



# PineBridge International Funds

Prospectus



**PINEBRIDGE INTERNATIONAL FUNDS**

**PROSPECTUS**

**ISSUED PURSUANT TO THE  
SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE**

**Registered on 26 September 2013**

This is a replacement prospectus lodged with the Monetary Authority of Singapore on 13 March 2014 pursuant to Section 298 of the Securities and Futures Act, Chapter 289 of Singapore and it replaces the prospectus registered with the Monetary Authority of Singapore on 26 September 2013.

**CHAN & GOH LLP**

Advocates & Solicitors

50 Craig Road

#03-01

Singapore 089688

# **PINEBRIDGE INTERNATIONAL FUNDS**

## **DIRECTORY**

### **Managers**

PineBridge Investments Singapore Limited  
(Company Registration No. 199602054E)  
1 Robinson Road, #21-01 AIA Tower, Singapore 048542

### **Trustee**

Citicorp Trustee (Singapore) Limited  
8 Marina View, #21-00 Asia Square Tower 1, Singapore 018960

### **Registrar**

RBC Investor Services Trust Singapore Limited  
20 Cecil Street, #28-01 Equity Plaza, Singapore 049705

### **Auditors**

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

### **Custodian**

Citibank N.A., Singapore Branch  
8 Marina View, #21-00 Asia Square Tower 1, Singapore 018960

### **Administrator**

Citibank N.A., Singapore Branch  
8 Marina View, #21-00 Asia Square Tower 1, Singapore 018960

### **Solicitors to the Managers**

Chan & Goh LLP  
50 Craig Road, #03-01, Singapore 089688

### **Solicitors to the Trustee**

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

## PINEBRIDGE INTERNATIONAL FUNDS

### Important Information

The collective investment schemes offered pursuant to this prospectus are constituted in Singapore and are each an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (“SFA”). A copy of this prospectus has been lodged with and registered by the Monetary Authority of Singapore (“**Authority**”). This prospectus has been prepared in accordance with the requirements of the SFA. The Authority assumes no responsibility for the contents of this prospectus and 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 collective investment schemes.

**The date of registration of this prospectus with the Authority is 26 September 2013 (which is replaced by this replacement prospectus dated 13 March 2014). This prospectus shall be valid for a period of 12 months from the date of registration up to and including 25 September 2014 and shall expire on 26 September 2014.**

The Managers of PineBridge International Funds (the “**Scheme**”) are responsible for the accuracy of information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this prospectus misleading. Unless otherwise stated, all terms not defined in this prospectus have the same meanings as used in the trust deed (as amended) constituting and relating to the Scheme (the “**Deed**”). The meaning of some of the terms and abbreviations used in this prospectus can be found in the Glossary at the end of this prospectus.

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

The Units (as defined in the Glossary) offered pursuant to this prospectus will not be listed on any securities exchange. There is no ready market for the Units. Any holder of Units (the “**Holder**”) may request the Managers to realise all or part of his or her holding of Units in accordance with and subject to the provisions of the Deed.

This prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such an offer or solicitation. The delivery of this prospectus or the issue of Units shall not, under any circumstances, create any impression that the affairs of the Scheme have not changed since the date of this prospectus. This prospectus may be updated from time to time to reflect material changes and investors should investigate whether an updated prospectus is available.

Investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and restrictions, (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, and (d) any restrictions or requirements under the Central Provident Fund (Investment Schemes) (the “CPFIS”) Regulations and the terms and conditions in respect of the CPFIS issued by the Central Provident Fund (“CPF”) Board (as the same may be amended, modified, supplemented or re-enacted from time to time), which may be relevant to the subscription, holding or disposal of Units and should inform themselves of and observe all applicable laws and regulations of any relevant jurisdiction. No representation is made as to the tax status of any of the Sub-Funds (as listed in paragraph 1.1 of this prospectus).

Investors should also consider the risks of investing in each of the collective investment schemes and the particular investment objectives, focus and approach of each collective investment scheme that are set out in this prospectus.

The Managers, their related entities or each of their officers and employees may from time to time hold Units in any of the collective investment schemes offered in this prospectus.

All enquiries relating to the Scheme should be directed to the Managers or any authorised distributor appointed by the Managers.

### United States

The Units have not been registered under the United States Securities Act of 1933, as amended, or the United States Investment Company Act of 1940, as amended, and may not be publicly offered in the United States.

Notwithstanding the foregoing, the Managers may, with the advice of counsel, approve the sale or transfer of Units to one or more US Persons (as defined in the Glossary) in circumstances in which it is reasonably concluded that such sale would not have adverse consequences to the Scheme or its Sub-Funds. However, the Scheme and its Sub-Funds are not established for the purpose of investment by US Persons. Any such investor should consult their own legal, tax and other advisers to determine whether an investment in the Scheme or its Sub-Funds could result in adverse consequences to the investor or its related persons and affiliates. US Persons may have United States tax consequences arising from investing in the Scheme or one of its Sub-Funds. In addition, US Persons related to foreign persons investing in the Scheme or its Sub-Funds may incur United States tax consequences. It is suggested that such US Persons and their related foreign investor in the Scheme or its Sub-Funds consult their United States tax advisers.

It is also a policy of the Scheme to prohibit the sale of Units to any investor to whom such sale would be unlawful in the United States. Applicants for Units and transferees will be required to certify that they are not US Persons prohibited from purchasing Units.

Under the provisions of the United States Foreign Account Tax Compliance Act ("**FATCA**"), where a non-United States fund invests directly or indirectly into the United States, certain payments to the fund of United States source income may be subject to 30 percent withholding tax unless the fund enters into an agreement with the United States Internal Revenue Service or, if applicable, complies with the terms of local rules under an intergovernmental agreement ("**IGA**") with the United States. Generally, the agreement and IGA require the fund to agree to perform due diligence on the fund's investors, withhold 30 percent, when required, on non-compliant investors and to report on an annual basis on United States accounts. Investors in the Scheme or its Sub-Funds may be required to provide certain documentation to certify their status as a U.S. or non-U.S. person and failure to provide such documentation may result in the investor being classified as non-compliant, thus, subjecting certain payments to 30 percent withholding. Investors should consult their tax advisors regarding the application of FATCA to their investment and the documentation that may need to be provided to the Managers.

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## PINEBRIDGE INTERNATIONAL FUNDS

### 1. STRUCTURE OF PINEBRIDGE INTERNATIONAL FUNDS

1.1 PineBridge International Funds (the “**Scheme**”) is an umbrella unit trust under which the Managers may establish sub-funds to be managed as separate and distinct trusts. The Scheme is constituted in Singapore and currently offering Units in the following sub-funds (each a “**Sub-Fund**”):

- (a) PineBridge International Funds – Acorns of Asia Balanced Fund; and
- (b) PineBridge International Funds – Singapore Bond Fund.

1.2 The general provisions applying to all Sub-Funds are set out in the main body of this prospectus while details specific to each Sub-Fund are set out in the following Appendices:

<b>Sub-Fund</b>	<b>Appendix</b>
PineBridge International Funds – Acorns of Asia Balanced Fund	1
PineBridge International Funds – Singapore Bond Fund	2

#### 1.3 Trust deed and supplemental deeds

- (a) The deed of trust constituting the Scheme and relating to the interests being offered to the public for subscription or purchase is dated 15 February 1999 (the “**Original Deed**”). The parties to the Original Deed are PineBridge Investments Singapore Limited as the managers (the “**Managers**”) and Citicorp Trustee (Singapore) Limited as the trustee (the “**Trustee**”).
- (b) The Original Deed has been amended by way of the following supplemental deeds and amending and restating deeds (collectively, the “**Supplemental Deeds**”):
  - First Supplemental Deed dated 2 November 1999
  - Second Supplemental Deed dated 28 August 2000
  - Third Supplemental Deed dated 22 August 2001
  - Fourth Supplemental Deed dated 29 January 2002
  - Fifth Supplemental Deed dated 30 January 2003

- Amending and Restating Deed dated 29 January 2004
- First Supplemental Deed to the Amended and Restated Deed dated 28 January 2005
- Second Supplemental Deed to the Amended and Restated Deed dated 25 January 2006
- Second Amending and Restating Deed dated 26 January 2007
- Third Amending and Restating Deed dated 16 January 2008
- Fourth Amending and Restating Deed dated 23 January 2009
- Fifth Amending and Restating Deed dated 3 December 2009
- Sixth Amending and Restating Deed dated 7 April 2010
- Seventh Amending and Restating Deed dated 30 September 2011

The Original Deed, as modified by the Supplemental Deeds will be referred to as the “**Deed**”.

- (c) The terms and conditions of the Deed are binding on the Managers, the Trustee and each Holder (and all persons claiming through such Holder as if such Holder had each been a party to the Deed and as if the Deed contained covenants on each Holder to observe and be bound by all the provisions of the Deed and an authorisation by each Holder to do all such acts and things as the Deed may require the Managers or the Trustee to do).
- (d) A copy of the Deed may be inspected, free of charge, at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542 during normal business hours.

## 2. THE MANAGERS

The managers of the Scheme are PineBridge Investments Singapore Limited (the “**Managers**”), whose business and registered address is at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

The Managers were incorporated in 1996 to undertake investment activities in the region, covering developed and emerging market equities and bonds. As at 30 June 2013, it had responsibility for the investment of assets in excess of SGD 4.82 billion. The Managers are licensed and regulated by the Authority to carry out fund management activities, and have managed collective investment schemes and/or discretionary funds in Singapore since 1998.

The Managers are part of PineBridge Investments which is a group of international companies that provides investment advice and markets asset management products and services to its clients around the world. It operates as a multi-strategy investment manager in 24 countries and jurisdictions as of 31 March 2013, with USD 68.4 billion in assets under management as of 30 June 2013. PineBridge Investments is a leading asset manager with long-term track records across listed equity, fixed income and alternative investments strategies, and a rich heritage managing assets for one of the world's largest insurance and financial services companies.

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

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

**The directors of the Managers and the key executives of the Managers in relation to the Scheme are as follows:**

Director and Key Executive - Tan Kheng Lai

Mr. Tan Kheng Lai is a Managing Director and the Listed Equities Portfolio Manager of PineBridge Investments Singapore Limited ("**PineBridge Singapore**"). He joined PineBridge Singapore in November 1999 and is responsible for managing Asia ex-Japan equity portfolios. Mr. Tan was appointed as the Executive Director of PineBridge Singapore on 28 August 2009 and the Chief Executive Officer of PineBridge Singapore on 1 November 2012. Prior to joining PineBridge Singapore, Mr. Tan worked as a Portfolio Manager with AGF of Canada and John Govett from the United Kingdom. He was also involved in the establishment and running of Pheim Asset Management, a boutique investment firm in Singapore. Mr. Tan began his career in investments as an Analyst with DG-GZB (Asia) in 1988. He received a Bachelor of Business Administration from the National University of Singapore. He also holds a Certified Financial Planner designation.

### Director and Key Executive - Rajeev Mittal

Mr. Rajeev Mittal, in his role as Chief Executive Officer for Asia Pacific, is responsible for implementing PineBridge Investments Asia Limited's dynamic growth strategy across the region where the PineBridge group of companies have a long history of servicing both institutional and retail clients. Mr. Mittal was appointed as the Non-Executive Director of PineBridge Singapore on 18 February 2011. Prior to taking on his expanded role in Asia and relocating to Hong Kong from London early in 2011, Mr. Mittal was Chief Executive Officer for PineBridge Investments Europe Limited ("**PineBridge Europe**"). Since joining PineBridge Europe in 1992, Mr. Mittal's responsibilities have included portfolio management of single currency US Dollar, Sterling, and Irish Punt portfolios, as well as global bond portfolios. He became Head of International Fixed Income in March 2009, overseeing Global Sovereign strategies and various country specific strategies focused in Asia. He received a BSc (Hons) in Mathematics and Statistics from the University of Bradford.

### Key Executive - Eileen Pang

Portfolio Manager & Credit Analyst, Fixed Income

Ms. Pang joined PineBridge Singapore in April 2007 and is responsible for managing the Singapore fixed income portfolios of investment-linked insurance funds, unit trusts and institutional funds. Prior to joining PineBridge Singapore, Ms. Pang was a Vice President (Asia Relationship Credit Group) in Australia and New Zealand Banking Group Ltd, Singapore Branch where she was responsible for Commodity & Trade Finance as well as Institutional & Corporate Banking credits. Ms. Pang holds a Bachelor of Accountancy from Nanyang Technological University and has more than 10 years of experience in banking.

### Key Executive – Omar Slim

Portfolio Manager, Fixed Income

Mr. Slim joined PineBridge Singapore in September 2013 and is responsible for managing the Singapore fixed income portfolios and also participates in regional fund management. Prior to joining PineBridge Singapore, Mr. Slim was Senior Portfolio Manager at State Street Global Advisors in Singapore, focusing on investing in the Asian Fixed Income markets and building up Asian credit coverage. He also worked with State Street Global Advisors in Canada as Credit Research Analyst and then Senior Portfolio Manager focusing on the North American credit markets, investing in corporate, structured and synthetic credit instruments. Before that, Mr. Slim worked at BNP Paribas Corporate & Investment Banking as a Senior Analyst. He received a Master of Finance from Boston College and Executive Education in Behavioural Finance in Harvard Kennedy School. He is also a CFA charter holder.

### 3. THE TRUSTEE

The Trustee for the Scheme is Citicorp Trustee (Singapore) Limited (the “**Trustee**”), whose registered address is at 8 Marina View, #21-00, Asia Square Tower 1, Singapore 018960. The Trustee is an approved trustee for unit trust schemes authorised under Section 286 of the SFA and is regulated by the Authority.

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

### 4. OTHER PARTIES

#### 4.1 The Registrar

The Trustee has appointed RBC Investor Services Trust Singapore Limited (“**RIST**”) to maintain the register of Holders (the “**Register**”), which is kept and maintained at 20 Cecil Street, #28-01 Equity Plaza, Singapore 049705. The Register may be inspected by Holders at the place where it is kept during normal business hours subject to closure of the Register in accordance with the provisions of the Deed and such reasonable restrictions as the Trustee or RIST may impose. The Register is conclusive evidence of the number of Units held by each Holder.

#### 4.2 The Auditors

The Auditors of the accounts relating to the interests under the Scheme are PricewaterhouseCoopers LLP of 8 Cross Street, #17-00 PWC Building, Singapore 048424.

#### 4.3 The Custodian

The Trustee has appointed Citibank N.A., Singapore Branch (Foreign Company Registration No. F500556C), a banking association organised under the laws of the United States of America, having its place of business in Singapore with its registered office at 8 Marina View, #21-00 Asia Square Tower 1, Singapore 018960 (“**Citibank Singapore**”), to act as global custodian of the Scheme. Citibank Singapore is a bank licensed under the Banking Act (Cap.19) of Singapore and is subject to the supervision of the Authority. As a licensed bank in Singapore, Citibank Singapore is exempt from obtaining a capital markets services licence in relation to the provision of custodial services for securities. Details of the custodial arrangement in respect of the Deposited Property of the Sub-Funds are set out below.

In providing custodial services, Citibank Singapore will tap into Citibank's global network of sub-custodians. Generally, assets in Singapore are held by Citibank Singapore or its nominees on behalf of the Sub-Funds, and assets in other countries are held by the sub-custodian(s) operating in the respective countries. The majority of the sub-custodians are subsidiaries, branches and affiliates of Citigroup, Inc subject to Citigroup's supervision and governance. Citigroup has in place processes dealing with the selection and ongoing monitoring of sub-custodians. The criteria for selection of sub-custodian(s) may change from time to time and may include factors such as financial strength, market reputation, systems capability, operational and technical expertise. All sub-custodians shall be licensed, authorised or registered under applicable law to carry out the relevant custodial services. The duties and responsibilities of Citibank Singapore are set out in the Global Custodial Services Agreement between the Trustee and Citibank Singapore. These duties include the establishment and maintenance of custodial accounts in which the Deposited Property of the Sub-Funds will be deposited, and the segregation of the assets of customers from the proprietary assets of Citibank Singapore or any sub-custodian.

#### 4.4 The Administrator

The Managers have delegated the administration and valuation functions of each Sub-Fund to Citibank N.A., Singapore Branch, whose registered address is 8 Marina View, #21-00 Asia Square Tower 1, Singapore 018960.

### 5. **INVESTMENT OBJECTIVE, FOCUS AND APPROACH**

The investment objective, focus and approach of each Sub-Fund are set out in the relevant Appendix for that Sub-Fund. The Managers may change the investment policy of the Sub-Funds in accordance with the provisions of the Deed.

### 6. **CPF SUB-FUNDS**

The Sub-Funds may be included under the Central Provident Fund Investment Scheme (or CPFIS) ("**CPF Sub-Fund**"). Details are set out in the relevant Appendix of the relevant Sub-Fund which is a CPF Sub-Fund.

The CPF interest rate for the Ordinary Account ("**OA**") is based on the weightage of 80% of the average 12-month fixed deposit and 20% of the average savings rates published by the major local banks. Under the Central Provident Fund Act (Chapter 36) of Singapore (the "**CPF Act**"), the CPF Board pays a minimum interest of 2.5% per annum when this interest formula yields a lower rate.

Savings in the Special Account and Medisave Account (“**SMA**”) are invested in Special Singapore Government Securities (“**SSGS**”) which earn an interest rate pegged to either the 12-month average yield of 10-year Singapore Government Securities (“**10YSGS**”) plus 1%, or 4%, whichever is the higher, adjusted quarterly.

New Retirement Account (“**RA**”) savings are invested in SSGS which earns a fixed coupon equal to either the 12-month average yield of the 10YSGS plus 1% at the point of issuance, or 4%, whichever is the higher. The interest credited to the RA is based on the weighted average interest rate of the entire portfolio of these SSGS invested using new and existing RA savings and is computed yearly in January.

The minimum rate for interest earned on all SMA and RA moneys will be maintained at 4% p.a. until 31 March 2014 and 31 December 2014 respectively. Thereafter, interest rates on all CPF account moneys will be subject to a minimum rate of 2.5% p.a.

The first \$60,000 of a CPF member’s combined CPF accounts earns an extra 1% interest. To enable members to earn extra interest, only moneys in excess of \$20,000 in a CPF member’s Ordinary Account and \$40,000 in his/her Special Account can be invested.

Investors should note that the applicable interest rates for each of the CPF accounts may be varied by the CPF Board from time to time.

Investments using CPF moneys shall at all times be subject to the regulations and such directives or requirements imposed by the CPF Board from time to time.

## **7. FEES AND CHARGES**

The fees and charges payable in relation to each Sub-Fund are set out in the relevant Appendix for that Sub-Fund.

Investors should also note that the authorised distributors through whom 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 their distributors on such fees and charges, if any.

## 8. RISKS

### 8.1 General risks of investing in collective investment schemes

Investment in collective investment schemes is intended to produce returns over the medium to long term and is not suitable for short-term speculation. Investors should be aware that the price and value of the Units, and the income deriving or accruing from them, may fall or rise, and that there is the possible loss of the original amount invested. The Managers give no assurance that the investment objectives of any of the Sub-Funds will be met.

Investors should consider and satisfy themselves as to the risks before investing. The risks described below are not exhaustive and investors should be aware that the Sub-Funds might be exposed to other risks of an exceptional nature from time to time. Investors should also note that the degree to which these risks affect investments in a collective investment scheme varies depending on the scheme's investment objectives, approach and focus.

### 8.2 Risks specific to the Sub-Funds

Generally, some of the risk factors that should be considered by investors in the Sub-Funds are economic, interest rate, political, liquidity, default, foreign exchange, regulatory and repatriation risks. In particular, investors should carefully consider the following:

- (a) The value of a Sub-Fund's investments may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made.
- (b) Where a Sub-Fund invests in bonds and other fixed income securities, the value of such investments is sensitive to interest rate fluctuations. Additionally, bonds and other fixed income securities are subject to credit risks, such as risk of default by issuers. An increase in interest rates and/or credit risk premiums will generally reduce the value of fixed income securities. The relevant Sub-Fund's performance therefore, will depend in part on the Managers' ability to anticipate and respond to such fluctuations in market interest rates and credit risk premiums and to utilise appropriate strategies to maximise returns to the Sub-Fund while attempting to minimise the associated risks to its investment capital.



- (c) The value of the securities in which a Sub-Fund invests will fluctuate depending upon the general trend of the stock market and prevailing interest rates. Economic environment of the countries in which the Sub-Fund invests will also have an impact on the value of the securities acquired.
- (d) The insolvency of any counterparty could adversely affect the ability of such counterparty to meet its payment obligations to any Sub-Fund. Certain investments (e.g. warrants and over-the-counter options) may also be illiquid.
- (e) The assets and income of a Sub-Fund may be denominated in a number of different currencies other than the Singapore Dollar and will thus be subject to fluctuations in currency exchange rates and in certain cases, exchange control regulations. The investments may be acquired in a wide range of currencies, some of which may not be freely convertible currencies. It may not be possible or practicable to hedge against the consequent currency risk exposure and in certain instances the Managers may not consider it desirable to hedge against such risk. The Managers will enter into hedging transactions at their sole discretion. In the management of the Sub-Funds, the Managers adopt an active currency management approach. However, the foreign currency exposure of the Sub-Funds may not be fully hedged depending on circumstances of each case. Such considerations include but are not limited to the outlook on the relevant currency, the costs of hedging and the market liquidity of the relevant currency.
- (f) Securities in emerging markets and some Asian markets may be more volatile than securities of developed markets. This volatility may stem from political, economic, legal, trading liquidity, currency and interest rate factors. There may also be the possibility of changes in government policies in some of these markets that may affect the ability to repatriate capital, income and proceeds. The securities may also be less liquid, which will affect the ability to acquire or dispose of these securities at the desired price and time. The laws and regulatory framework of these countries may be less stringent and the disclosure, accounting, auditing and financial reporting standards may differ significantly from and offer less investor protection, as compared to internationally recognised standards. As a result, information on the company's accounts of such securities may not be an accurate reflection of its financial position.

- (g) Investments in unlisted securities may involve a high degree of business and financial risks as these securities are less liquid than listed securities. Further, the issuers of such securities may not be subject to the same disclosure and investor protection measures that are applicable to listed securities. Investments in warrants may involve higher risks than investments in ordinary shares. When a Sub-Fund invests in warrants, the values of these warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices.
- (h) Investors should be aware that investments in single country, sectoral or regional funds which may present greater opportunities and potential for capital appreciation, may be subject to higher risks as they may be less diversified than a global portfolio.
- (i) Investors should be aware that some of the industries in which a Sub-Fund invests in may be subject to greater government regulations than many other industries in certain countries. Changes in government policies and the need for regulatory approval may have a material adverse effect on these industries. The companies which a Sub-Fund invests in may also be subject to risks of developing technology and communications, competitive pressures and other factors and are dependent upon consumer and business acceptance as new technologies evolve. Trading in such securities may be subject to more abrupt price movements.
- (j) The Sub-Funds may be subject to tax exposure on their underlying investments, whether in Singapore or elsewhere. Any such tax exposure will be borne by the Sub-Fund and may impact the value of that Sub-Fund.
- (k) Credit ratings of instruments invested into by a Sub-Fund represent the Managers' and/or rating agencies' opinions regarding the instruments' credit quality and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustment to credit ratings in response to subsequent change of circumstances may take time.
- (l) 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 Sub-Fund. For example, substantial realisations of Units by an institutional investor over a short period of time could necessitate the liquidation of the Sub-Fund's assets at a time and in a manner which does not provide the most economic advantage to the Sub-Fund and which could therefore adversely affect the value of the Sub-Fund's assets.

### 8.3 Financial derivative instruments (FDIs)

- (a) The Sub-Funds may use FDIs from time to time for the purpose of hedging. FDIs are financial contracts whose values are “derived” from the value of the underlying assets. The FDIs in the Sub-Funds may include foreign exchange forwards and warrants.
- (b) While the professional use of foreign exchange forwards may be beneficial to the overall investment portfolio, it may involve different risks which may be greater than those of more traditional investments. As the volatility of prices of FDIs may be higher than that of their underlying stocks and other benchmarks, these FDIs are generally riskier. For example, the market value of outstanding positions of foreign exchange forwards fluctuates according to prevailing foreign exchange spot rates and interest rates of the underlying pair of currencies. Foreign exchange forwards may also be subject to possible default of counterparties to the arrangement which may require the foreign exchange forwards contracts to be replaced at a loss.
- (c) FDIs will not be used to gear the overall portfolio of the Sub-Funds. The Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented. The Managers have the necessary expertise and controls to manage the risks relating to investments in FDIs. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Sub-Funds.
- (d) The notional amounts of foreign exchange forwards will be monitored to ensure that the amounts outstanding do not exceed the hedged position. The global exposure of a Sub-Fund to FDIs or embedded FDIs (if any) will not exceed 100% of the Net Asset Value of the Deposited Property of the 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 and will calculate such exposures in accordance with Appendix 1 of the Code.
- (e) A Sub-Fund may net its over-the-counter FDI positions with counterparties through a bilateral agreement with the relevant counterparty provided that such netting arrangements satisfy the relevant conditions described in Appendix 1 of the Code and the Managers will (if applicable) obtain or have obtained the legal opinions stipulated in the Code.

## 8.4 Brokers and counterparties

- (a) The Sub-Funds may engage the services of brokers to acquire or dispose its investments and to clear and settle its exchange traded securities trades. There is the possibility that the brokers with whom a Sub-Fund may do business will encounter financial difficulties that may impair the operational capabilities of the Sub-Fund. In the event that one of these brokers were to fail or become insolvent, there is a risk that the Sub-Fund's orders may not be transmitted or executed and its outstanding trades made through the broker may not be settled.
- (b) The Sub-Funds are exposed to counterparty risk. Counterparty risk is the risk that a counterparty may, for financial or other reasons, be unable to act in accordance with the terms and conditions of the contract and default. The result is a financial loss for the other party as it has to conclude substitute transactions at less favourable prices. This risk may be directly due to the creditworthiness of the counterparty or indirectly to the domicile of the counterparty. A participant defaults if, for example, it files a petition in bankruptcy, becomes insolvent or a moratorium has been imposed on it. The potential loss if a counterparty defaults is the cost of providing substitute cover (replacement cost). Counterparty risk may therefore be called replacement risk or substitution risk. Over-the-counter business is particularly affected by counterparty risk. As contracts are concluded bilaterally between two parties without involving a clearing house, it may happen that one party is unable to settle its obligations. The creditworthiness of the counterparty may change very quickly during the term of the contract. Counterparty risk may be prevented or at any rate reduced by carefully and consistently monitoring the creditworthiness of the counterparty.
- (c) The Managers have established various procedures and controls to manage broker and counterparty risks. Currently, the Managers' policy is to select brokers based on criteria such as counterparty financial strength, credit rating, regulatory status and other known issues with the counterparty, including but not limited to reputational risk, liquidity risk and legal risk. In addition, trading with these counterparties will be conducted in accordance with all applicable contractual, regulatory and fiduciary standards. The Managers set both credit and settlement exposure limits for approved brokers and counterparties and monitor such limits on a regular basis.

## 9. SUBSCRIPTION AND ISSUE OF UNITS

### 9.1 How Units may be purchased and paid for

Investors may apply to subscribe for Units in a Sub-Fund by submitting the enclosed Application Form to the Managers' authorised distributors, together with such other documents as may be required.

#### **(a) Cash subscriptions**

Payment for cash subscriptions are to be made in full in the manner stipulated by the Managers or their authorised distributors. Payment shall be in the form of a Singapore Dollar cheque or cashier's order made payable to, or via telegraphic transfer to, the account name specified in the Application Form.

#### **(b) Subscriptions through use of SRS moneys**

Investors may also subscribe for Units by paying with their SRS moneys. Investors paying with their SRS moneys will have to give a written authorisation to the relevant SRS Operator for moneys to be withdrawn from their SRS Accounts for the subscription of Units.

#### **(c) Subscriptions through use of CPF moneys**

Investors who wish to subscribe for Units in a CPF Sub-Fund with moneys from their CPF Ordinary Account, will have to give a written authorisation to the relevant Approved Bank for moneys to be withdrawn from their CPF Ordinary Account for the subscription of Units.

Investors must complete a standing order form and submit it to the relevant Approved Bank, failing which the Managers reserve the right to reject the application.

Investors who wish to subscribe for Units in a CPF Sub-Fund with moneys from their CPF Special Account will have to provide the necessary authorisation to the CPF Board for moneys to be withdrawn from their CPF Special Account for the subscription of Units.

Investors subscribing for Units using CPF or SRS moneys may not be registered as joint holders.

Bank charges (if any) incurred in respect of a payment for subscription of Units by an investor will be borne by the investor.

## 9.2 Applications through the Internet

Investors who subscribe for Units through the Internet will be taken to have confirmed, among other things, that they have, prior to effecting the application for subscription, obtained a copy of this prospectus and have read and understood its contents and agree to be bound by the same and that the application is being made while they are present in Singapore.

Investors should refer to the Deed for further details as to the matters they are taken to have confirmed when making an application through the Internet.

## 9.3 Minimum Initial Investment and Minimum Subsequent Investment

The Minimum Initial Investment and Minimum Subsequent Investment amounts for Units in each Sub-Fund are S\$1,000 and S\$100 respectively.

## 9.4 Pricing and Dealing Deadline

As Units are issued on a forward pricing basis, the Issue Price of Units will not be ascertainable at the time of application. If an investor's application is received by the Managers before 4.00 p.m. Singapore time (or such other time as the Managers may decide) (the "**Dealing Deadline**") on a Dealing Day, the application will be taken to have been received on that Dealing Day and the investor will be issued Units at that Dealing Day's Issue Price. If the application is received after the Dealing Deadline on a Dealing Day or on a day which is not a Dealing Day, the application will be taken to have been received on the next Dealing Day and the investor will be issued Units at the next Dealing Day's Issue Price.

The Issue Price per unit of a Sub-Fund on each Dealing Day shall be an amount equal to the Net Asset Value per Unit of such Sub-Fund as provided for in Clause 10(C) of the Deed as at the Valuation Point in relation to such Dealing Day. The Preliminary Charge shall be retained by the Managers for their own benefit.

## 9.5 How the number of Units are allotted to an investor

The following is an illustration of the number of Units that an investor in a Sub-Fund will receive based on an investment amount of S\$1,000 and a notional Issue Price of S\$1.099.

S\$1,000	-	S\$30	=	S\$970	÷	S\$1.099	=	882.620
Your investment		Preliminary Charge (3%)*		Net investment sum		Issue Price (= NAV per Unit)		No. of Units

\*For the purpose of the above illustration, a notional rate of three (3) per cent Preliminary Charge was used. The current rates of the Preliminary Charge of each Sub-Fund are set out in the relevant Appendix of that Sub-Fund.

Save for the initial offer period (where the Issue Price is fixed as set out in the relevant Appendix of the Sub-Fund), the actual Issue Price of the Units will fluctuate according to the Net Asset Value of the Deposited Property of the Sub-Fund.

#### 9.6 Confirmation of purchase

A trade confirmation will be sent to Holders generally within five (5) Business Days of the receipt and acceptance of their application by the Managers.

#### 9.7 Issue of Units

The Managers have the exclusive right to effect the creation and issue of Units in respect of the Sub-Funds and the acceptance or non-acceptance of applications for purchase of Units is at the absolute discretion of the Managers acting in consultation with the Trustee and in the best interest of the Sub-Fund. If any application is rejected by the Managers, the subscription moneys will be refunded (without interest) to the applicant within a reasonable period of time in such manner as the Managers may determine.

The Managers may, in accordance with the Deed, from time to time invite the public to apply for Units of a Sub-Fund at a fixed price in accordance with the provisions of the Deed.

#### 9.8 Cancellation Period

- (a) Subject to Clause 13A of the Deed and to the terms and conditions for cancellation of subscription stipulated in the cancellation form accompanying the Application Form, an investor (excluding an investor who is not a natural person and any other person excluded in Clause 13A(A) of the Deed) who subscribes for Units in a Sub-Fund for the first time ("**new subscriber**") will have the right to cancel his subscription within seven (7) calendar days of the date on which he signed the Application Form or such other period as may be prescribed by the Authority ("**Cancellation Period**") by sending a cancellation request to the Managers by post.

- (b) Where the last day of the Cancellation Period falls on a Saturday, Sunday or a public holiday, the Cancellation Period is deemed to be extended to the next calendar day, not being a Saturday, Sunday or public holiday. The relevant day for determining whether a cancellation has been exercised within the Cancellation Period is the date on which the request was posted as determined by its postmark.
- (c) The cancellation price per Unit payable to an investor shall be the lower of:
- (i) in relation to any Dealing Day, the Realisation Price per Unit calculated in accordance with the Deed on the Dealing Day excluding the Realisation Charge, if any (the “**Market Price**”); or
  - (ii) the Gross Investment Sum net of the Preliminary Charge or the Switching Fee, as the case may be, and any applicable Fiscal and sale charges or Fiscal and purchase charges (each as defined in the Deed) and any rounding payable in respect thereof (“**Investment Sum**”) divided by the number of Units being cancelled.

Provided that:

- (I) any Preliminary Charge paid by the Holder in respect of the relevant Units shall be refunded in full to the Holder upon cancellation;
- (II) any distributions declared during the Cancellation Period for the Units being cancelled, will be paid to the investor in accordance with the provisions of the Deed;
- (III) if the Market Price is greater than the Investment Sum per Unit, the difference will be retained by the Sub-Fund and will not be paid to the investor. If the Market Price is lower than the Investment Sum per Unit, the Managers will pay the Market Price only. The investor may therefore not get back his original investment;
- (IV) the Managers or their authorised distributors may deduct an administration fee from the cancellation proceeds for expenses reasonably related to the subscription and cancellation; and



- (V) the Realisation Charge, if any, will not be imposed on new subscribers who exercise the right to cancel their subscriptions within the Cancellation Period.
- (d) Investors should refer to further information detailing the terms and conditions applicable to the right of cancellation including information relating to restrictions on redemption and switching during this period, and the procedures which a new subscriber must follow to effect such a cancellation which are contained in the cancellation form and the Deed.

**New subscribers should read the terms and conditions for cancellation of Units carefully before subscribing for Units in any Sub-Fund.**

## **10. REGULAR SAVINGS PLAN (“RSP”)**

- 10.1 A Holder may apply for Units via a RSP subject to a minimum monthly contribution of S\$100 (or such amount as the Managers may determine from time to time). The Minimum Initial Investment is required to be met before starting on a RSP.
- 10.2 Holders must complete a direct debit authorisation form (“**DDA Form**”) authorising the payment for the RSP and submit the DDA Form together with the Application Form to the Managers.
- 10.3 The monthly contribution for the RSP will be deducted (from the Holder’s relevant bank account, CPF Ordinary Account, CPF Special Account or SRS Account, as the case may be) as authorised in the DDA Form and the Application Form. The debit date will be on the eighth (8th) of each month (or the next Business Day if that day is not a Business Day) and the Units are allocated upon receipt of cleared funds.
- 10.4 A new subscriber (as defined in paragraph 9.8(a)) to any Sub-Fund who applies to participate in a RSP at the same time as subscribing for initial Units in that Sub-Fund is entitled to cancel his subscription for Units in that Sub-Fund and his participation in the RSP during the Cancellation Period (as defined in paragraph 9.8(a)).
- 10.5 Existing Holders may cease their participation in the RSP without penalty by giving not less than one (1) month’s notice in writing to the Managers’ authorised distributors. The Managers reserve the right to terminate or suspend the RSP at any time in its absolute discretion by giving not less than one (1) month’s notice in writing to the affected Holders.

## **11. REALISATION OF UNITS**

### **11.1 How Units may be realised**

Subject to paragraph 11.2, Holders may realise their Units by submitting to the Managers' authorised distributors, a written realisation request in such form and together with such other documents as may be required by them.

The Managers may refuse any realisation requests if all relevant documentation has not been submitted, or in any other circumstances agreed with the Trustee and notified to the Holders.

With a view to protecting the interest of Holders, the Managers may, with the approval of the Trustee, in certain instances stipulated in the Deed, limit the total number of Units which Holders may realise on any Dealing Day to ten per cent (10%) of the total number of Units of the relevant Sub-Fund then in issue. If so, requests for realisation of Units in the relevant Sub-Fund on such Dealing Day will be reduced on a pro rata basis to all Holders of the relevant Sub-Fund effecting realisations on such Dealing Day, so that the proportion realised of each holding is the same for all Holders. Any Units which are not realised or cancelled (as the case may be) shall be realised or cancelled (subject to any further application of the provisions of Clause 14(F) 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 to be cancelled or realised (as the case may be), including those carried forward from any earlier Dealing Day, exceeds such limit, the Managers may 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 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 seven 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.

### **11.2 Minimum Realisation Amount and Minimum Holding**

The Holders may realise their holding of Units in full or partially. The minimum amount for any partial realisation shall be 100 Units (or such other number of Units as the Managers may determine). A Holder will not be entitled to realise only part of his holding of Units without the approval of the Managers if due to such realisation, his holding would be reduced to less than the Minimum Holding. Where any realisation request would result in the Holder holding less than the Minimum Holding, the Managers may require such Holder to realise all of his holding of Units.

The Minimum Holding for each Sub-Fund is the number of Units which may be purchased for S\$100 based on the Issue Price at which the Units were subscribed for (or such other amount as the Managers may determine in accordance with the provisions of the Deed and as permitted by the relevant authorities).

### 11.3 Pricing and Dealing Deadline

As Units are priced on a forward pricing basis, the Realisation Price of Units will not be ascertainable at the time of submission of the realisation request. If an investor's realisation request is received before 4.00 p.m. Singapore time (or such other time as the Managers may decide) (the "**Dealing Deadline**") on a Dealing Day, the realisation request will be taken to have been received on that Dealing Day and the investor will receive that Dealing Day's Realisation Price. If the realisation request is received after the Dealing Deadline on a Dealing Day or on a day, which is not a Dealing Day, the realisation request will be taken to have been received on the next Dealing Day and the investor will receive the next Dealing Day's Realisation Price.

The Realisation Price per Unit of a Sub-Fund on the Dealing Day on which the realisation occurs shall be an amount equal to the Net Asset Value per Unit of such Sub-Fund as provided for in Clause 10(C) of the Deed as at the Valuation Point in relation to such Dealing Day.

### 11.4 How the realisation proceeds are calculated

The following is an illustration of the realisation proceeds that an investor will receive based on a realisation of 1,000 Units and a notional Realisation Price of S\$1.104.

1,000 Units Your realisation request	x	S\$1.104 Realisation Price	=	S\$1,104.00 Gross realisation proceeds
S\$1,104.00 Gross realisation proceeds	-	S\$0.00 Realisation Charge (0%)*	=	S\$1,104.00 Net realisation proceeds

\* For the purpose of the above illustration, a notional rate of 0% Realisation Charge was used. The current rates of the Realisation Charge for each Sub-Fund are set out in the relevant Appendix for that Sub-Fund.

The actual Realisation Price of the Units will fluctuate according to the Net Asset Value of the Deposited Property of the Sub-Fund.

## 11.5 Payment of realisation proceeds

- (a) Realisation proceeds for the Sub-Funds will be paid to investors within four (4) Business Days in the case of a bond fund or money market fund and six (6) Business Days in the case of all other funds (or such other period as the relevant authorities may require from time to time) from the date of receipt by the Managers of the relevant realisation request unless the realisation of Units have been suspended in accordance with the provisions of the Deed.
- (b) In the case of an investor who has purchased Units with cash, any moneys payable to him under the provisions of the Deed in respect of such Units will be paid by cheque sent through the post to his address (in the case of an individual) or registered address (in the case of a corporate entity) or by telegraphic transfer to a nominated bank account.
- (c) In the case of an investor who has purchased Units with SRS moneys, any moneys payable to him under the provisions of the Deed in respect of such Units will be paid by transferring the moneys to the relevant SRS bank for credit of the investor's SRS Account or otherwise in accordance with the provisions of any applicable laws, regulations or guidelines. Where his SRS Account has been closed, the moneys will be paid to the investor in accordance with paragraph 11.5(b) or otherwise in accordance with any applicable laws, regulations or guidelines.
- (d) In the case of an investor who has purchased Units with CPF moneys from his CPF Investment Account, any moneys payable to him under the provisions of the Deed in respect of such Units will be paid by transferring the moneys to the relevant Approved Bank for credit of the investor's CPF Investment Account or CPF Ordinary Account or otherwise in accordance with the provisions of any applicable laws, regulations or guidelines. Where both his CPF Investment Account and CPF Ordinary Account have been closed, the moneys will be paid to the investor in accordance with paragraph 11.5(b) or otherwise in accordance with any applicable laws, regulations or guidelines.

- (e) In the case of an investor who has purchased Units with CPF moneys from his CPF Special Account, any moneys payable to him under the provisions of the Deed in respect of such Units will be paid by transferring the moneys to the investor's CPF Special Account or otherwise in accordance with the provisions of any applicable laws, regulations or guidelines. Where his CPF Special Account has been closed, the moneys will be paid to the investor in accordance with paragraph 11.5(b) or otherwise in accordance with any applicable laws, regulations or guidelines.
- (f) Bank charges (if any) incurred in respect of a payment of realisation proceeds to a Holder's account will be borne by the Holder.

## 12. SWITCHING OF UNITS

- 12.1 Where Units of more than one Sub-Fund are in issue, Holders of Units of any Sub-Fund (unless otherwise agreed between the Managers and the Trustee from time to time) (the "**Original Sub-Fund**") may switch all or any of the Units of the Original Sub-Fund to Units of another Sub-Fund (the "**New Sub-Fund**") subject to the following:
- (a) no switching of Units may be made which would result in a Holder holding less than the Minimum Holding of either the Original Sub-Fund or the New Sub-Fund;
  - (b) the minimum amount that can be switched into or out from a Sub-Fund is S\$100;
  - (c) the Holder who has purchased Units with CPF moneys from his CPF Ordinary Account will only be able to switch all or any of such Units into Units of another CPF Sub-Fund which can be purchased with moneys from CPF Ordinary Account; and
  - (d) the Holder who has purchased Units with moneys from his CPF Special Account will only be able to switch all or any of such Units into Units of another CPF Sub-Fund which can be purchased with moneys from CPF Special Account.
- 12.2 The switching will be effected according to the provisions of the Deed.
- 12.3 Where the Holder makes a switch of a Unit, the Managers shall not deduct the amount of the Preliminary Charge for Units in the New Sub-Fund but may be entitled to charge a Switching Fee upon the amount available for investment.

- 12.4 Holders will have to give to the Managers' authorised distributors a notice of switching in such form as the Managers' authorised distributors may require.
- 12.5 A new subscriber (as defined in paragraph9.8(a)) wishing to cancel his subscription within the Cancellation Period (as defined in paragraph9.8(a)) will not be entitled to switch Units.

### **13. OBTAINING PRICES OF UNITS**

The prices of Units will be published generally two (2) Business Days after the relevant Dealing Day in The Straits Times, The Business Times, Lianhe Zaobao, Bloomberg, Morningstar and Lipper Asia (subject to the respective publisher's discretion).

Investors should note that all published prices do not represent the actual prices of the Units issued or realised (as the case may be) on the day of publication since Units are priced on a forward-pricing basis. The Managers shall not be responsible for any errors in the published prices or for any late or non publication of the prices attributable to the publishers and shall incur no liability in respect of any action taken or loss suffered by investors in reliance upon such publication.

### **14. SUSPENSION OF DEALINGS**

- 14.1 Subject to the requirements of the Code, the Managers or the Trustee may with the written approval of the other, suspend the issue, cancellation, switching, or valuation of Units or the right of Holders to require the realisation of Units in relation to any Sub-Fund or of the Scheme:
- (a) during any period when the Recognised Stock Exchange on which any Authorised Investments forming part of the Deposited Property (whether of any particular Sub-Fund or of the Scheme) 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) during 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 (whether of any particular Sub-Fund or of the Scheme) as a whole or of the Deposited Property (whether of any particular Sub-Fund or of the Scheme), or might, in relation to the operation of the Scheme or any particular Sub-Fund or Class, substantially impair the Managers' and/or Trustee's conduct of or ability to conduct their business activities;

- (c) during any breakdown in the means of communication normally employed in determining:
  - (i) the price of any of such Authorised Investments or their current price on that Recognised Stock Exchange; or
  - (ii) when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained;
- (d) during any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers and the Trustee, be carried out at normal rates of exchange;
- (e) any forty-eight (48) hour period (or such longer period as the Managers and Trustee may agree) prior to the date of any meeting of Holders of any Sub-Fund or of the Scheme (or any adjourned meeting thereof);
- (f) for any period pursuant to an order or direction of the Authority;
- (g) in exceptional circumstances where such suspension is in the interest of the Holders (whether of any particular Sub-Fund or of the Scheme); or
- (h) in such other circumstances as may be required under the provisions of the Code.

Subject to the requirements of the Code, such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers (or vice versa, as the case may be) 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 the Trustee (as the case may be), and in any event, within such period as may be prescribed by the Code. The period of suspension may be extended in accordance with the Code.

- 14.2 The Managers may in certain situations suspend the realisation of Units (as summarised below). Investors should refer to Clause 11(G), Clause 14(E)(ii) and 14(F)(ii) of the Deed for details of the application of these provisions.

- (a) If the Managers determine (with the approval of the Trustee) that it would be detrimental to remaining Holders of the Scheme to realise or continue to realise Units at a price ascertained on the basis of the Net Asset Value of the Deposited Property of such Sub-Fund, the Managers may adjust the Realisation Price or substitute such Net Asset Value with such amount, as determined in accordance with Clause 14(E)(ii) of the Deed. The Managers may temporarily suspend the realisation of Units in relation to such Sub-Fund solely for the purpose and only during any period of consultation or adjustment arising from above.
- (b) If the realisations (net of issues) on any day should cause the number of Units in issue or deemed to be in issue to fall more than a certain percentage (as determined by the Managers but being at least ten per cent (10%)), the Managers may in accordance with Clause 14(F)(ii) of the Deed and with a view to protecting the interest of all Holders, elect to realise Units at a price that reflects a fairer value for the Deposited Property, and upon giving notice to the Holders of Units affected within two (2) Business Days after that day (with the approval of the Trustee), suspend the realisation of those Units for such reasonable period as may be necessary to effect an orderly realisation of Investments.

## **15. PERFORMANCE OF THE SUB-FUNDS AND BENCHMARK INFORMATION**

The performance details and the benchmarks of each Sub-Fund are set out in the relevant Appendix for that Sub-Fund.

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

- 16.1 The Managers shall be entitled to receive or enter into soft-dollar commissions/arrangements in respect of the Sub-Funds. The Managers will comply with applicable regulatory and industry standards on soft-dollars.
- 16.2 The soft-dollar commissions which the Managers may receive include specific advice as to the advisability of dealing in, or 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.



- 16.3 The Managers will not accept or enter into soft dollar commissions/arrangements unless soft-dollar commissions/arrangements would, in the opinion of the Managers, reasonably assist the Managers in their management of the Sub-Funds, provided that (a) the Managers shall ensure at all times that best execution is carried out for the transactions; and (b) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

## 17. CONFLICTS OF INTEREST

- 17.1 Where the Managers manage other funds, the Managers may from time to time have to deal with competing or conflicting interests between a Sub-Fund and such other funds managed by the Managers. For example, the Managers may make a purchase or sale decision on behalf of one fund without making the same decision on behalf of any other funds, as a decision whether or not to make the same investment or sale for any fund depends on factors such as the cash availability and portfolio balance of such funds. However, the Managers will use their reasonable endeavours at all times to act fairly in respect of all funds managed by the Managers and to balance the interests of the Sub-Funds.
- 17.2 The Managers and the Trustee will conduct all transactions with or for each Sub-Fund on an arm's length basis.
- 17.3 The Managers or the Trustee or their respective affiliates (together the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of a Sub-Fund and the other funds managed by the Managers. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such involvement. In the event a conflict of interest does arise, the Parties will endeavour to ensure that it is resolved as quickly as possible and as far as possible, in the interest of the Holders or as otherwise as equitably as possible.
- 17.4 The Managers or the Trustee may own, hold, dispose or otherwise deal with Units as though they were not a party to the Deed. In the event of any conflict of interest arising as a result of such dealing, the Managers and the Trustee, following consultation with the other, will resolve such conflict in a just and equitable manner as they deem fit.

## **18. REPORTS**

The financial year-end of the Scheme is 31 December.

Holders shall be sent the annual reports and audited annual accounts (whether by post or electronic means as may be permitted under the Code) within three (3) months after the end of the financial year and the semi-annual reports and semi-annual accounts (whether by post or electronic means as may be permitted under the Code) within two (2) months of the period to which the report and accounts relate (or within such other periods as may be permitted by the Authority).

## **19. OTHER MATERIAL INFORMATION**

### **19.1 Distributions**

The Managers shall have the absolute discretion to determine whether any distribution or distributions is or are to be made in relation to the Sub-Funds.

Distributions may be made out of the income and/or net capital gains realised on the sale of Authorised Investments of the Sub-Fund. They will not be made out of the capital of the Sub-Fund.

### **19.2 Valuation of assets**

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

- (a) a deposit placed with a bank or other financial institution or a bank bill, shall be determined by reference to the face value of such Investments and the accrued interest thereon for the relevant period;
- (b) a unit or share in a unit trust or mutual fund or collective investment scheme shall be valued at the latest published or available net asset value per unit or share, or if no net asset value per unit or share is published or available, then at their latest available realisation price;

- (c) an Unquoted Investment (other than any deposit or bank bill or unit or share in an open-ended collective investment scheme referred to in paragraphs (a) and (b) above), shall be calculated by reference to the mean of bid and offered prices quoted by such persons, firms, or institutions determined by the Managers to be dealing or making a market in that investment at the close of trading in the relevant market on which the particular Unquoted Investment is traded. However, if such price quotations are not available, the Value shall be determined by reference to the face value of such Investments, the prevailing term structure of interest rates and the accrued interest thereon for the relevant period;
- (d) a Quoted Investment shall be calculated by reference to (i) the official closing price or the last known transacted price on such Recognised Stock Exchange on which the Quoted Investment is listed or an organised over-the-counter market on which the securities are traded or (ii) the transacted price on the Recognised Stock Exchange on which the Quoted Investment is listed or an organised over-the-counter market on which the securities are traded at the time of calculation for the Quoted Investment; and
- (e) if there be no such transacted price under sub-paragraph (d) above, the Value in respect of (i) a Quoted Investment (other than Quoted Investments traded in the over-the-counter markets) shall be calculated by reference to the mean of bid and offered prices at the close of trading on such Recognised Stock Exchange or on which the particular Quoted Investment is traded and (ii) a Quoted Investments that are traded in over-the-counter markets, shall be calculated by reference to the mean of bid and offered prices quoted or indicated by one or more market makers/brokers approved by the Managers and the Trustee to be of sufficient repute and to be expected generally to provide in the opinion of the Managers a satisfactory market for such Quoted Investments.

If the quotations referred to in (a), (b), (c), (d) and (e) above are not available, or if the value of the Authorised Investment determined in the manner described in (a), (b), (c), (d) or (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 consider in the circumstances to be fair and is approved by the Trustee and the Managers shall notify the Holders of any 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 an Approved Stockbroker or an Approved Valuer.

Please refer to the Deed for further details on the valuation of the assets comprised in each Sub-Fund.

### 19.3 Termination

The Scheme does not have a fixed maturity. The Scheme may be terminated in accordance with the provisions set out in Clause 35 of the Deed. In particular, investors should note that:

- (a) any Sub-Fund may be terminated by the Managers in their absolute discretion by notice in writing in accordance with the Deed (i) if the aggregate Net Asset Value of the Deposited Property of that Sub-Fund shall be less than S\$5,000,000 (or its equivalent in US\$) or (ii) if any law shall be passed or any direction is given by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue that Sub-Fund; and
- (b) the Scheme may be terminated by the Managers in their absolute discretion by notice in writing in accordance with the Deed (i) if the aggregate Net Asset Value of the Deposited Property of all the Sub-Funds shall be less than S\$5,000,000 (or its equivalent in US\$) or (ii) if any law shall be passed or any direction is given by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Scheme.

### 19.4 Further information

Investors should refer to the Deed for further information relating to the Scheme and the Sub-Funds, including but not limited to the provisions relating to the indemnification and exclusion of liability of the Trustee and/or Managers and the holding of the meetings of Holders.

## **20. QUERIES AND COMPLAINTS**

Investors may call their respective distributors. Alternatively, investors may contact the Managers at telephone number +65 6571-9360.

## **APPENDIX 1 – PINEBRIDGE INTERNATIONAL FUNDS – ACORNS OF ASIA BALANCED FUND**

This Appendix sets out the fund details of the PineBridge International Funds – Acorns of Asia Balanced Fund, a Sub-Fund under the Scheme (referred to in this Appendix as the “**Sub-Fund**”). The Sub-Fund is denominated in Singapore Dollars.

### **1. Investment Objective, Focus and Approach**

The objective of the Sub-Fund is to invest as a direct investment portfolio, to achieve long-term capital appreciation as well as stable income, by investing, in such proportion as the Managers deem fit, in:

- (a) the equities of young and fast-growing Asian (ex Japan) companies, which in the opinion of the Managers, have the potential to establish themselves in their respective fields; and
- (b) fixed income securities of high credit quality issuers, denominated primarily in Singapore Dollars.

Notwithstanding Clause 16(A)(iii) of the Deed<sup>1</sup>, the Managers may at their discretion from time to time, with a view to achieving the same policy and subject to obtaining any necessary regulatory approval, invest the assets of the Sub-Fund into the units or shares of other funds, classes or portfolios within the Group Funds (including the PineBridge International Funds) in such proportion as they deem fit.

#### For the equities portfolio:

Extensive bottom-up fundamental analysis is conducted to select securities. There is active management of the portfolio with a focus on buying growth at a reasonable price. Discussions are held on a regular basis to review stock and sector analysis as well as macro-economics themes, earnings forecasts, valuation data and risk indicators.

A monthly telephone conference call is conducted with country specialists across the region to deliberate on their economic feedback and stock recommendations.

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<sup>1</sup> Clause 16(A)(iii) of the Deed confers on the Managers the power to inter alia, change the investment policy of the Sub-Fund from a direct investment portfolio to investing in one or more funds having individually or collectively substantially the same investment policy as the Sub-Fund, subject to certain conditions including obtaining the approval of the Trustee and giving notice to the Holders of the Sub-Fund. Any significant change to the investment policy will require the approval of the Holders of the Sub-Fund by way of an extraordinary resolution. Please refer to the Deed for details.

Performance attribution includes asset class performance breakdown in order to better evaluate the performance of the portfolio. The Managers may take into consideration breakdown by country, sector and/or types of securities.

The Managers may take into account the above in positioning the portfolio going forward. The Managers will have, ultimately, the discretion and the accountability for sector and stock selection.

For the equities portfolio, there are operational checks to ensure that regulatory guidelines are adhered to and that the investment constraints relating to the Sub-Fund are not breached.

For fixed-income portfolio:

The fixed income investment process uses both top-down and bottom-up approaches. A top-down approach is adopted in the structuring of portfolio duration. This is achieved through regular monitoring and assessment of economic fundamentals, technical indicators and market valuation. Prevailing views of short- and medium-term directions of domestic interest rates are regularly assessed and changed if necessary, which will in turn lead to an adjustment in portfolio duration.

In terms of security selection, eligible securities that the Sub-Fund will invest in will be based on the CPF Investment Guidelines and the Code. Credit assessment of these rated securities is based primarily on the credit ratings by international rating agencies. Economic fundamentals, regulatory and political developments are monitored to provide early signals of possible shifts in ratings. For non-rated issues, credit analysis is based on a combination of qualitative assessment of the issuer's management, track record, the industry in which it operates, and quantitative analysis of the issuer's financial strength.

**Due to the Sub-Fund's investments in the securities of smaller and emerging growth companies, which prices tend to be more volatile, the Sub-Fund's Net Asset Value may be subject to a higher volatility.**

## **2. Disclosure on Certain Investments**

The Sub-Fund may use FDIs, including foreign exchange forwards, from time to time for the purpose of hedging. Disclosures on the use of FDIs and on the hedging of foreign currency exposure are set out in paragraphs 8.3 and 8.2(e) respectively of the main body of this prospectus.

The Managers currently do not intend to engage in securities lending or repurchase transactions.

### 3. CPF Sub-Fund

The Sub-Fund is included under the CPF Investment Scheme – Ordinary Account and Special Account. The Sub-Fund has been classified by the CPF Board under the “Medium to High Risk – Narrowly Focused – Regional – Asia” category.

The benchmark against which the Sub-Fund is measured is the 60% MSCI All Country Far East Free ex-Japan (DTR Net) in SGD and 40% JP Morgan Singapore Government Bond Index.

With effect from 13 March 2014, the Sub-Fund is closed for further subscription using CPF monies. New investments into this CPF Sub-Fund may only be subscribed for using cash or SRS moneys. Notwithstanding the foregoing, there is no change to the investment objective or strategy of the Sub-Fund which will continue to be managed in compliance with the investment guidelines described in paragraph 4 below.

### 4. Investment Restrictions and Borrowing Limits

The investment guidelines issued by the Authority under Appendix 1 of the Code and the CPF Investment Guidelines issued by the CPF Board apply to the Sub-Fund.

### 5. Performance of the Sub-Fund (as of 28 June 2013)

	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>1</sup>
Sub-Fund <sup>2</sup>	1.35%	1.18%	1.01%	6.11%	6.74%
Sub-Fund <sup>3</sup>	4.39%	2.19%	1.61%	6.62%	7.19%
Benchmark <sup>4</sup>	4.56%	3.25%	3.44%	7.06%	7.91%

#### Notes:

1. Inception date of the Sub-Fund is 1 October 2001.
2. Performance calculations of the Sub-Fund are in S\$, based on a single pricing bid-to-bid basis (taking into account Preliminary Charge of five per cent (5%) up to 30 June 2007 and three per cent (3%) from 1 July 2007, and Realisation Charge of 0%) with net dividends reinvested (taking into account all charges which would have been payable upon such reinvestment).
3. Performance calculations of the Sub-Fund are in S\$, based on a single pricing (bid-to-bid) basis with net dividends reinvested (taking into account all charges which would have been payable upon such reinvestment).

4. Performance calculations of the benchmark are in S\$. The benchmark is a composite index comprising 60% MSCI All Country Far East Free ex-Japan (DTR Net) in SGD and 40% JP Morgan Singapore Government Bond Index. The rationale for the 60/40 split between equities and bonds is to have a significant allocation of 40% to bonds in a neutral position, so as to balance the inherent volatility on equity prices of “young” companies. There is no index available that comprises small capitalisation stocks covering Asia ex-Japan. The MSCI All Country Far East Free ex-Japan is therefore selected for the equities component on the basis that it is the benchmark that best reflects the geographical coverage of the Sub-Fund mandate. The JP Morgan Singapore Government bond index is selected for bonds component on the basis that the Sub-Fund is SGD based and invests primarily in the SGD bond market.
5. For periods exceeding one (1) year, performance calculations are on an average annual compounded basis.
6. Source: PineBridge Investments Singapore Limited
7. **Past performance of the Sub-Fund is not necessarily a guide to its future performance.**

#### 5.1 Expense ratio

The expense ratio of the Sub-Fund for the financial year ended 2012 (calculated in accordance with IMAS’ guidelines on the disclosure of expense ratios and based on figures in the Sub-Fund’s latest audited accounts (dated 31 December 2012) is 1.49%. The following expenses are excluded from the calculation of the expense ratio:

- (a) interest expense;
- (b) brokerage and other transaction costs associated with the purchase and sales of investments (such as, registrar charges and remittance fees);
- (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 on the purchase or sale of a foreign unit trust or mutual fund (if any);



- (e) tax deducted at source or arising on income received (including withholding tax); and
- (f) dividends and other distributions paid to Holders.

## 5.2 Turnover Ratio

The turnover ratio of the Sub-Fund (calculated based on the lesser of purchases or sales of the underlying investments of the Sub-Fund expressed as a percentage over daily average NAV) over the period of 1 January 2012 to 31 December 2012 is 83.57%.

## 6. Fees and Charges

<b>Payable by the Investor</b>	
Preliminary Charge	Currently, up to 3% (maximum 3%)
Realisation Charge	None (maximum 5%)
Switching Fee	Currently, up to 1% (maximum 2%)

The Managers may at any time differentiate between investors as to the amount of the Preliminary Charge and Switching Fee charged.

The Managers are entitled to charge for any additional expenses incurred where investors are resident outside Singapore and to deduct such additional amounts from the subscription moneys paid by such investors or the realisation proceeds due to them, as the case may be.

The authorised distributors may impose and retain the Preliminary Charge and Realisation Charge. Some distributors may charge other fees which are not listed in this prospectus, depending on the specific nature of services provided by the distributors. Investors should check with the relevant distributor for details.

<b>Payable by the Sub-Fund</b>	
Management Fee	1.50% p.a. of the NAV (maximum 2%)
Trustee Fee	Currently not more than 0.04% (maximum 0.075% of the NAV, subject to a minimum of S\$5,040 p.a.)
Custodian Fee	Currently not more than 0.04% p.a. (maximum 0.04% p.a. of the NAV)
Annual valuation and accounting fee	Maximum 0.075% p.a. of the NAV, subject to a minimum of S\$10,000 p.a.
Annual Registrar Fee	Maximum 0.075% p.a. of the NAV, subject to a maximum of S\$20,000 p.a.

Please refer to the Deed for the full meaning and method of computation of the above fees and charges. Please note that the Deed also allows for other expenses and charges to be paid out of the Sub-Fund, each of which the Managers currently do not expect to amount to or exceed 0.1% per annum of the NAV of the Sub-Fund.

Based on the audited accounts of the Sub-Fund as of 31 December 2012:

- (a) each of the audit, registrar, custody and valuation fees accrued for the financial year up to 31 December 2012 did not amount to or exceed 0.1% of the NAV of the Sub-Fund as at that date; and
- (b) the aggregate of other fees and charges (such as such as printing costs, professional fees, goods and services tax (GST) and other out-of-pocket expenses) accrued for the financial year up to 31 December 2012 did not amount to or exceed 0.1% of the NAV of the Sub-Fund as at that date.

## **7. Product Suitability**

The Sub-Fund is only suitable for investors who:

- seek long-term capital appreciation and stable income; and
- are comfortable with the risks associated with investing in equities of Asian (ex-Japan companies) and fixed income securities denominated primarily in Singapore Dollars.

## APPENDIX 2 – PINEBRIDGE INTERNATIONAL FUNDS – SINGAPORE BOND FUND

This Appendix sets out the fund details of the PineBridge International Funds – Singapore Bond Fund, a Sub-Fund under the Scheme (also referred to in this Appendix as the “**Sub-Fund**”). The Sub-Fund is denominated in Singapore Dollars.

### 1. **Investment Objective, Focus and Approach**

The objective of the Sub-Fund is to invest as a direct investment portfolio, to provide stable income with capital preservation by investing primarily in high credit quality Singapore Dollars fixed income instruments issued by Singapore and non-Singapore entities.

The fixed income investment process uses both top-down and bottom-up approaches. A top-down approach is adopted in the structuring of portfolio duration. This is achieved through regular monitoring and assessment of economic fundamentals, technical indicators and market valuation. Prevailing views of short and medium-term directions of domestic interest rates are regularly assessed and changed if necessary, which will in turn lead to an adjustment in portfolio duration.

In terms of security selection, eligible securities that the Sub-Fund will invest in will be based on the CPF Investment Guidelines and the Code. Credit assessment of rated securities is based primarily on the credit ratings by international rating agencies. Economic fundamentals, regulatory and political developments are monitored to provide early signals of possible shifts in ratings. For non-rated issues, credit analysis is based on a combination of qualitative assessment of the issuer’s management, track record, the industry in which it operates, and quantitative analysis of the issuer’s financial strength.

### 2. **Disclosure on Certain Investments**

The Sub-Fund may use FDIs, including foreign exchange forwards, from time to time for the purpose of hedging. Disclosures on the use of FDIs and on the hedging of foreign currency exposure are set out in paragraphs 8.3 and 8.2(e) respectively of the main body of this prospectus.

The Managers currently do not intend to engage in securities lending or repurchase transactions.

### 3. CPF Sub-Fund

The Sub-Fund is included under the CPF Investment Scheme – Ordinary Account and Special Account. The Sub-Fund has been classified by the CPF Board under the “Low to Medium Risk – Narrowly Focused – Country – Singapore” category.

The benchmark against which the Sub-Fund is measured is the JP Morgan Singapore Government Bond Index.

### 4. Investment Restrictions and Borrowing Limits

The investment guidelines issued by the Authority under Appendix 1 of the Code and the CPF Investment Guidelines issued by the CPF Board apply to the Sub-Fund.

### 5. Performance of the Sub-Fund (as of 28 June 2013)

	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>1</sup>
Sub-Fund <sup>2</sup>	-3.16%	1.64%	2.79%	3.09%	3.61%
Sub-Fund <sup>3</sup>	-0.26%	2.65%	3.40%	3.50%	3.97%
Benchmark <sup>4</sup>	-2.29%	1.88%	3.67%	2.84%	3.56%

#### Notes:

1. Inception date of the Sub-Fund is 26 March 2002.
2. Performance calculations of the Sub-Fund are in S\$, based on a bid-to-bid basis (taking into account Preliminary Charge of four per cent (4%) up to 30 June 2007 and three per cent (3%) from 1 July 2007, and Realisation Charge of 0%) with net dividends reinvested (taking into account all charges which would have been payable upon such reinvestment).
3. Performance calculations of the Sub-Fund are in S\$, and based on a bid-to-bid basis with net dividends reinvested (taking into account all charges which would have been payable upon such reinvestment).
4. Performance calculations of the benchmark are in S\$.
5. For periods exceeding one year, performance calculations are on an average annual compounded basis.
6. Source: PineBridge Investments Singapore Limited & Bloomberg.
7. **Past performance of the Sub-Fund is not necessarily a guide to its future performance.**

## 5.1 Expense ratio

The expense ratio of the Sub-Fund for the financial year ended 2012 (calculated in accordance with IMAS' guidelines on the disclosure of expense ratios and based on figures in the Sub-Fund's latest audited accounts (dated 31 December 2012) is 1.00%. The following expenses are excluded from the calculation of the expense ratio:

- (a) interest expense;
- (b) brokerage and other transaction costs associated with the purchase and sales of investments (such as, registrar charges and remittance fees);
- (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 on the purchase or sale of a foreign unit trust or mutual fund (if any);
- (e) tax deducted at source or arising on income received (including withholding tax); and
- (f) dividends and other distributions paid to Holders.

## 5.2 Turnover Ratio

The turnover ratio of the Sub-Fund (calculated based on the lesser of purchases or sales of the underlying investments of the Sub-Fund expressed as a percentage over daily average NAV) over the period of 1 January 2012 to 31 December 2012 is 32.21%.

## 6. **Fees and Charges**

<b>Payable by the Investor</b>	
Preliminary Charge	Currently, up to 3% (maximum 3%)
Realisation Charge	None (maximum 5%)
Switching Fee	Currently, up to 1% (maximum 2%)

The Managers may at any time differentiate between investors as to the amount of the Preliminary Charge and Switching Fee charged.

The Managers are entitled to charge for any additional expenses incurred where investors are resident outside Singapore and to deduct such additional amounts from the subscription moneys paid by such investors or the realisation proceeds due to them, as the case may be.

The authorised distributors may impose and retain the Preliminary Charge and Realisation Charge. Some distributors may charge other fees which are not listed in this prospectus, depending on the specific nature of services provided by the distributors. Investors should check with the relevant distributor for details.

<b>Payable by the Sub-Fund</b>	
Management Fee	1.00% p.a. of the NAV (maximum 1.5%)
Trustee Fee	Currently not more than 0.04% (maximum 0.075% of the NAV, subject to a minimum of S\$5,040 p.a.)
Custodian Fee	Currently not more than 0.04% p.a. (maximum 0.04% p.a. of the NAV)
Annual valuation and accounting fee	Maximum 0.075% p.a. of the NAV, subject to a minimum of S\$10,000 p.a.
Annual Registrar Fee	Maximum 0.075% p.a. of the NAV, subject to a maximum of S\$20,000 p.a.

Please refer to the Deed for the full meaning and method of computation of the above fees and charges. Please note that the Deed also allows for other expenses and charges to be paid out of the Sub-Fund, each of which the Managers currently do not expect to amount to or exceed 0.1% per annum of the NAV of the Sub-Fund.

Based on the audited accounts of the Sub-Fund as of 31 December 2012:

- (a) each of the audit, registrar, custody and valuation fees accrued for the financial year up to 31 December 2012 did not amount to or exceed 0.1% of the NAV of the Sub-Fund as at that date; and
- (b) the aggregate of other fees and charges (such as such as printing costs, professional fees, goods and services tax (GST) and other out-of-pocket expenses) accrued for the financial year up to 31 December 2012 did not amount to or exceed 0.1% of the NAV of the Sub-Fund as at that date.

## **7. Product Suitability**

The Sub-Fund is only suitable for investors who:

- seek stable income with capital preservation; and
- are comfortable with the level of risk associated with investing in fixed income instruments of a single country.

## GLOSSARY OF TERMS

### Definitions and Interpretation

In this prospectus, the following expressions have (except where the context otherwise requires) the meanings respectively shown opposite them:

Appendix or Appendices	refers to an appendix or the appendices to this prospectus
Auditors	means an accounting firm or corporation as described in the Companies Act and for the time being appointed as Auditor or Auditors of the Scheme by the Managers with the approval of the Trustee
Authorised Investments	<p>means, subject to the Code and (if a Sub-Fund is included under CPFIS) the CPF Investment Guidelines:</p> <ul style="list-style-type: none"><li>(a) any Quoted Investment;</li><li>(b) any investment in respect of which application for listing or for permission to deal has been made to a Recognised Stock Exchange and the subscription for or purchase of which is either conditional upon such listing or permission to deal being granted within a specified period not exceeding twelve weeks (or such other period as may be agreed between the Managers and the Trustee) or in respect of which the Managers are satisfied that the subscriptions or other transactions will be cancelled if the application is refused;</li><li>(c) any Unquoted Investment (including units or shares in any unquoted Group Fund);</li><li>(d) the currency of any country or any contract for the spot purchase or sale of any such currency or for hedging purposes, any foreign exchange transaction or any forward contract of such currency; or</li><li>(e) any other investment not covered by paragraphs (a) to (d) of this definition but selected by the Managers for investment of the Deposited Property of the relevant Sub-Fund and approved by the Trustee</li></ul>

Application Form	means the application form accompanying this prospectus
Approved Bank	means any bank appointed by the CPF Board to be a bank for the purposes of the CPFIS
Approved Stockbroker	means a member of a Recognised Stock Exchange for the time being approved by the Trustee as qualified to value any particular Investment constituting part of the Deposited Property and appointed by the Managers for such purpose
Approved Valuer	means a person for the time being approved by the Trustee as qualified to value any particular Investment constituting part of the Deposited Property and appointed by the Managers for such purpose
Authority	the Monetary Authority of Singapore
Business Day	means any day (other than a 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
Cancellation Period	means the period of seven (7) calendar days from the date on which a new subscriber signed the Application Form or such other period as may be prescribed by the Authority
Code	means the Code on Collective Investment Schemes issued by the Authority pursuant to the SFA, as the same may be modified, amended or supplemented from time to time
Collective Investment Scheme or CIS	shall have the meaning ascribed thereto in the SFA
CPF	means the Central Provident Fund
CPF Act	means the Central Provident Fund Act, Chapter 36 of Singapore
CPF Board	means the Board of the CPF established pursuant to the CPF Act
CPF Investment Account	means the account opened by a member of CPF with an Approved Bank into which moneys from his ordinary account have been deposited and from which money may be withdrawn for the purchase of investments under the CPFIS



CPF Investment Guidelines	means the investment guidelines for CPF unit trusts included under the CPF Investment Scheme issued by the CPF Board as the same may be modified, re-enacted, amended, supplemented or reconstituted from time to time
CPF Sub-Fund	means a Sub-Fund which has been included by the CPF Board under the CPFIS
CPFIS	means the CPF Investment Scheme (as defined in the CPFIS Regulations) or such other scheme as shall replace it
CPF moneys	means the moneys from the CPF Ordinary Account and/or CPF Special Account of the Holder, as the case may be
CPF Ordinary Account	means the account referred to by the CPF Board as the ordinary account
CPF Special Account	means the account referred to by the CPF Board as the special account
DDA Form	means direct debit authorisation form, in accordance with the paragraph 10.2 of this prospectus
Dealing Day	in connection with the valuation, issuance, cancellation and realisation of Units of a particular Sub-Fund, means every Business Day or such other Business Day or Business Days at such intervals as the Managers may from time to time determine 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 in relation to Units of any particular Sub-Fund the Recognised Stock Exchange on which Investments or other property comprised in, and having in aggregate values amounting to at least fifty per cent (50%) of the Net Asset Value (as at the immediately preceding Valuation Point) of the Sub-Fund to which Units of that Sub-Fund relate 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 in relation to Units of that Sub-Fund

Dealing Deadline	in relation to any particular place and any particular Dealing Day, means such time of day (being a time of day on or, subject as mentioned below, prior to that Dealing Day) in that place as the Managers may from time to time determine either generally or in relation to any particular Sub-Fund and so that nothing in the Deed or this prospectus shall prevent the Managers from determining that that time of day shall in relation to any Dealing Day be a time of day on any day selected by the Managers which precedes that Dealing Day by up to but not exceeding five (5) Business Days
the Deed	means the Original Deed constituting the Scheme as from time to time altered, modified or added to in accordance with the provisions of the Deed and shall include any deed supplemental hereto executed in accordance with the provisions of the Deed
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 a Sub-Fund), excluding any aggregate amount for the time being standing to the credit of the distribution accounts referred to in Clause 18(C) of the Deed (or as the case may be, the distribution account of the relevant Sub-Fund)
Existing Holder	refers to existing Holders of Units in a Sub-Fund
Gross Investment Sum	means the aggregate amount comprising the Investment Sum (as defined in the Deed) paid or to be paid by, or received or to be received from, an applicant and the Preliminary Charge or the Conversion Fee (as defined in the Deed), as the case may be, any applicable Fiscal and sale charges or Fiscal and purchase charges (each as defined in the Deed) and any rounding payable in respect thereof
Group Fund	means any unit trust scheme, mutual fund or other collective investment scheme managed or advised by the Managers or any of their Associates (as defined in the Deed), including, without limitation, the funds specified in Schedule 1 of the Deed

Holder	means, subject to Clause 7 of the Deed, in the case where a Holder has purchased Units with moneys from his CPF Investment Account, the nominee company of the Approved Bank for the time being registered in the Register as the holder of the relevant Units and, in the case where a Holder has purchased Units with cash, the registered holder for the time being of the relevant Units including persons so registered as Joint Holders
Investment	means any share, stock, bond, note, debenture, debenture stock, unit or sub-unit in any unit trust scheme, participation in a mutual fund, other interests in collective investment schemes, warrant or other stock purchase right, forward, futures, option, index option, loan convertible into security, loan stock, certificate of deposit, banker's acceptance, bill of exchange, bank bill, commercial paper, promissory note, treasury bill or any other fixed or floating rate debt instrument, money market instrument, index and forward currency exchange contract, swap, cap, collar, floor, sale and repurchase transaction or other derivative or financial transaction or instrument or any other security (all of the above, denominated in any currency) which may be selected by the Managers for the purpose of investment of the Deposited Property of any Sub-Fund or which may for the time being form part thereof
Investment Sum	shall have the meaning ascribed to it in paragraph 9.8(c) (ii)
Issue Price	in relation to a Unit in any Sub-Fund means S\$1.00 or such other amount as may be determined by the Managers during the Initial Subscription Period (as defined in the Deed) or the Net Asset Value per Unit referred to in Clause 11(B) of the Deed
Managers	means PineBridge Investments Singapore Limited and includes its successors and assigns as managers
Management Fee	means a periodic charge not exceeding two per cent (2%) per annum of the Net Asset Value of the Deposited Property of a Sub-Fund at the relevant time or such other periodic charge as may from time to time be fixed or otherwise determined pursuant to Clause 24(A) of the Deed

Market Price	shall have the meaning ascribed to it in paragraph 9.8(c) (i)
Minimum Holding	means the minimum number of Units which an investor must hold in a Sub-Fund in relation to partial realisation of Units or in relation to switching of Units between Sub-Funds and which may be purchased for S\$100 based on the price at which the Units were subscribed for (or such other amount as the Managers may determine)
Minimum Initial Investment	in relation to each Sub-Fund, means an initial application for such number of Units or an initial application of such amount as the Managers may from time to time determine upon giving prior notice to the Trustee
Minimum Subsequent Investment	in relation to each Sub-Fund, means such amount as the Managers may from time to time determine upon giving prior notice to the Trustee
Net Asset Value or NAV	in relation to a Sub-Fund, means the net asset value of that Sub-Fund or, as the context may require, of a Unit of such Sub-Fund, determined in accordance with the provisions of Clause 10 of the Deed
new subscriber	means an investor (excluding an investor who is not a natural person and any other person excluded in Clause 13A(A) of the Deed) who subscribes for Units in a Sub-Fund for the first time
New Sub-Fund	refers to a New Sub-Fund in paragraph 12.1 of this prospectus
Original Deed	means the deed of trust constituting the Scheme and relating to the interests being offered to the public for subscription or purchase dated 15 February 1999
Original Sub-Fund	refers to an Original Sub-Fund in paragraph 12.1 of this prospectus
p.a.	means per annum
Parties	means the Managers or the Trustee or their respective affiliates

Preliminary Charge	means a charge upon the issue of a Unit of any Sub-Fund of such amount as shall from time to time be fixed by the Managers generally or in relation to any specific or class of transaction Provided That it shall not exceed three per cent (3%) of the Gross Investment Sum; such expression in the context of a given date shall refer to the charge or charges fixed by the Managers pursuant to the Deed and applicable on that date
Quoted Investment	means any Investment which is quoted or listed or in respect of which permission to deal is effective on any Recognised Stock Exchange
Realisation Charge	means a charge upon the realisation of a Unit of any Sub-Fund of such amount as shall from time to time be fixed by the Managers generally or in relation to any specific or class of transaction Provided That it shall not exceed five per cent. of the Realisation Price; such expressions in the context of a given date shall refer to the charge or charges fixed by the Managers pursuant to the Deed and applicable on that date
Realisation Price	in relation to a Unit in any Sub-Fund means the Net Asset Value per Unit referred to in Clause 14(B) of the Deed
Recognised Stock Exchange	means any stock exchange, futures exchange, any other organised securities exchange, organised over-the-counter market or other market of sufficient repute in any part of the world as may be approved by the Managers and the Trustee and includes, in relation to any particular Authorised Investment, any responsible firm, corporation or association in any part of the world as may be selected by the Managers which deals in the Authorised Investment as to be expected generally to provide in the opinion of the Managers a satisfactory market for such Authorised Investment and “ <b>Recognised Stock Exchanges</b> ” shall be construed accordingly
Register	means the register of Holders in relation to each Sub-Fund referred to in Clause 7(A) of the Deed and “ <b>Registers</b> ” shall be construed accordingly
RIST	means RBC Investor Services Trust Singapore Limited, who has been appointed by the Trustee to maintain the Register

RSP	means Regular Savings Plan, in accordance with paragraph 10 of this prospectus
Scheme	means the umbrella scheme constituted by the Deed and known as “ <b>PineBridge International Funds</b> ” or by such other name as the Managers (with the approval of the Trustee) may from time to time determine and comprising the Sub-Funds set out in Clause 8(B) of the Deed and any other additional Sub-Funds which the Managers may from time to time, as they consider appropriate and in the interest of the Scheme, create and include as a Sub-Fund constituting part of the Scheme under Clause 8(B) of the Deed
SFA	means the Securities and Futures Act, Chapter 289, of Singapore and the regulations issued pursuant to it as they may be modified, amended, re-enacted, supplemented or reconstituted from time to time
SMRA	means the CPF special, medisave and retirement accounts
Singapore Dollars or SGD or S\$	means the lawful currency of the Republic of Singapore
SRS	means the Supplementary Retirement Scheme administered by the Ministry of Finance
SRS Account	means the account referred to by the Ministry of Finance and the Inland Revenue Authority of Singapore as the Supplementary Retirement Scheme account from which money may be withdrawn for the purpose of investments under the SRS
SRS Operator	means any bank designated as an SRS Operator for the purpose of the SRS by the Ministry of Finance
Sub-Fund	means the portion of the assets of the Scheme which is established and maintained as a separate and distinct pool of assets pursuant to Clause 8(B) of the Deed for the benefit of the Holders of Units issued in relation thereto in accordance with the provisions of the Deed, except for any amounts for the time being standing to the credit of the Distribution Account (as defined in the Deed) in relation to such Sub-Fund. The Sub-Funds currently offered under this prospectus are set out in paragraph 1.1

Switching Fee	means the fee payable to the Managers upon the switching of a Unit calculated in accordance with the Deed, which shall not exceed the maximum fee for each Sub-Fund as stated in the prospectus
Trustee	means Citicorp Trustee (Singapore) Limited, and its successors as Trustee of the Scheme
Unit	means one (1) undivided share in a Sub-Fund. Where the context so requires, the definition includes a fraction of a Unit and, save where the Deed otherwise provides, a fraction of a Unit shall rank pari passu and proportionately with a whole Unit
Unquoted Investment	means any Investment which is not quoted, listed or dealt in on any Recognised Stock Exchange
US Persons	means any of the following: <ul style="list-style-type: none"> <li>(a) a citizen of the United States;</li> <li>(b) a natural person resident in the United States;</li> <li>(c) a resident alien of the United States, as defined in Section 7701(b) of the United States Internal Revenue Code of 1986 as amended ("<b>Internal Revenue Code</b>");</li> <li>(d) a partnership, corporation, or other entity created, organised, incorporated, or existing in or under the laws of the United States, or which has its principal place of business in the United States;</li> <li>(e) an estate or trust: <ul style="list-style-type: none"> <li>(i) the income of which is subject to United States income tax regardless of source, or whose income from sources outside the United States (that is not effectively connected with the conduct of a trade or business in the United States) is includible in gross income for United States federal income tax purposes; or</li> </ul> </li> </ul>

- (ii) of which an executor, administrator, or trustee is a US Person (excluding (a) an estate governed by foreign law with an executor or administrator which is not a US Person and which has sole or shared investment discretion with respect to the estate assets, or (b) a trust with a trustee which is not a US Person and which has sole or shared investment discretion with respect to the trust assets and with no beneficiary (or settlor, in the case of a revocable trust) which is a US Person);
- (f) an entity organised principally for passive investment, such as a commodity pool, investment company or other similar entity (including a pension plan for the employees, officers, or principals of an entity created, organised, or existing in or under the laws of the United States or which has its principal place of business or is engaged in a trade or business in the United States, but excluding a pension plan for the employees, officers, or principals of an entity created, organised or existing in or under the laws of a foreign jurisdiction and which has its principal place of business outside the United States and was established and is administered in accordance with the law of a country other than the United States and customary practices and documentation of such country),
  - (i) in which US Persons hold units of participation representing in the aggregate 10% or more of the beneficial interests in the entity, or
  - (ii) which has as a principal purpose the facilitating of investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations of the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons;



- (g) an agency or branch of a foreign entity located in the United States;
- (h) a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary created, organised, incorporated, existing, or (if a natural person) resident in the United States, unless held by a dealer or other professional fiduciary for the benefit or account of a person which is not a US Person;
- (i) a partnership, corporation, or other entity created, organised, incorporated, or existing under the laws of a foreign jurisdiction and formed by a US Person principally for purposes of investing in securities not registered under the United States Securities Act of 1933 as amended;
- (j) the government of the United States (including its agency or instrumentality thereof); and
- (k) a State or the District of Columbia in the United States (including its agency or instrumentality thereof).

For purposes of sub-paragraphs (a) - (i) above, an investor which is not otherwise a US Person shall be deemed to be a US Person if, as a result of the ownership of units by such investor, another person which is a "US Person" (within the meaning of Internal Revenue Code section 7701(a)(30)) could, in respect of the Scheme, under any circumstances, meet the ownership requirements of (i) Internal Revenue Code Section 1297(a) (relating to indirect ownership through passive foreign investment companies, 50%-owned corporations, partnerships, estates, trusts, or options, or as otherwise provided in the Internal Revenue Code), or (ii) the information reporting provisions of Internal Revenue Code Section 551(c) (requiring at least 5% direct, indirect, or constructive ownership), Internal Revenue Code section 6035 (requiring at least 10% direct, indirect, or constructive ownership), Internal Revenue Code section 6038 (requiring more than 50% direct, indirect, or constructive ownership), or Internal Revenue Code section 6046 (requiring at least 5% direct, indirect, or constructive ownership).

Valuation Point	means 7.00 a.m. Singapore time on the day following the relevant Dealing Day on which the Net Asset Value of a Sub-Fund is to be determined pursuant to Clause 10 of the Deed or such other time as the Managers may determine
Value	means in relation to an Authorised Investment the value of such Authorised Investment, determined in accordance with Clause 10(D) of the Deed
Year	means a calendar year

**PINEBRIDGE INTERNATIONAL FUNDS**

**REPLACEMENT PROSPECTUS**

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**Tan Kheng Lai**

Director

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**Rajeev Mittal**

Director

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