financial institutions will report information on financial accounts held by U.S. Taxpayers to the Inland Revenue Authority of Singapore (IRAS), which will in turn provide the information to the U.S. tax authorities.

2.3 Paragraph 29.3 is amended by:

2.3.1 deleting the words “net asset value per Unit” and replacing them with “net asset value”; and

2.3.2 deleting the words “or such other method of adjustment or other number of decimal places” and replacing them with “or such other method of determination or adjustment or number of decimal places”.

2.4 The following new paragraph 30A is inserted immediately before the existing paragraph XII:

“30A. Compulsory realisations

30A.1 The Managers have the right (in consultation with the Trustee) to compulsorily realise any holdings of Units in a Sub-Fund held by:

(a) any Holder:

(i) whose subscription for or holding of Units, in the opinion of the Managers, is or may be in breach of any applicable law or regulation in any jurisdiction; or

(ii) where such realisation is, in the opinion of the Managers, necessary or desirable for the compliance of the Managers or the Sub-Fund with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions); or

(b) any Holder whose holdings, in the opinion of the Managers:

(i) may cause the Sub-Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or

(ii) may cause the offer of the Units of the Sub-Fund, the Sub-Fund, this Prospectus, the Deed, the Managers or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or

(c) any Holder whose holdings, in the opinion of the Managers:

(i) may cause a detrimental effect on the tax status of the Sub-Fund in any jurisdiction or on the tax status of the Holders of the Sub-Fund; or

(ii) may result in the Sub-Fund or other Holders of the Sub-Fund suffering any other legal or pecuniary or administrative disadvantage which the Sub-Fund or Holders might not otherwise have incurred or suffered; or

(d) any Holder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or where information and/or documentary evidence requested by the Managers and/or the Trustee for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks cannot be obtained from the Holder (or the Holder has failed to provide the same) in a timely manner; or

(e) any Holder, where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as may be requested by the Managers and/or the Trustee pursuant to laws, regulations, guidelines, directives or contractual obligations with other jurisdictions' authorities (including, without limitation, the FATCA and/or any Singapore laws, regulations, guidelines and directives implemented as part of any IGA entered into between the U.S. and Singapore in connection with FATCA) cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or

- (f) any Holder who does not consent, or withdraws his consent, for the Managers or the Trustee to collect, use and/or disclose information or data relating to the Holder, where (in the opinion of the Managers or the Trustee) such information or data is necessary or desirable for the Managers, the Trustee, their respective related corporations and/or other service providers to perform their respective services and/or duties to or in respect of the Sub-Fund and/or the Holder.

Any compulsory realisation under this paragraph may be carried out by the Managers on any Dealing Day, with prior notice to the relevant Holder, and shall be carried out in accordance with, and at the realisation price determined under, the applicable provisions on realisations in the Deed.

30A.2 If the Managers and/or the Trustee are required to account to any duly empowered fiscal authority of Singapore or elsewhere for any income or other taxes, charges or assessments whatsoever on the value of any Units held by a Holder, the Managers (in consultation with the Trustee) shall be entitled, at any time with prior notice to that Holder, to realise such number of Units held by that Holder as may be necessary to discharge the liability arising. The Managers and/or the Trustee (as the case may be) shall be entitled to apply the proceeds of such realisation in payment, reimbursement and/or set-off against the liability.

30A.3 The Managers, the Trustee and their respective delegates, agents or associates shall not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by any Holder or any party arising out of or caused in whole or in part by any actions which are taken by the Managers, Trustee and/or any of their respective delegates, agents or associates under this paragraph 30A.”

2.5 Paragraph 46.18 is deleted in its entirety and replaced with the following:

“46.18 Before making any payment to a Holder, any distribution or other payment in respect of any Unit of a Sub-Fund or Class or in respect of management fee relating to the relevant Sub-Fund or Class or the remuneration of the Trustee, the Managers and/or the Trustee may make such deductions as by the law of Singapore or by any law, regulation or contractual obligation with any other country may require or allow in respect of any income or other taxes, charges or assessments whatsoever (including any deduction for any tax liability imposed on any Sub-Fund that is attributable to such Holder) and the Managers and/or the Trustee may also deduct the amount of any stamp duties or other governmental taxes or charges payable by any of them or for which any of them might be made liable in respect of such payment or distribution or any documents signed by any of them in connection therewith. The Managers and the Trustee shall not be liable to account to any Holder of any Sub-Fund or Class or otherwise for any payment made or suffered by any of them in good faith to any duly empowered fiscal authority of Singapore or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under the Deed notwithstanding that any such payments ought not to be or need not have been made or suffered.”



# 大华新兴市场投资组合

大华新兴市场债券基金  
大华新兴市场股票基金  
大华新兴市场当地货币债券基金

发售计划说明书