

# PROSPECTUS

17 NOVEMBER 2017

## CASH FUND

### EASTSPRING INVESTMENTS FUNDS

*SUB-FUND OF EASTSPRING INVESTMENTS FUNDS:*

- MONTHLY INCOME PLAN

### EASTSPRING INVESTMENTS UNIT TRUSTS

*SUB-FUNDS OF EASTSPRING INVESTMENTS UNIT TRUSTS:*

- PAN EUROPEAN FUND
- GLOBAL TECHNOLOGY FUND
- ASIAN BALANCED FUND
- DRAGON PEACOCK FUND
- GLOBAL THEMES FUND
- GLOBAL BALANCED FUND
- ASIAN INFRASTRUCTURE EQUITY FUND
- SINGAPORE SELECT BOND FUND
- SINGAPORE ASEAN EQUITY FUND



You should note that the purchase of a unit in the Cash Fund is not the same as placing funds on deposit with a bank or deposit-taking company. Although the Manager may seek to maintain or preserve the principal value of the Cash Fund, there can be no assurance that the Cash Fund will be able to meet this objective. The Cash Fund is not a guaranteed fund, in that there is no guarantee as to the amount of capital invested or return received.



**CASH FUND  
EASTSPRING INVESTMENTS FUNDS  
EASTSPRING INVESTMENTS UNIT TRUSTS**

**Directory**

**Manager**

Eastspring Investments (Singapore) Limited  
(Company Registration No. 199407631H)  
10 Marina Boulevard, #32-01 Marina Bay Financial Centre Tower 2, Singapore 018983

**Directors of the Manager**

Guy Robert Strapp  
Michele Mi-Kyung Bang  
Gwee Siew Ping  
Virginie M Maisonneuve  
Julian Christopher Vivian Pull  
Philip James Stockwell

**Trustee**

HSBC Institutional Trust Services (Singapore) Limited  
(Company Registration No. 194900022R)  
21 Collyer Quay, #13-02 HSBC Building, Singapore 049320

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central, Hong Kong

**Auditors**

KPMG LLP  
16 Raffles Quay, #22-00, Hong Leong Building, Singapore 048581

**Solicitors to the Manager**

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

**Solicitors to the Trustee**

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

**CASH FUND  
EASTSPRING INVESTMENTS FUNDS  
EASTSPRING INVESTMENTS UNIT TRUSTS**

**Important Information**

Eastspring Investments (Singapore) Limited (the “**Manager**”) accepts full responsibility for the accuracy of information contained in this Prospectus and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement in this Prospectus misleading. Unless otherwise stated or context otherwise requires, all terms not defined in this Prospectus have the same meanings as used in the deeds of trust (as amended) relating to the Cash Fund, the Eastspring Investments Funds or the Eastspring Investments Unit Trusts, as the case may be (each a “**Deed**” and collectively the “**Deeds**”).

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

The Cash Fund, the sub-funds of the Eastspring Investments Funds and the sub-funds of the Eastspring Investments Unit Trusts offered in this Prospectus (each a “**Fund**” and collectively the “**Funds**”) will not be listed on any stock exchange. There is no ready market for the units in the Funds. You may consequently only realise your units in accordance with the provisions of the relevant Deed.

You should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange transactions or exchange control requirements which you may encounter under the laws of the countries of your citizenship, residence or domicile and which may be relevant to the subscription, holding or disposal of units in the Funds and should inform yourself of and observe all such laws and regulations that may be applicable to you. You will assume and be solely responsible for any and all tax of any jurisdiction or governmental or regulatory authority, including without limitation any state or local taxes or other like assessment or charges that may be applicable to any payment to you in respect of any Fund. None of the Funds will pay any additional amounts to investors to reimburse them for any tax, assessment or charge required to be withheld or deducted from any payments made to them. No representation is made as to the tax status of any Fund (or of the Eastspring Investments Funds or the Eastspring Investments Unit Trusts). All taxation payable in respect of income or the holding of or dealings with any assets of the Funds shall be paid out of the assets of the relevant Fund.

The Funds, the Eastspring Investments Funds and the Eastspring Investments Unit Trusts have not been and will not be registered under the United States Investment Company Act of 1940 as amended. The Units of the Funds have not been and will not be registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or under the securities laws of any state of the United States of America and such shares may be offered, sold or otherwise transferred only in compliance with the 1933 Act and such state or other securities laws. The Units of the Funds may not be offered or sold within the United States or to or for the account of any “**US Person**” as defined in Rule 902 of Regulation S under the Securities Act.

Rule 902 of Regulation S under the Securities Act defines “**US Person**” as (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trust.

The term “**US Person**” also means any entity organised principally for passive investment (such as a commodity pool, investment company or other similar entity) that was formed for the purpose of facilitating 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 promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-US Persons.

“**United States**” means the United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.

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

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful 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.

You should also consider the risks of investing in the Funds which are summarised in Paragraph 9 of this Prospectus.

All enquiries in relation to the Funds, the Eastspring Investments Funds or the Eastspring Investments Unit Trusts should be directed to the Manager, or any agent or distributor appointed by the Manager.

**CASH FUND  
EASTSPRING INVESTMENTS FUNDS  
EASTSPRING INVESTMENTS UNIT TRUSTS**

**Table of Contents**

<b>Contents</b>	<b>Page</b>
1. Basic Information.....	1
2. Management.....	2
3. The Trustee and Custodian .....	5
4. The Register of Holders .....	5
5. Other Parties .....	6
6. Structure, Investment Objective, Focus and Approach .....	6
7. CPF Investment Scheme.....	7
8. Fees and Charges .....	8
9. Risks.....	8
10. Subscription of Units .....	28
11. Regular Savings Plan (RSP) .....	30
12. Realisation of Units.....	31
13. Switching or Exchange of Units .....	32
14. Obtaining Prices of Units.....	33
15. Suspension of Dealing.....	33
16. Performance of the Funds .....	35
17. Soft Dollar Commissions/Arrangements.....	41
18. Conflicts of Interest.....	41
19. Reports .....	42
20. Other Material Information .....	42
21. Queries and Complaints.....	46
Schedule 1 - Cash Fund.....	47
Schedule 2 - Monthly Income Plan .....	49
Schedule 3 - Pan European Fund.....	53
Schedule 4 - Global Technology Fund .....	55
Schedule 5 - Asian Balanced Fund.....	57
Schedule 6 - Dragon Peacock Fund .....	60
Schedule 7 - Global Themes Fund.....	63
Schedule 8 - Global Balanced Fund.....	65
Schedule 9 - Asian Infrastructure Equity Fund.....	67
Schedule 10 - Singapore Select Bond Fund .....	69
Schedule 11 - Singapore ASEAN Equity Fund.....	72
Appendix 1 - List of trust deeds, supplemental deeds and amending and restating deeds.....	74
Appendix 2 - Other information relating to the M&G Global Themes Fund.....	75
Appendix 3 - Other Information relating to Eastspring Investments – US High Yield Bond Fund, Eastspring Investments – Asian Bond Fund, Eastspring Investments - Pan European Fund, Eastspring Investments - Global Technology Fund, Eastspring Investments – Asian Equity Income Fund, Eastspring Investments - US High Investment Grade Bond Fund, Eastspring Investments - US Investment Grade Bond Fund and Eastspring Investments - Asian Infrastructure Equity Fund.....	76

**CASH FUND**  
**EASTSPRING INVESTMENTS FUNDS**  
**EASTSPRING INVESTMENTS UNIT TRUSTS**

*The Cash Fund, the sub-funds of the Eastspring Investments Funds and the sub-funds of the Eastspring Investments Unit Trusts offered in this Prospectus (the “Funds” and each a “Fund”) are authorised schemes under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “MAS”). The MAS assumes no responsibility for the contents of this Prospectus. Registration of this Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Eastspring Investments Funds or the Eastspring Investments Unit Trusts or any of the Funds. The meanings of terms not defined in this Prospectus can be found in the deeds of trust (as amended) constituting the Cash Fund, the Eastspring Investments Funds or the Eastspring Investments Unit Trusts, as the case may be.*

**1. Basic Information**

**1.1 Structure**

This Prospectus is in relation to a Singapore-constituted standalone unit trust known as Cash Fund and the sub-funds of two Singapore-constituted umbrella unit trusts known as Eastspring Investments Funds and Eastspring Investments Unit Trusts.

All the Funds are denominated in Singapore Dollars.

**1.2 The Funds**

Units in the Cash Fund and Units in the following sub-funds of the Eastspring Investments Funds and the Eastspring Investments Unit Trusts are currently being offered:

**Eastspring Investments Funds (“EIF”)**

- (a) Monthly Income Plan;

**Eastspring Investments Unit Trusts (“EIUT”)**

- (a) Eastspring Investments Unit Trusts - Pan European Fund (“**Pan European Fund**”);
- (b) Eastspring Investments Unit Trusts - Global Technology Fund (“**Global Technology Fund**”);
- (c) Eastspring Investments Unit Trusts - Asian Balanced Fund (“**Asian Balanced Fund**”);
- (d) Eastspring Investments Unit Trusts - Dragon Peacock Fund (“**Dragon Peacock Fund**”);
- (e) Eastspring Investments Unit Trusts - Global Themes Fund (“**Global Themes Fund**”) (formerly known as Eastspring Investments Unit Trusts – Global Basics Fund);
- (f) Eastspring Investments Unit Trusts - Global Balanced Fund (“**Global Balanced Fund**”);
- (g) Eastspring Investments Unit Trusts - Asian Infrastructure Equity Fund (“**Asian Infrastructure Equity Fund**”);
- (h) Eastspring Investments Unit Trusts - Singapore Select Bond Fund (“**Singapore Select Bond Fund**”); and
- (i) Eastspring Investments Unit Trusts - Singapore ASEAN Equity Fund (“**Singapore ASEAN Equity Fund**”).

Each Fund has its own investment objective and risks.

The Deed (as defined in Paragraph 1.4.1 below) provides for separate classes (each a “**Class**”) of units (each a “**Unit**”) under each Fund.

The Manager may at any time determine that a new Class in respect of any Fund (with such characteristics or features as the Manager may determine) be established.

Save for the Monthly Income Plan, Global Themes Fund, the Asian Infrastructure Equity Fund and the Singapore Select Bond Fund, there are no separate Classes of Units being offered under the Funds as of the date of this Prospectus.

For a description of the Classes of Units currently offered or which may be offered by the Monthly Income Plan, Global Themes Fund, the Asian Infrastructure Equity Fund and the Singapore Select Bond Fund, please refer to the relevant Schedule for that Fund.

**1.3 Date of registration and expiry date of this Prospectus**

This Prospectus was registered by the MAS on 17 November 2017. This Prospectus will be valid for 12 months after the date of registration (i.e., up to and including 16 November 2018) and shall expire on 17 November 2018.

**1.4 The Deeds**

**1.4.1** Please refer to Appendix 1 for a list of the current trust deed, supplemental deeds and amending and restating deeds (and their corresponding dates) relating to the Cash Fund, EIF and EIUT. Each deed of trust (as amended) shall be referred to in this Prospectus as a “**Deed**”.

**1.4.2** The terms and conditions of the Deed relating to the Cash Fund, EIF and EIUT shall be binding on each unitholder of the respective Funds (each a “**Holder**”) and all persons claiming through such Holder as if they had been a party to that Deed and as if that Deed contained covenants on them to observe and be bound by the provisions of that Deed and an authorisation by each of them to do all such acts and things as that Deed may require the Manager and/or the Trustee (as the case may be) to do.

**1.4.3** You should note that this Prospectus is to a large extent a summary of the Deeds and that not all provisions of the Deeds are reflected or summarised in this Prospectus. *You should read the Deeds for further details.*

**1.4.4** A copy of the Deeds shall be made available for inspection, free of charge, at all reasonable times and for at least three hours during normal business hours at the registered office of the Manager at 10 Marina Boulevard, #32-01 Marina Bay Financial Centre Tower 2, Singapore 018983 and will be supplied by the Manager to any Holder upon request at a charge of S\$25 per copy document.

## **1.5 Accounts and Reports**

The latest copies of the annual and semi-annual accounts, the auditor's report on the annual accounts and the annual and semi-annual reports relating to the Funds (collectively known as the "**Reports**"), where available, may be obtained during normal business hours from the Manager at its registered address upon request.

## **2. Management**

### **2.1 The Manager, its Directors and Key Executives**

#### **2.1.1 The Manager**

The manager of the Cash Fund, EIF and EIUT is Eastspring Investments (Singapore) Limited (the "**Manager**"), whose registered office is at 10 Marina Boulevard, #32-01 Marina Bay Financial Centre Tower 2, Singapore 018983. The Manager is regulated by the MAS.

The Manager was incorporated in Singapore in 1994 and is Eastspring's Singapore office. The Manager has been managing discretionary funds since 1995. The Manager manages S\$152.84 billion of which approximately S\$121.05 billion are discretionary funds managed in Singapore as at 30 June 2017.

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

#### **2.1.2 Directors of the Manager**

##### **Mr Guy Robert STRAPP**

Guy Strapp is Chief Executive of Eastspring Investments, the Asian asset management business of Prudential. Guy joined Eastspring Investments in 2007 as Regional Head of Investment Management and also Chief Executive Officer of Eastspring Investments (Hong Kong). In 2013, he assumed the role of Chief Executive (Eastspring Investments).

Guy is a member of the Executive Management Committee and sits on the Board of Prudential Corporation Asia.

Previously, Guy held senior executive positions at JP Morgan Investment Management, Citigroup Asset Management and the BT Financial Group. His professional experience in Asia is extensive. Among other roles, he has served as Chief Investment Officer of Samsung/JP Morgan ITMC in Korea and was President of Cititrust in Japan. He began his fund management career in Australia.

Guy is a CFA charterholder and is a member of the Sydney Society of Investment Professionals. He holds a Bachelor of Commerce degree from the University of Melbourne and a Diploma of Applied Finance and Investment from the Securities Institute of Australia.

##### **Ms Michele Mi-Kyung BANG**

Michele Bang is Deputy Chief Executive of Eastspring Investments, the Asian asset management business of Prudential. Michele joined Eastspring Investments in November 2013 and is a member of the Executive Management Committee. In March 2017, Michele was appointed as Chair of Prudential Corporation Asia's Diversity & Inclusion Initiative and Member of Group-wide Diversity & Inclusion Advisory Committee.

Previously, Michele worked at Deutsche Asset & Wealth Management where she has held a number of senior leadership roles and board seats in Asia over the eight years overseeing multiple Asian markets. She was voted by Asian Investor as one of the Top 25 Most Influential Women in Asset Management in Asia Pacific.

Michele holds a Bachelor of Arts in International Relations & Japanese Studies from Cornell University, NY and a Diploma in International Relations from London School of Economics, England.

##### **Ms GWEE Siew Ping**

Gwee Siew Ping is Chief Risk Officer of Eastspring Investments, the Asian asset management business of Prudential. Siew Ping joined Eastspring Investments in 2013 and is a member of the Executive Management Committee.

Previously, Siew Ping worked at Schroders, where she was Regional Head of Compliance and Risk, Asia Pacific. She was also a member of the Board of Directors of a number of the Schroder entities. Prior to Schroders, she was an Internal Auditor at Swiss Bank Corporation and JP Morgan respectively.



Siew Ping holds a MBA awarded by the University of Manchester (Manchester Business School) and a Bachelor of Accountancy degree from the National University of Singapore. She is also professionally qualified as a Chartered Accountant of Singapore by the Institute of Singapore Chartered Accountants.

**Ms Virginie M MAISONNEUVE**

Virginie M Maisonneuve is Chief Investment Officer of Eastspring Investments, the Asian asset management business of Prudential. Virginie joined Eastspring Investments in January 2017 and is a member of the Executive Management Committee.

Previously, Virginie worked at PIMCO as Managing Director, Chief Investment Officer of Equities. Before this, she spent a decade at Schroders as Head of Global Equities, Director and Portfolio Manager. Virginie has also worked at a number of major asset management firms, including Clay Finlay, State Street Research, Batterymarch and Martin Currie.

Virginie was widely recognised as one of the Top Women in Finance in Europe from 2008 to 2014, including being Money Management Executive's inaugural Top Women in Asset Management Awards.

She holds a Bachelor's degree in political economics from the People's University, Beijing and a Master's degree in Mandarin Chinese from Dauphine University in Paris. She is also a CFA charterholder.

**Mr Julian Christopher Vivian PULL**

Julian Christopher Vivian (Ted) Pull is Chief Financial Officer of Eastspring Investments, the Asian asset management business of Prudential. Ted joined Eastspring Investments in 2000 as Director of Finance. His senior roles include: Chief Executive Officer of Eastspring Investments (Singapore) Limited from 2008 to 2012; and Chief Operating Officer of Eastspring Investments from 2006 to 2013.

Ted is a member of the Executive Management Committee and sits on the Board of Prudential Corporation Asia.

Previously, Ted held senior financial management positions at Singapore Telecom and Mtel Inc.

Ted holds a Bachelor of Science degree in Economics from University College, London and an MBA (distinction) in Finance and Investment from the University of Hull.

**Mr Philip James STOCKWELL**

Philip (Phil) James Stockwell is Chief Executive Officer of Eastspring Investments (Singapore), the Asian asset management business of Prudential. Phil joined Eastspring Investments (Singapore) in September 2014 and is also the firm's Chief Operating Officer. He is also a member of the Executive Management Committee.

Previously, Phil was COO of BT Investment Management in Australia, a publicly listed fund manager and part of Westpac Banking Corporation. Phil has also been a strategy consultant with McKinsey & Company and with KPMG Consulting.

Phil holds an MBA from Australian Graduate School of Management (AGSM), UNSW, Sydney and a Bachelor of Economics and a Bachelor of Commerce from University of Queensland, Brisbane. He is a Fellow of the Institute of Chartered Accountants in Australia.

**2.1.3 Key Executives of the Manager**

**Mr OOI Boon Peng**

Ooi Boon Peng is Chief Investment Officer, Fixed Income, of Eastspring Investments (Singapore), the Asian asset management business of Prudential. Boon Peng joined Eastspring Investments (Singapore) in July 2007 and is also the lead Portfolio Manager for Eastspring's Global Bond, Hong Kong and Japan bond portfolios.

Previously, Boon Peng was Chief Investment Officer and Executive Director at UOB Asset Management, Alternative Investments. He was also Head of Fixed Income at Fullerton Fund Management Company. Boon Peng also spent 15 years of his career with the Monetary Authority of Singapore (MAS) where he worked in various areas of the Reserves Management Department, including seven years managing funds out of the MAS New York Office.

Boon Peng holds a Bachelor of Science (Building) degree from National University of Singapore, and is a CFA charterholder.

**Mr Kevin GIBSON**

Kevin Gibson is Chief Investment Officer, Equity, of Eastspring Investments (Singapore), the Asian asset management business of Prudential. Kevin joined Eastspring Investments (Singapore) in November 2004. He is responsible for seven Equity focus teams and also manages Japan 'Conservative Value' strategies.

Previously, Kevin was Chief Investment Officer of HSBC Asset Management (Japan). He also worked for Edinburgh Fund Managers Plc as the Head of Japanese Equities, and UBS Asset Management (formerly Phillips & Drew Fund Management) as a UK fund manager.

Kevin holds a MA from University of Aberdeen, UK.

### **Ms Joanna ONG**

Joanna Ong is Investment Director of Eastspring Investments (Singapore), the Asian asset management business of Prudential. Joanna joined Eastspring Investments (Singapore) in June 2000 and is part of the Global Asset Allocation team, responsible for managing the global tactical asset allocation of the life insurance funds as well as retail multi-asset funds of the team.

Previously, Joanna worked for Bank Austria Creditanstalt International as a Deputy Manager in the Risk Management Division. Prior to that, she was an Audit Senior with Arthur Andersen.

Joanna holds a Bachelor of Accounting from Nanyang Technological University, Singapore and is a CFA charterholder.

## **2.2 Management of the Underlying Entities**

The Funds (save for the Cash Fund, the Dragon Peacock Fund, the Singapore Select Bond Fund and the Singapore ASEAN Equity Fund) feed into certain underlying entities (“**Underlying Entities**” and each an “**Underlying Entity**”).

The Manager acts as the investment manager of certain Underlying Entities.

In addition, the following entities may act as the sub-managers of the Underlying Entities or as the management company or investment manager of the Underlying Entities.

Further details of the specific role of these entities are set out in the relevant Schedules to this Prospectus.

### **2.2.1 M&G Investment Management Limited**

M&G Investment Management Limited (“**MAGIM**”) is part of M&G and is a subsidiary of Prudential. M&G is Prudential’s UK and European fund management business with total assets under management of £281.4 billion as at 30 June 2017. MAGIM is regulated by the Financial Conduct Authority (FCA).

M&G has been investing money for individual and institutional clients for over 81 years. Today it is one of the largest investors in the UK stock market, as well as being a powerhouse in fixed income.

### **2.2.2 PPM America, Inc**

PPM America, Inc. (“**PPM America**”) is the primary U.S. institutional investment adviser for entities related to Prudential and provides investment advisory services to a limited number of unaffiliated institutional accounts. Founded in 1990, PPM America is headquartered in Chicago and has an office in Schaumburg, Illinois. As at 31 March 2017, PPM America employed 248 people and managed approximately US\$110 billion in assets. PPM America provides advice regarding securities and other investments, including U.S. public and private equity and fixed income securities, high yield debt, structured products (collateralized loan obligations and collateralized debt obligations as examples) and, as necessary, distressed securities. PPM America offers advice on a wide variety of security types denominated in US dollars, including but not limited to (i) equity securities (exchange-listed and over-the-counter, both for US and foreign issuers), (ii) warrants, (iii) corporate debt securities (including investment grade corporate debt (“investment grade”) securities and high yield corporate debt (“high yield”) securities), (iv) commercial paper, (v) certificates of deposit, (vi) certain municipal securities, (vii) US government securities, and (viii) derivatives (including options, futures, options on futures, swap transactions including but not limited to interest rate, total return and credit default swaps (on individual companies or indices), options on swaps and other similar transactions). PPM America is an indirect subsidiary of the UK incorporated Prudential. Prudential is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America. PPM America is regulated by the Securities and Exchange Commission (SEC).

PPM America’s approach to investment management is defined by their value-oriented tradition, a long-term perspective and emphasis on fundamental research.

### **2.2.3 Western Asset Management Company Pte. Ltd., Western Asset Management Company and Western Asset Management Company Limited**

Western Asset Management Company Pte. Ltd. (“**WAMC Pte Ltd**”), Western Asset Management Company (“**WAMC**”) and Western Asset Management Company Limited (“**WAMCL**”) are subsidiaries of Legg Mason, Inc..

Their strategic goal is to provide above average returns over the long term by managing diversified, risk controlled, value oriented portfolios across a range of investment products in major and emerging markets. Portfolios employ a long-term value orientation that uses multiple investment strategies to achieve above market returns while approximating market risk.

WAMC Pte Ltd, WAMC and WAMCL each advise and manage an extensive range of investments on behalf of institutions and individuals. Through unit trusts and separate account management, they provide their investors with access to fixed interest and currency investment opportunities that seek to add value and control risk.

### **WAMC Pte Ltd**

WAMC Pte Ltd is organised as a private company limited by shares under the laws of the Republic of Singapore. WAMC Pte Ltd is regulated by the MAS.

WAMC Pte Ltd has been managing collective investment schemes in Singapore since 2003. As at 31 May 2017, WAMC Pte Ltd managed approximately US\$5.55 billion of assets on behalf of institutional and retail clients.

### **WAMC and WAMCL**

WAMC is organised as a corporation under the laws of California, U.S.A. and is registered in the U.S. with the U.S. Securities and Exchange Commission as an investment adviser pursuant to the U.S. Investment Advisers Act 1940 and also as a commodity-trading adviser and a commodity pool operator under the Commodity Exchange Act. WAMC is regulated by the U.S. Securities and Exchange Commission. WAMC has extensive experience in the mutual funds industry, having been managing mutual funds and other types of collective investment schemes for over 29 years.

WAMCL is organised as a corporation in the United Kingdom and is regulated and supervised in respect of its investment management activities by the Financial Conduct Authority (FCA). WAMCL has extensive experience in the mutual funds industry, having been managing mutual funds and other types of collective investment schemes for over 19 years.

#### **2.2.4 Henderson Global Investors Limited**

Henderson Global Investors Limited (HGIL) is a wholly owned subsidiary of Janus Henderson Group plc. HGIL is permitted to carry out investment management in the United Kingdom through its regulator, the Financial Conduct Authority (FCA) and has been managing collective investment schemes and discretionary funds in the United Kingdom since 1934.

#### **2.2.5 Eastspring Investments (Luxembourg) S.A.**

Eastspring Investments (Luxembourg) S.A. is a public limited company incorporated under the laws of the Grand Duchy of Luxembourg. Eastspring Investments (Luxembourg) S.A. was incorporated on 20 December 2012 and has been appointed to act as the management company of the Luxembourg-domiciled Eastspring Investments. Eastspring Investments (Luxembourg) S.A. is regulated by the Commission de Surveillance du Secteur Financier (CSSF).

**Past performance of the Manager, managers or sub-managers of the Underlying Entities is not necessarily indicative of their future performance.**

### **3. The Trustee and Custodian**

The trustee of the Cash Fund, EIF and EIUT is HSBC Institutional Trust Services (Singapore) Limited (the “**Trustee**”) whose registered address is at 21 Collyer Quay, #13-02 HSBC Building, Singapore 049320. The Trustee is regulated in Singapore by the MAS.

The custodian of the Cash Fund, EIF and EIUT is The Hongkong and Shanghai Banking Corporation Limited (the “**Custodian**”), whose registered address is at 1 Queen’s Road Central, Hong Kong. The Custodian is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission of Hong Kong.

The Trustee has appointed the Custodian as the global custodian to provide custodial services to the Cash Fund, EIF and EIUT globally. The Custodian is entitled to appoint sub-custodians to perform any of the Custodian’s duties in specific jurisdictions where the Cash Fund, EIF and EIUT invest.

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

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

### **4. The Register of Holders**

The registrar of the Cash Fund, EIF and EIUT is the Trustee (the “**Registrar**”) and the register of Holders of each Fund (the “**Registers**”) is kept and maintained at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439, and shall be open to the inspection of the public during usual business hours (subject to such reasonable restrictions as the Trustee may impose).

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

## **5. Other Parties**

### **5.1 The Auditors**

The auditors of the accounts for the Cash Fund, EIF and EIUT are KPMG LLP whose registered office is at 16 Raffles Quay, #22-00, Hong Leong Building, Singapore 048581 (the “**Auditors**”).

### **5.2 Accounting and Valuation**

The Manager has delegated the accounting and valuation function for the Cash Fund, EIF and EIUT to HSBC Institutional Trust Services (Singapore) Limited.

### **5.3 Deutsche Bank AG**

Deutsche Bank AG has been appointed for the purpose of facilitating foreign currency hedging for the Class M (RMB hedged) of the Monthly Income Plan. Deutsche Bank AG will provide currency transactions which includes spot foreign exchange and forward foreign exchange.

## **6. Structure, Investment Objective, Focus and Approach**

### **6.1** Please refer to the Schedules for details on the structure, investment objective, focus and approach of each of the various Funds.

*Please note that some of the Underlying Entities which the Funds invest into may be available to the retail public in Singapore for direct investment. You should also note that some of the Underlying Entities may also offer other unit/share classes which are currently available to Singapore retail investors for direct investment. Investments into the Underlying Entities by way of a feeder fund structure may incur in aggregate higher fees and charges than would otherwise be payable if such investments were made directly.*

### **6.2 Investment in derivatives / securities lending**

Unless otherwise provided in the relevant Schedule, the Manager may invest in derivatives for the Funds. Please refer to Paragraph 6.3 below for further details.

The Manager currently does not intend to carry out securities lending or repurchase transactions for the Funds but may in the future do so, in accordance with the applicable provisions of the Code (as defined in Paragraph 6.3 below) and, if applicable, the CPF Investment Guidelines.

The managers of the Underlying Entities and their respective sub-managers currently:

- (a) intend to and/or may invest in derivatives; and
- (b) do not intend to engage in securities lending but may in the future do so.

### **6.3 Use of Financial Derivative Instruments (“FDIs”)**

Any use of FDIs will be for the purposes of efficient portfolio management (“**EPM**”) and/or hedging with the purpose of preserving the value of an asset or assets of a Fund. Permitted EPM transactions include but are not limited to forwards, futures, swaps and options dealt in or traded on an approved derivatives market. Where such derivatives are FDIs on commodities, such transactions shall be settled in cash at all times or as may otherwise be required under the Code on Collective Investment Schemes issued by the MAS, as may be modified, amended, supplemented, re-enacted or re-constituted from time to time (the “**Code**”).

Where FDIs are used, the global exposure of a Fund to FDIs or embedded FDIs shall not exceed 100% of the net asset value (“**NAV**”) of that Fund at any time (or such other percentage as may be allowed under the Code). Such exposures relating to FDIs will be calculated using the commitment approach as described in, and in accordance with, paragraph 3.3 of Appendix 1 of the Code.

If a Fund nets its over-the-counter financial derivative positions, the Manager will obtain the legal opinions as stipulated in paragraph 5.15 of Appendix 1 of the Code prior to such netting.

### **Risk Management Process**

The Manager has the following risk management and compliance controls in place to manage the risks in FDIs:

#### **(a) Pre-Trade Compliance**

Where possible, FDI activity and exposures are monitored with a pre-trade compliance system across the entire business. Rules and investment guidelines are set up in the system as far as possible allowing potential breaches to be immediately identified before a trade is executed. An escalation process is in place to ensure relevant parties are informed when a potential issue occurs.

(b) **Portfolio Risk**

The Manager uses quantitative techniques to determine the suitability of utilising FDIs. The investment team uses a number of tools to carry out portfolio construction and to conduct risk analysis including risk/return characteristics. The investment team identifies, manages and monitors investment risks with the aim of achieving the objectives of the Funds.

(c) **Counterparty Risk**

The Manager has credit risk management and control procedures for assessing, monitoring and limiting credit and counterparty risk across all asset classes and client bases. Reviews of counterparties are performed on a regular basis to assess any changes in credit worthiness and the ability to meet their contractual obligations.

(d) **Risk Oversight**

In addition, the Manager has an independent investment risk team that works with each investment team to ensure that the necessary risk controls and metrics of risks are in place. The investment risk team reports to the regional risk committee whose principal role is to ensure that the business units operate within the risk management policies and frameworks laid out.

The Manager will ensure that the risk management and compliance procedures are adequate and have been or will be implemented and that it has the necessary expertise to manage the risk relating to the use of FDIs.

The Manager may modify the risk management and compliance procedures adopted from time to time as it deems fit and in the interest of the Funds.

## 7. **CPF Investment Scheme**

7.1 Funds included under the CPF Investment Scheme (“**CPFIS**”) – Ordinary Account for subscription by members of the public using their CPF monies are:

- Pan European Fund;
- Global Technology Fund;
- Asian Balanced Fund;
- Singapore Select Bond Fund; and
- Singapore ASEAN Equity Fund.

Funds included under the CPFIS – Ordinary Account (but no longer accept subscriptions using CPF monies) are:

- Dragon Peacock Fund.

Funds included under the CPFIS – Special Account for subscription by members of the public using their CPF monies are:

- Asian Balanced Fund; and
- Singapore Select Bond Fund.

Please refer to the relevant Schedule for the CPFIS risk classification of each Fund.

7.2 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 CPF Act, Chapter 36 of Singapore, 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.

As announced in September 2017, the Government will maintain the 4% per annum minimum rate for interest earned on all SMA and RA monies until 31 December 2018. Thereafter, interest rates on all CPF account monies will be subject to a minimum rate of 2.5% per annum (unless the Government extends the 4% floor rate for interest earned on all SMA and RA monies).

The first S\$60,000 of a CPF member’s combined CPF accounts earns an extra 1% interest per annum. To enable CPF members to earn extra interest, only monies in excess of S\$20,000 in a CPF member’s OA and S\$40,000 in a CPF member’s Special Account can be invested under the CPFIS.

In addition, CPF members aged 55 and above will also earn an additional 1% extra interest on the first S\$30,000 of their combined CPF balances (with up to S\$20,000 from the OA).

*You should note that the applicable interest rates for each of the CPF accounts may be varied by the CPF Board from time to time. Subscriptions using CPF monies shall at all times be subject to inter alia regulations and such directions or requirements imposed by the CPF Board from time to time.*

## **8. Fees and Charges**

As required by the Code, all marketing, promotional and advertising expenses in relation to each of the Funds shall be borne by the Manager and not charged to the deposited property of the relevant Funds.

Please refer to the relevant Schedule for the fees and charges applicable to each Fund.

The initial sales charge, switching fee and realisation charge (if any) may be retained by the Manager for its own benefit or all or part of such fees or charges may be retained by the agents or appointed distributors for their own benefit, and shall not form part of the deposited property of the Funds (unless otherwise provided in the relevant Schedule).

The Manager or the relevant distributors appointed by the Manager may at any time differentiate between applicants from different Funds or different Classes within the same Fund or between applicants from the same Fund or the same Class as to the amount of the initial sales charge, switching fee and realisation charge (if any) (within the permitted limit), payable upon the issue, switch or realisation of Units or allow to investors discounts on such basis and to such extent as it or they may think fit or to waive such charges.

Agents or appointed distributors may (depending on the specific nature of services provided) impose other fees and charges not disclosed in this Prospectus. You should therefore check with the relevant agent or appointed distributor for further details.

## **9. Risks**

### **9.1 General risks**

You should consider and satisfy yourself as to the risks of investing in the Funds. Investment in a collective investment scheme is usually meant to produce returns over the long-term. It may not be possible to obtain short-term gains from such investment. You should be aware that the price of units in a collective investment scheme, and the income from them, may fall or rise and you may not get back your original investment. Generally, some of the risk factors that should be considered by you are liquidity and repatriation risks. For Funds which feed into Underlying Entities, the default in payment by an issuer of any instrument held by the respective Underlying Entity of each Fund may affect the Underlying Entity's ability to meet its payment obligations to that Fund. No guarantee is given, express or implied, that you will receive back any amount invested.

An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

All investments involve risks and there can be no guarantee against loss resulting from an investment in any units, nor can there be any assurance that a Fund's investment objective will be attained in respect of its overall performance. You should therefore ensure (prior to any investment being made) that you are satisfied with the risk profile of the overall investment objective disclosed.

### **9.2 Specific risks**

You should carefully consider the following:

#### **9.2.1 Foreign exchange/currency risk**

As some Funds that are Singapore Dollar denominated will invest in Underlying Entities which are denominated in foreign currencies or which hold investments that are denominated in foreign currencies (e.g. US Dollars and Sterling Pounds), fluctuations in the exchange rates between the Singapore Dollar and these foreign currencies may have an impact on the income and value of such Funds.

Additionally, some Funds may have Classes of Units that are denominated in foreign currencies and investments in such Classes, may be subject to foreign exchange risk as well as an additional currency hedging cost component.

Some Funds may invest their assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The NAV of the deposited property of such Fund as expressed in its base currency will fluctuate in accordance with the changes in the foreign exchange rate between its base currency and the currencies in which the Fund's investments are denominated. Some Funds may therefore be exposed to a foreign exchange/currency risk.

Unless otherwise disclosed in the relevant Schedule, the Manager generally does not hedge the foreign currency exposure (if any) of the Funds although it may have the discretion to do so. Please refer to the Schedule for the relevant Fund for details of the currency hedging which may be carried out by the Manager for that Fund (if any). If a currency hedging strategy does not meet its intended objective, this could have an adverse impact on the NAV of the relevant Fund.

In respect of a hedged share class, the Manager will employ a hedging strategy to hedge the currency risk between the Class currency and the base currency of the relevant Fund. The Manager may manage the currency risk by hedging, if necessary, through forward currency markets. This strategy is to reduce but not eliminate currency risk. If these hedging transactions are imperfect or are only placed over a portion of the foreign exchange exposure, the Class will bear the resulting benefit or loss.

It is important to note that currency hedging transactions for one Class may in extreme cases adversely affect the NAV of the other Classes within a Fund.

If your reference currency is the Singapore Dollar, you should also note that you may be exposed to additional exchange rate risks if you invest in a Class not denominated in Singapore Dollars.

### 9.2.2 Derivatives risk

Unless otherwise provided in the relevant Schedule, the Funds may invest in derivatives which will be subject to risks. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are, but not limited to, market risk, management risk, credit risk, liquidity risk, operational risk and leverage risk.

Investments in derivatives may require the deposit of initial margin and additional margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely. The Manager has the necessary controls for investments in derivatives and has in place systems to monitor the derivative positions for the Funds.

The Manager does not intend to use derivative transactions for speculation or leverage but may use them for efficient portfolio management and/or hedging. You should refer to Paragraph 6.3 above for further information on the risk management and compliance procedures adopted by the Manager in this respect. In particular, the investment in credit default swaps, volatility derivatives, asset backed securities and mortgage backed securities are subject to the following risk.

The use of FDIs involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other more traditional investments. For a Fund which may use FDIs, the following provides a general discussion of important risk factors relating to all FDIs that may be used by the Fund.

(i) **Management Risk**

FDIs are highly specialised instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of an FDI requires an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

(ii) **Counterparty Risk**

The use of FDIs involves the risk that a loss may be sustained as a result of the failure of another party to the contract (usually referred to as a “counterparty”) to make required payments or otherwise comply with the contract’s terms. Additionally, in respect of certain instruments such as credit default swaps, losses could result if the Fund does not correctly evaluate the creditworthiness of the company on which the credit default swap is based.

The Fund will be exposed to credit risk on the counterparties with which it trades particularly in relation to options, futures, contracts and other derivatives that are traded over the counter. Such instruments are not afforded the same protection as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which it trades, which could result in substantial losses to the Fund.

(iii) **Liquidity Risk**

The Fund may lose money or be prevented from earning capital gains if or when particular derivatives are difficult to purchase or sell, possibly preventing the Fund from selling such securities at an advantageous time or price that would have been most beneficial to the Fund, or possibly requiring the Fund to dispose of other investments at unfavourable times and prices in order to satisfy its obligations.

(iv) **Lack of Availability**

Because the markets for certain FDIs are relatively new and still developing, suitable FDI transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the portfolio manager may wish to retain the Fund’s position in the FDIs by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that the Fund will engage in FDI transactions at any time or from time to time. The ability to use FDIs may also be limited by certain regulatory and tax considerations.

(v) **Market and Other Risks**

Like most other investments, FDIs are subject to the risk that the market value of the instrument will change in a way detrimental to the Fund's interest. If a portfolio manager incorrectly forecasts the values of securities, currencies or interest rates or other economic factors in using FDIs, the Fund might have been in a better position if it had not entered into the transaction at all. While some strategies involving FDIs can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other investments. The Fund may also have to buy or sell a security at a disadvantageous time or price because the Fund is legally required to maintain offsetting positions or asset coverage in connection with certain FDI transactions.

Other risks in using FDIs include the risk of mispricing or improper valuation of FDIs and the inability of FDIs to correlate perfectly with underlying assets, rates and indices. Many FDIs, in particular privately negotiated FDIs, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund. Also, the value of FDIs may not correlate perfectly, or at all, with the value of the assets, reference rates or indices they are designed to closely track.

In addition, the use of FDIs may cause the Fund to realise higher amounts of short-term capital gains (generally taxed at ordinary income tax rates) than if the Fund had not used such instruments.

**9.2.3 Interest rate and credit risk**

Investments in fixed income portfolios will be subject to the usual risks of investing in bonds and other fixed income securities. Bonds and other fixed income securities are subject to interest rate fluctuations and credit risks, such as risk of default by issuers.

Investments in fixed income securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal, especially if the issuer is highly leveraged. Such issuer's ability to meet its debt obligations may also be adversely affected by specific projected business forecasts, or the unavailability of additional financing. Also, an economic downturn or an increase in interest rates may increase the potential for default by the issuers of these securities.

A Fund (and in particular, the Cash Fund) may invest in deposits. The yield/returns of the Units in the Fund may go up or down in response to fluctuations in interest rates. Investments in deposits may decline in yield if interest rates change. In general, yield on deposits will rise when interest rates increase and fall when interest rates decrease. In particular, the deposited property of the Cash Fund is predominantly placed in Singapore-dollar deposits with Eligible Financial Institutions and a decrease in the interest rates of Singapore-dollar deposits with such institutions would decrease the yield/returns of the Cash Fund.

Investments in deposits are also subject to adverse changes in financial conditions of institutions holding such deposits, or in general economic conditions, or both, which may impair the ability of such institutions to make payments of interest and principal. Such institutions' ability to meet their obligations may also be adversely affected by their operation, performance or winding-up, which may increase the potential for default by such institutions. Any default by such institutions could result in substantial losses to the Fund.

**9.2.4 High yield bonds risk**

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Compared to investment grade bonds, high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry.

**9.2.5 Investment grade bonds risk**

Certain Funds may invest in investment grade bonds where there is a risk that the rating of the bonds held by the Funds may be downgraded at any time.

**9.2.6 Convertible bond risk**

Convertible securities are subject to the risks associated with both fixed income securities and equities, namely credit, price and interest-rate risk.

**9.2.7 Contingent convertible bond risk**

In the framework of new banking regulations, banking institutions are required to increase their capital buffers and with this in mind have issued certain types of financial instrument known as contingent convertible bonds ("CoCos"). The main feature of a CoCo is its ability to absorb losses as required by global bank regulators as part of a banks regulatory capital requirements and new debt global bail-in regimes such as the European Special Resolution Regime (SRR), but other corporate entities may also choose to issue them.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. Any such changes, including



changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

In addition to the liquidity risk detailed above, CoCos have specific risks associated such as:

(i) **Unknown risk**

CoCos are innovative currently still untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is uncertain whether the market will view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, activation of a trigger or suspension of coupon payments could cause a broader sell-off of contingent convertible instruments, thereby decreasing liquidity in the market. In an illiquid market, price formation may be increasingly stressed.

(a) **Coupon cancellation**

Coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any length of time.

(b) **Trigger level risk**

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Manager to anticipate the triggering events that would require the debt to convert into equity.

(c) **Valuation and write-down risks**

The value of CoCos may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

(d) **Capital structure inversion risk**

Contrary to classic capital hierarchy, investors in CoCos may suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g. when a high trigger principal write-down contingent convertible instruments is activated. This cuts against the normal order of capital structure hierarchy where equity holders are expected to suffer the first loss.

(e) **Call extension risk**

CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the issuer. It cannot be assumed that the perpetual CoCo will be called on call date. CoCos are a form of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

(f) **Conversion risk**

It might be difficult for the Manager to assess how the securities will behave upon conversion. In case of conversion into equity, the Manager might be forced to sell these new equity shares if the investment policy of the relevant Fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.

(g) **Industry concentration risk**

As the issuers of CoCos may be unevenly distributed across sectors of industry, contingent convertible instruments may be prone to industry concentration risks.

### 9.2.8 **Asset backed securities (“ABS”) and mortgage backed securities (“MBS”) risk**

ABS, including MBS are generally limited recourse obligations of the issuers thereof payable solely from the underlying assets (“**ABS Assets**”) of the relevant issuer or proceeds thereof. Consequently, holders of ABS including any Fund invested in ABS must rely solely on distributions on the ABS Assets or proceeds thereof for payment in respect thereof. In addition, interest payments on ABS (other than the most senior tranche or tranches of a given issue) are generally subject to deferral. If distributions on the ABS Assets (or, in the case of a market value ABS security - as explained hereinafter - proceeds from the sale of the ABS Assets) are insufficient to make payments on the ABS, no other assets will be available for payment of the deficiency and following realisation of the underlying assets, the obligations of the issuer of the related ABS security to pay such deficiency including to the relevant Fund will be extinguished.

With a market value ABS deal, principal and interest payments to investors come from both collateral cash flows as well as sales of collateral. Payments to tranches are not contingent on the adequacy of the collateral's cash flows, but rather the adequacy of its market value. Should the market value of collateral drop below a certain level, payments are suspended to the equity tranche. If it falls even further, more senior tranches are impacted. An advantage of a market value ABS is the added flexibility they afford the portfolio manager. It is not constrained by a need to match the cash flows of collateral to those of the various tranches.

ABS Assets are usually illiquid and private in nature. ABS Assets are subject to liquidity, market value, credit interest rate, reinvestment and certain other risks. These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular ABS Assets. ABS Assets are typically actively managed by an investment manager, and as a result ABS Assets will be traded, subject to rating agency and other constraints, by such investment managers. The aggregate return on the ABS Assets will depend in part upon the ability of the relevant investment manager to actively manage the related portfolio of the ABS Assets.

The ABS Assets will be subject to certain portfolio restrictions. However, the concentration of the ABS Assets in any one security type subjects the holders of ABSs to a greater degree of risk with respect to defaults on the ABS Assets.

Prices of the ABS Assets may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the ABS Assets. In addition, the ability of the issuer to sell ABS Assets prior to maturity is subject to certain restrictions set forth in the offering and constitutive documents of the relevant ABS.

Certain bond Funds may invest their assets in ABS and MBS. The risk of ABS applies to MBS.

Currently, the Singapore Select Bond Fund and the underlying bond funds of the Asian Balanced Fund and the Monthly Income Plan may invest their assets in ABS and MBS.

#### **9.2.9 Credit default swap risk**

A credit default swap ("CDS") allows the transfer of default risk. This allows a Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy (or sell) protection on a reference obligation it does not physically own in the expectation that the credit will decline (increase) in quality.

In a CDS transaction, the protection buyer makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties).

If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

If the buyer or seller terminates the CDS transaction before maturity of the contract, the buyer and seller will face market risk from the changes in the price of the CDS driven by changes in the credit quality of the reference obligation since the inception of the trade.

If there is a credit event and the buyer does not hold the underlying reference obligation, the buyer may face market risk as the buyer may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the buyer may not recover the full amount due to it from the counterparty.

The risk of the seller is the loss in value of the reference obligation, net of CDS premiums received and the final value of the reference obligation.

The amount at risk is limited to the sum insured on the reference obligation.

The market for credit default swaps may sometimes be more illiquid than the bond markets. The Manager will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

#### **9.2.10 Political and/or regulatory risk**

The value of a Fund's deposited property may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which an investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which an investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Foreign ownership restrictions in some markets may mean that corporate action entitlements in relation to any collective investment schemes or other investments the Funds are invested into may not always be secured or may be restricted.

### 9.2.11 Emerging markets risk

You should be aware that investment in emerging markets may involve, due to the economic and political development process which some of these countries are undergoing, a higher degree of risk which could adversely affect the value of the investments. Among other things, investment in emerging markets involves risks such as the restriction on foreign investment, counterparty risk, higher market volatility, less public information about companies and the illiquidity of the companies' assets depending on the market conditions in certain emerging markets. Moreover, companies may be subject to considerably less state supervision and less differentiated legislation. Their accounting and auditing do not always match western standards.

Investments in some emerging countries are also exposed to higher risks in respect of the possession and custody of securities. Ownership of companies is for the most part determined by registration in the books of the company or its registrar (who is not, however, an agent of the custodian nor liable to the latter). Certificates evidencing the ownership of companies are frequently not held by the custodian, any of its correspondents or an efficient central depository. As a result and due to lack of efficient regulation by government bodies, a Fund may lose the possession of or the registration of shares in companies through fraud, serious fault or negligence. Debt instruments involve a higher custody risk as, in accordance with market practice, such paper is held by local institutions which are not, however, always sufficiently insured against loss, theft, destruction or insolvency while holding the assets.

When the Manager and/or the manager or sub-manager of the Underlying Entities make investments in less developed markets, where accounting and other standards may be lower than seen elsewhere, their usual rigorous standards will be applied to endeavour that quality investments are purchased. The following statements are intended to illustrate the risks which in varying degrees are present in investing in emerging markets and less developed market instruments and the statements do not offer advice on the suitability of investments.

(i) **Legal Environment**

- The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation.
- Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public.
- Judicial independence and political neutrality cannot be guaranteed.
- State bodies and judges may not adhere to the requirements of the law and the relevant contract. There is no certainty that investors will be compensated in full or at all for any damage incurred.
- Recourse through the legal system may be lengthy and protracted.

(ii) **Currency Risk**

Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed.

(iii) **Taxation**

You should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which a Fund invests or may invest in the future is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result, the Fund could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

### 9.2.12 Sector-specific risk

As some Funds are invested in a small range of economic sectors, you should be aware that the value of a portfolio invested in such sectors might fluctuate more than the value of a portfolio invested in a broader diversification of sectors. In addition, some of these investments may, on account of the economic sector of the companies selected, be subject to higher volatility than that generally observed on the stocks markets during the same period.

In addition, in relation to the Global Technology Fund, the value of its Units may be susceptible to factors affecting technology-related industries and to greater risk and market fluctuation than investment in a broader range of portfolio securities covering different economic sectors. Technology, technology-related, healthcare and telecommunications industries may also be subject to greater government regulation than many other industries. Accordingly, changes in government policies and the need for regulatory approvals may have a materially adverse effect on these industries. Additionally, these companies may be subject to inherent risks of developing technologies, competitive pressures and other factors as well as a relatively high risk of obsolescence caused by scientific and technological advances and are dependent upon consumer and business acceptance as new technologies evolve.

Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in such companies as set out in Paragraph 9.2.14 below. The development of these sector-specific investments may differ from the general stock exchange trend.

#### **9.2.13 Portfolio and market risk**

Each Fund is intended for investors who can accept the risks associated with investing primarily in the type of investments held in that Fund and the market(s) that the Fund invests in. Investors in equities will be subject to the risks associated with equity and equity-related securities, including fluctuations in market prices, adverse issuer or market information and the fact that equity and equity-related interests are subordinate in the right of payment to other corporate securities, including debt securities. Likewise, investors in fixed income securities will be subject to the risks associated with debt securities including normal market fluctuations, credit and interest rate risk, and, except for the Cash Fund, the additional risks associated with high-yield debt securities, loan participations and derivative securities. The value of Units may also go up and down due to normal market fluctuations in the markets that the Funds invest in. In addition, you should be aware of the risks associated with the active management techniques that are expected to be employed by certain Funds. An investment in a Fund does not constitute a complete investment program. You may wish to complement an investment in a Fund with other types of investments.

#### **9.2.14 Small companies risk**

Investment in securities of smaller companies can involve greater risk than that normally associated with larger, more established companies. In particular, smaller companies have limited product lines, markets or financial resources and may be dependent on their management comprising of a limited number of key individuals. Securities of smaller companies may also be less liquid and more price volatile, than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading and this may result in fluctuations in the price of the Units.

#### **9.2.15 Charges to capital risk**

Where a Fund's charges and expenses are taken from capital, in whole or in part, capital growth may be constrained as a result.

#### **9.2.16 Risk of distributions out of capital**

Where distributions of a Fund are paid out of capital, you should be aware that the payment of distributions out of capital represents a return or withdrawal of part of the amount you originally invested and/or capital gains attributable to the original investment. Any distributions involving the payment of distributions out of capital will result in a reduction in the NAV of the Fund (or relevant Class, as the case may be) and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained as a result.

#### **9.2.17 Counterparty and settlement considerations**

The Funds will be exposed to credit risk on the counterparties with which they trade particularly in relation to fixed income securities, options, futures, contracts and other FDIs that are traded over the counter. Such FDIs are not afforded the same protections as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. A Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which it trades, which could result in substantial losses to it.

The Funds will also be exposed to a credit risk on parties with whom they trade securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments. You should also note that settlement mechanisms in emerging markets are generally less developed and reliable than those in more developed countries and that this therefore increases the risk of settlement default, which could result in substantial losses for a Fund in respect of investments in emerging markets.

#### **9.2.18 Liquidity risk**

A Fund could face liquidity risk arising from investments in securities that have low trading volumes, imposed trading restrictions or temporary suspensions from trading. Investments in securities that have high liquidity risk may reduce return or incur substantial losses to the Fund if the Fund is unable to sell these securities at opportune times or prices. Liquidity could dry up in a very short time especially during a crisis.

A Fund (and in particular, the Cash Fund) may invest in deposits. A Fund's investment in deposits may be subject to early redemption charges on its investment in deposits particularly in the situation when the Fund faces a large redemption that may require the Fund to withdraw its deposits prematurely. The early redemption charges will be borne by the Fund.

### **9.2.19 Market suspension risk**

Each securities exchange or commodities contract market typically has the right to suspend or limit trading in all securities or commodities which it lists. Such a suspension would render it impossible for Funds which are sub-funds of the EIF and EIUT, to liquidate positions and, accordingly, expose such Funds to losses and delays in its ability to realise Units.

### **9.2.20 Country specific risk**

Certain of the Funds may invest in securities of a limited number of countries. Funds that invest in a few, select countries will be exposed to market, currency, and other risks related specifically to the economies of those countries. Government regulations and limitations on transactions and capital flows could negatively impact the Funds' performance. Country specific issues could magnify the negative performance of the Funds. Such Funds may be subject to volatility and structural risks associated with specific countries, and performance may lag the performance of Funds that invest in a diversified portfolio across many countries. Exposure to a limited number of countries market also increases the potential volatility of such Funds due to the increased concentration risk as they are less diversified compared to exposure to specific regional or global markets.

### **9.2.21 Restrictions on foreign investment**

Some countries prohibit or impose substantial restrictions on investments by foreign entities. There may also be instances where a purchase order subsequently fails because the permissible allocation to foreign investors has been filled, depriving a Fund of the ability to make its desired investment at the time.

### **9.2.22 Inflation risk**

A change in the rate of inflation may affect the real value of your investment.

### **9.2.23 Redemption risk**

The Funds will not be listed on any stock exchange. There is no ready secondary market for the Units in the Funds. You may consequently only realise your units in accordance with the provisions of the Deed in the manner set out in this Prospectus.

There may be a 10% limit on the number of units of a Fund that can be realised and converted on a Dealing Day (as defined in Paragraph 10.1). Therefore, a realisation request may be deferred to the next Dealing Day (which is subject to the same limit) if realisations exceed the limit on that day. Please refer to Paragraph 12.3 for further information.

You should also note that your right to realise Units may be temporarily suspended under certain circumstances as further described in Paragraph 15.

### **9.2.24 Foreign Account Tax Compliance Act ("FATCA")**

FATCA is the Foreign Account Tax Compliance Act of 2010. FATCA was enacted by the US Congress as part of the Hiring Incentives to Restore Employment Act (the HIRE Act). FATCA is a reporting and withholding regime which provides the Internal Revenue Service (IRS) with a tool to strengthen the information reporting and compliance of US persons who have money invested outside of the US.

FATCA provisions generally impose a 30% withholding tax on certain U.S. source payments, including interest, dividends and gross proceeds from the sale or other disposal of property that can produce U.S. source income in certain circumstances.

The goal of the US tax authorities is to receive information about US persons, not to raise revenue via the withholding tax.

On 9 December 2014, the Government of the Republic of Singapore and the Government of the United States of America signed an Agreement to Improve International Tax Compliance and to Implement FATCA. Broadly, this agreement takes the form of a "FATCA Model 1 Intergovernmental Agreement" and establishes a framework for certain Singapore-based financial institutions to report account information of US persons to the Inland Revenue Authority of Singapore, which in turn will provide the relevant information to the US Internal Revenue Service.

Although the Cash Fund, EIF, EIUT, the Manager and/or the Trustee will attempt to satisfy any obligations imposed on it by the Applicable Requirements as per Paragraph 20.9 of this Prospectus to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Cash Fund, EIF, EIUT, the Manager and/or the Trustee will be able to satisfy these obligations. If the Cash Fund, EIF or EIUT becomes subject to a withholding tax as a result of the FATCA regime, the value of the Units held by the Holders in the relevant Fund may suffer material losses.

The Manager will at all times, act in good faith and on reasonable grounds.

You should consult with your own tax advisors regarding the possible implications of FATCA on an investment in the Funds.

### 9.2.25 Risks associated with the Shanghai-Hong Kong Stock Connect (“SHHK Stock Connect”) and Shenzhen-Hong Kong Stock Connect (“SZHK Stock Connect”)(each, a “Stock Connect” and together the “SHHK and SZHK Stock Connect”)

Certain Funds may invest in eligible China A-Shares through the SHHK Stock Connect, the SZHK Stock Connect, or other similar scheme(s) established under applicable laws and regulations from time to time, as appropriate.

#### (i) **Overview of the SHHK and SZHK Stock Connect**

The SHHK Stock Connect is a securities trading and clearing linked program operational since 17 November 2014 and developed by the Stock Exchange of Hong Kong Limited (“SEHK”), Shanghai Stock Exchange (“SSE”), Hong Kong Securities Clearing Company Limited (“HKSCC”) and China Securities Depository and Clearing Corporation Limited (“CSDCC”), with an aim to achieve mutual stock market access between mainland China (Shanghai) and Hong Kong.

The SZHK Stock Connect is a similar securities trading and clearing linked program developed by SEHK, Shenzhen Stock Exchange (“SZSE”), HKSCC and CSDCC for the establishment of mutual stock market access between mainland China (Shenzhen) and Hong Kong. The SZHK Stock Connect became operational since 5 December 2016.

The SSE, SZSE and SEHK will enable investors to trade eligible shares listed on the other’s market, as applicable, through local securities firms or brokers, subject to rules and regulations issued from time to time.

Additional information about the SHHK and SZHK Stock Connect is available online at the website:

[http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

#### (ii) **Risk factors**

##### (a) Quota limitations

Each of SHHK Stock Connect and SZHK Stock Connect is subject to a daily quota (“**Daily Quota**”). The Daily Quota limits the maximum net buy value of cross-boundary trades under the relevant Stock Connect each day. SEHK will monitor the usage of the Northbound daily quota (“**Northbound Daily Quota**”) for each of SHHK Stock Connect and SZHK Stock Connect and publish the remaining balance of the Northbound Daily Quota on Hong Kong Exchanges and Clearing Limited’s (“**HKEx**”) website.

Once the remaining balance of the Northbound Daily Quota drops to zero or the Daily Quota is exceeded during the opening call session, new buy orders will be rejected on the relevant Stock Connect (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance) and during the continuous auction session (or closing call auction session) for SZSE, no further buy orders will be accepted for the remaining of the day. Therefore, quota limitations may restrict a Fund’s ability to invest in China A-Shares through SHHK and SZHK Stock Connect on a timely basis.

The Daily Quota may change from time to time without prior notice and investors should refer to the SEHK website and other information published by the SEHK for up-to-date information.

##### (b) Suspension risk

It is contemplated that SEHK, SSE and SZSE would reserve the right to suspend Northbound (for investment in PRC shares) and/or Southbound (for investment in Hong Kong shares) trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the SHHK Stock Connect or the SZHK Stock Connect is affected, a Fund’s ability to access the PRC market will be adversely affected.

##### (c) Differences in trading day

The SHHK and SZHK Stock Connect will only operate on days when both the relevant PRC and Hong Kong markets are open for trading and when banks in the relevant markets are open on the corresponding settlement days. The Funds which invest through the SHHK and SZHK Stock Connect may be subject to a risk of price fluctuations in China A-Shares during the time when the relevant Stock Connect is not trading as a result.

##### (d) Operational risk

The SHHK and SZHK Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in the relevant program subject to meeting certain information technology capabilities, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The SHHK and SZHK Stock Connect requires market participants to configure and adapt their operational and technical systems. Further, it should be appreciated that the securities regimes and legal systems of each of the PRC and Hong Kong markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the “connectivity” in the SHHK and SZHK Stock Connect requires routing of orders across PRC and Hong Kong. The SEHK has set up an order routing system to capture, consolidate and route the cross-boundary orders input by exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in each market. In the event that the relevant systems fail to function properly, trading in each market through the program could be disrupted. In such a case, the Fund’s ability to access the China A-Share market (and hence to pursue its investment strategy) through the SHHK and SZHK Stock Connect will be adversely affected.

- (e) **Restrictions on selling imposed by front-end monitoring**  
PRC regulations require that before an investor sells any share, there should be sufficient shares in that investor’s account; otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a Fund wishes to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling (“**trading day**”). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of its holdings of China A-Shares in a timely manner. PRC regulations may impose certain other restrictions on selling and buying which results in a Fund not being able to dispose of holdings of China A-Shares in a timely manner. This also raises concerns as to counterparty risks as securities may need to be kept by brokers overnight.

To facilitate investors whose China A-Shares invested through SHHK and SZHK Stock Connect (“**SC Securities**”) are maintained with custodians to sell their SC Securities without having to pre-deliver the SC Securities from their custodians to their executing brokers, the SEHK introduced an enhanced pre-trade checking model in March 2015, under which an investor may request its custodian to open a Special Segregated Account (“**SPSA**”) in the Central Clearing And Settlement System to maintain its holdings in SC Securities. An investor will only need to transfer all relevant SC Securities from its SPSA to its designated broker’s account after execution and not before placing the sell order. This enhanced model is novel and initial market reaction is varied. If a Fund is unable to utilise this model, it would have to deliver SC Securities to brokers before the trading day and the above risks may still apply.

- (f) **Recalling of eligible stocks**  
When a stock is recalled from the scope of eligible stocks for trading via SHHK Stock Connect or SZHK Stock Connect, the stock can only be sold but will be restricted from being bought. This may affect the investment portfolio or strategies of a Fund, for example, when it wishes to purchase a stock which is recalled from the scope of eligible stocks.

- (g) **Clearing and settlement risk**  
HKSCC and CSDCC have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC’s securities market, CSDCC operates a comprehensive network of clearing, settlement and stock holding infrastructure. CSDCC has established a risk management framework and measures that are approved and supervised by the China Securities Regulatory Commission (“**CSRC**”).

Should the remote event of CSDCC default occur and CSDCC be declared as a defaulter, HKSCC’s liabilities in Northbound (for investment in China A-Shares) trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against CSDCC. HKSCC will in good faith, seek recovery of the outstanding stocks

and monies from CSDCC through available legal channels or through CSDCC's liquidation. In such an event, affected Funds may suffer delay in the recovery process or may not be able to fully recover their losses from CSDCC.

Under the SHHK and SZHK Stock Connect, Hong Kong and overseas investors, including the relevant Funds which have acquired SC Securities should maintain such SC Securities with their brokers' or custodians' stock accounts with the Central Clearing and Settlement System ("CCASS") operated by HKSCC.

There are risks involved in dealing with the custodians or brokers who hold the Funds' investments or settle the Funds' trades. It is possible that, in the event of the insolvency or bankruptcy of a custodian or broker, the Funds would be delayed or prevented from recovering their assets from the custodian or broker, or its estate, and may have only a general unsecured claim against the custodian or broker for those assets.

The selling brokerage and custody services may also be provided by one entity, and the Fund may be exposed to risks resulting from potential conflict of interests which will be managed by appropriate internal procedures.

(h) No protection by Investor Compensation Fund  
The relevant Funds' investments in SC Securities under SHHK and SZHK Stock Connect are not covered by the Hong Kong's Investor Compensation Fund or the China Securities Investor Protection Fund. Therefore, the Funds are exposed to the risks of default of the broker(s) they engage in their trading in China A-Shares through the respective program and the investors will not benefit from compensation under such schemes.

(i) Regulatory risk  
The SHHK and SZHK Stock Connect will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the SHHK and SZHK Stock Connect.

It should be noted that the regulations are untested in any judicial precedent and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the SHHK and SZHK Stock Connect will not be abolished. Funds which may invest in the PRC markets through SHHK and SZHK Stock Connect may be adversely affected as a result of such changes.

(j) Foreign shareholding restrictions  
There are limits on the total shares held by all underlying foreign investors and/or a single foreign investor in one PRC listed company based on thresholds as set out under the PRC regulations (as amended from time to time), and the capacity of the Funds (being a foreign investor) to make investments in China A-Shares will be affected by the relevant threshold limits and the activities of all underlying foreign investors.

It will be difficult in practice to monitor the investments of the underlying foreign investors since an investor may make investment through different permitted channels under PRC laws.

Should the shareholding of a single foreign investor in a China A-Share listed company exceed the above restrictions, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE and the SEHK will issue warnings or restrict the buy orders for the related China A-Shares if the percentage of total shareholding is approaching the upper limit of the aggregate foreign investor shareholding limit.

(k) Beneficiary ownership  
China A-Shares acquired by Hong Kong and overseas investors (including the relevant Funds) through the SHHK and SZHK Stock Connect are held in CSDCC and HKSCC is the "nominee holder" of such China A-Shares. Applicable PRC rules, regulations and other administration measures and provisions (the "**Stock Connect Scheme Rules**") generally provide for the concept of a "nominee holder" and recognise the concept of a "beneficial owner" of securities. In this respect, a nominee holder (being HKSCC in relation to the relevant China A-Shares) is the person who holds securities on behalf of others (being Hong Kong and overseas investors (including the relevant Funds) in relation to the relevant China A-Shares). HKSCC holds the relevant China A-Shares on behalf of Hong Kong and overseas investors (including the relevant Funds) who are the beneficial owners of the relevant China A-Shares. The relevant Stock Connect Scheme Rules



provide that investors enjoy the rights and benefits of the China A-Shares acquired through the SHHK and SZHK Stock Connect in accordance with applicable laws. Based on the provisions of the Stock Connect Scheme Rules, it is the Hong Kong and overseas investors (including the relevant Funds) who would be recognised under the laws and regulations of the PRC as having beneficial ownership in the relevant China A-Shares. Separately, under applicable rules of the CCASS all proprietary interests in respect of the relevant China A-Shares held by HKSCC as nominee holder belong to the relevant CCASS participants or their clients (as the case may be).

However Hong Kong and overseas investors (including the relevant Funds) shall exercise their rights in relation to the China A-Shares through the CCASS clearing participant and HKSCC as the nominee holder. With respect to certain rights and interests of China A-Shares that can only be exercised via bringing legal actions to PRC competent courts, it is uncertain whether such rights could be enforced since under the CCASS rules, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the China A-Shares in PRC or elsewhere.

The precise nature and rights of the Hong Kong and overseas investors (including the relevant Funds) as the beneficial owner of China A-Shares through HKSCC as nominee is less well defined under PRC law and the exact nature and methods of enforcement of the rights and interests of such investors under PRC law are not free from doubt.

(l) Short swing profit rule and disclosure of interests

*Short swing profit rule risk*

According to the mainland China securities law, an investor holding more than 5% of shares, aggregating its positions with other group companies, of the total issued shares (a “**Substantial Shareholder**”) of a PRC incorporated company which is listed on a stock exchange in mainland China (a “**PRC Listco**”) has to return any profits obtained from the purchase and sale of shares of such PRC Listco if both transactions occur within a six-month period. As a result, in the event of becoming a Substantial Shareholder, any Fund who buys then sells (or sells then buys) any shares of a company listed as a China A-Share on the SSE/SZSE within any six month period may be required to give up any profit it makes to the issuer. The profits that a Fund may derive from such investments may be limited, and thus the performance of a Fund may be adversely affected.

*Disclosure of interests risk*

Under the PRC disclosure of interest requirements, in the event the EIF, EIUT or Cash Fund becomes a Substantial Shareholder of a PRC Listco it may be subject to the risk that the EIF, EIUT or Cash Fund’s holdings (as the case may be) may have to be reported in aggregate with the holdings of such other persons mentioned above. This may expose the EIF, EIUT or Cash Fund’s holdings to the public with an adverse impact on the performance of the relevant Funds.

(m) RMB liquidity risk

RMB is currently not a freely convertible currency. The purchase of SSE/SZSE stocks is funded by offshore RMB (CNH). The demand for CNH may increase and when there is a net drain of offshore RMB, the liquidity of offshore RMB could tighten. This could lead to the rise of CNH funding cost. Funds seeking to invest through the SHHK and SZHK Stock Connect may not be able to secure sufficient CNH to execute their transactions or may only be able to do so at significant cost. Also, should the PRC government tighten the foreign exchange controls, such Funds may be exposed to greater liquidity risk of offshore RMB and may not be able to effectively pursue their investment strategies.

(n) Risks associated with the Offshore Market

RMB which is traded within the Onshore Market (i.e., the CNY) may trade at a different rate compared to RMB which is traded within the Offshore Market (i.e., the CNH). The Funds’ investments may be exposed to both the CNY and the CNH, and the Funds may consequently be exposed to greater exchange risks and/or higher costs of investment (for example, when converting other currencies to the RMB at the rate of exchange prevailing in relation to the CNH).

Funds whose base currency is not RMB may also be exposed to currency risk due to the need for the conversion into RMB for investments in SC Securities. During any such conversion, the Fund may also incur currency conversion costs. The currency exchange rate may be subject to fluctuation and where RMB has depreciated, the Fund may incur a loss when it converts the sale proceeds of the SC Securities into its operating currency.

- (o) **Restriction on Day Trading**  
Day (turnaround) trading is not permitted on the China A-Share market. Therefore, the Funds buying SC Securities on T day may only sell the shares on and after T+1 day subject to any Stock Connect Scheme Rules. This will limit the Funds' investment options, in particular where a Fund wishes to sell any SC Securities on a particular trading day. Settlement and pre-trade checking requirements may be subject to change from time to time.
- (p) **Order Priority**  
Where a broker provides SHHK and SZHK Stock Connect trading services to its clients, proprietary trades of the broker or its affiliates may be submitted to the trading system independently and without the traders having information on the status of orders received from clients. There is no guarantee that brokers will observe client order priority (as applicable under relevant laws and regulations).
- (q) **Best Execution Risk**  
SC Securities trades may, pursuant to the applicable rules in relation to the SHHK and SZHK Stock Connect, be executed through one or multiple brokers that may be appointed in relation to the Funds for trading via the SHHK and SZHK Stock Connect. In order to satisfy the pre-trade checking requirements, the Funds may determine that they can only execute SC Securities trades through certain specific broker(s) or exchange participant(s) and accordingly may affect best execution of such trades.

In addition, the broker may aggregate investment orders with its and its affiliates' own orders and those of its other clients, including the Funds. In some cases, aggregation may operate to the Funds' disadvantage and in other cases aggregation may operate to the Funds' advantage.

#### **9.2.26 Foreign Portfolio Investors Regime<sup>1</sup> (previously Foreign Institutional Investors Regime)**

Certain Funds may invest through the Foreign Portfolio Investors Regime. Please note that the information provided below is meant as an overview of the Foreign Portfolio Investors Regime and is not intended to be exhaustive and does not constitute tax, regulatory or legal advice.

##### **(i) Investing in Indian Securities**

In order to invest in Indian companies and/or Indian equity and/or debt securities, a fund must be registered as a Foreign Portfolio Investor ("FPI") or deemed as an FPI<sup>2</sup>.

Investment by an FPI is subject to total FPI investment being within the individual FPI limit and is also subject to a general maximum aggregate investment limit as permitted by the Securities and Exchange Board of India ("SEBI").

For instance, investment under the FPI route is subject to a general maximum aggregate permitted investment of FPIs in a particular company of 24% of paid up share capital, although this may be varied on a sector by sector or company by company basis and an individual FPI holding limit of 10% of the capital of the company. The Indian regulator monitors this threshold, and notifies the relevant custodians as the FPI aggregate investment approaches the threshold. Investment by FPIs in Indian debt capital markets is capped and is available on first come first serve basis. On FPI debt investments reaching the permitted threshold (i.e. 90%), debt limits are allotted to FPIs through an auction process which is carried out periodically to determine allocation of the limits to various FPIs. In addition, there is a specified time window allotted within which the FPI can use the limits that have been allocated.

Where a Fund makes investments in India under the FPI Regime (referred to hereafter as the "FPI Fund"), the investment restrictions of the FPI Regime may hinder the FPI Fund's investment program and adversely impact the investment and portfolio balancing activities. There is a risk that the FPI Fund is unable to secure, or only able to secure at significant cost, a sufficient quota in respect of relevant securities under prevailing regulations. In such a case, the FPI Fund may be closed to new subscriptions as the monies from new subscriptions cannot be invested in such markets by the Manager.

##### **(ii) Loss of FPI or Deemed FPI Registration**

The investment by the FPI Fund under the FPI route is dependent on the continued registration as an FPI. If the registration is terminated, the FPI Fund could potentially be forced to redeem affected investments held in Indian securities, and such forced redemption could adversely affect the returns to the FPI Fund.

<sup>1</sup> The FPI Regime replaced the Foreign Institutional Investors ("FII") Regime with effect from 1 June 2014.

<sup>2</sup> With the commencement of the FPI regime, all existing FIIs and sub-accounts are deemed to be FPIs for the validity period of the FII/sub-account registration.

(iii) **Prior approval of DDP required for any change in structure/constitution/addition of classes/sub-fund**

All FPIs or deemed FPI (as applicable) are required to furnish an undertaking that it will seek prior approval of the Designated Depository Participant (“DDP”) / SEBI (as applicable) in case of change in structure/constitution/addition of classes of shares/sub-fund by the FPI. Thus, the FPI Fund would be required to seek prior approval from the DDP in the case of any change in its structure/constitution or addition of classes, which could adversely affect the redemption by existing Holders in the FPI Fund and may also put a limitation on fresh investments under the FPI route by the FPI Fund if the FPI Fund fails to satisfy any of the criteria prescribed by SEBI.

(iv) **Indian Investigations and Actions**

Any investigations of, or actions against the FPI Fund initiated by SEBI or any other Indian regulatory authority may impose a ban of the investment activities and trading activities in India of the FPI Fund or other adverse consequences.

(v) **Indian Direct Taxes**

The interpretation and application of tax law by the Indian tax authorities may be subject to retrospective change. In such circumstances the NAV of the FPI Fund may suffer a drop in value and Holders in the FPI Fund may suffer a loss.

*Capital Gains*

Under current Indian tax laws, long-term capital gains arising on transfer of listed equity shares and units of equity-oriented mutual fund executed on a recognised stock exchange in India and subject to securities transaction tax (“STT”) are exempt from tax in India<sup>3</sup>, while short-term capital gains arising on transfer of the aforementioned securities on a recognised stock exchange and where STT is applicable are subject to tax at the 15% in India (excluding applicable surcharge and education cess)<sup>4</sup>.

Long-term capital gains from sale of Indian securities (where STT is not applicable) executed off the recognised stock exchange in India will be taxable at the rate of 10% in India (excluding applicable surcharge and education cess), while short-term capital gains from sale of Indian securities (where STT is not applicable) executed off the recognised stock exchange will be taxed at the rate of 30% in India (excluding applicable surcharge and education cess). Further, long-term capital gains arising from the transfer of instruments not regarded as “securities” under Indian securities law<sup>5</sup> are taxed at the rate of 20% (excluding applicable surcharge and education cess), whilst short-term capital gains arising therefrom are taxed at the rate of 40% (excluding applicable surcharge and education cess).

*Interest*

Interest income arising from Indian securities will be subject to income tax at the rate of 20% on gross interest (excluding applicable surcharge and education cess), however, a rate of 10% (excluding applicable surcharge and education cess) will be applicable in respect of interest earned on Foreign Currency Convertible Bonds and at the rate of 5% (excluding applicable surcharge and education cess) in respect of interest earned from rupee denominated bonds issued by an Indian company or a government security, where the rate of interest does not exceed the rate prescribed by the Indian government in this regard (i.e. currently be SBI base lending rate plus 500 bps).

<sup>3</sup> The Finance Act, 2017 provides that the exemption from long-term capital gains tax shall be available only if STT has also been paid at the time of acquisition of equity shares sought to be transferred, subject to certain specified exceptions. The Central Board of Direct Taxes, Government of India (“CBDT”) has recently issued a notification specifying that except for certain transactions of acquisition of equity shares entered into on or after 1 October 2004 (such as acquisition by way of preferential issue of infrequently traded listed equity shares; off-market purchase of listed equity shares of a company; and acquisition of equity shares during the period between the delisting and re-listing of a company on a recognized stock exchange etc.), acquisition under all other transactions which did not result in payment of STT at the time of acquisition would be eligible for the benefit of the long-term capital gains exemption. Note that this condition of payment of STT even at the time of acquisition shall not apply to acquisitions by a Qualified Institutional Buyer, which includes a SEBI registered Category I and II FPI as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

<sup>4</sup> All Indian tax rates mentioned here are exclusive of applicable surcharge and educational cess. Currently, for domestic companies whose total income exceeds INR 100 million, a surcharge is levied at the rate of 12% on tax payable. The rate of surcharge on domestic companies whose total income is less than INR 100 million but more than INR 10 million is 7%. Foreign companies with income in excess of INR 100 million are liable to pay surcharge at the rate of 5% on tax while foreign companies whose total income is less than INR 100 million but more than INR 10 million will be subject to surcharge at the rate of 2% on tax. Further, an education cess of 3% on surcharge and tax is payable by domestic and foreign companies.

<sup>5</sup> This is currently a grey area and instruments such as unlisted NCDs of private companies may be covered here as such instruments may not be treated as “securities” as defined under the Securities Contracts (Regulation) Act, 1956.

Further, interest arising out of lending in foreign currency under loan agreements or on long-term bonds, including long-term infrastructure bonds issued by Indian companies before 1 July 2020 shall be chargeable to tax at the rate of 5% (excluding applicable surcharge and education cess). A withholding tax rate of 5% (excluding applicable surcharge and education cess) shall apply to interest in respect of monies borrowed from a source outside India by way of rupee denominated bonds issued by an Indian company before 1 July 2020.

#### *Dividends*

Dividends are currently exempt from tax in the hands of all non-resident shareholders, provided the Indian portfolio companies declaring, distributing or paying dividends have paid a Dividend Distribution Tax (“**DDT**”) of 20.36% (including applicable surcharge and education cess) on the amount of dividend distributed including the DDT distributed by the company.

#### *Introduction of General Anti-Avoidance Rules in India*

The General Anti-Avoidance Rules (“**GAAR**”) came into effect on 1 April 2017. GAAR would be applicable to any transaction or part thereof which qualifies as an ‘impermissible avoidance arrangement’. The term ‘impermissible avoidance arrangement’ has been defined to mean an arrangement where the main purpose is to obtain a “tax benefit”, and it creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; or results, directly or indirectly, in the misuse, or abuse, of the provisions of the (Indian) Income-tax Act, 1961 (“**IT Act**”); or lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for *bona fide* purposes. GAAR provisions empower the tax authorities to consequently disregard entities in a structure, reallocate income and expenditure between parties to the arrangement, alter the tax residence of such entities and the legal situs of assets involved, treat debt as equity and *vice versa*, and the like, and even deny benefit conferred under a tax treaty. Further, the GAAR rules provide that GAAR shall not apply, *inter alia*, to arrangements where the aggregate tax benefit in a relevant year, to all the parties involved, does not exceed INR 30 million; to registered FPIs that do not take any benefit under the applicable tax treaty; and to any income or gains on transfer, accruing, arising or deemed to accrue or arise to any person from investments made prior to 1 April 2017.

If the Indian tax authorities were to apply the GAAR to the FPI Fund, there could be an adverse impact on the taxability of the FPI Fund and the returns to the Holders<sup>6</sup>.

#### *Tax Residency of a company – India*

As per the IT Act, a company shall be a tax resident in India in a given financial year if: (i) it is incorporated in India; or (ii) its ‘place of effective management’ (“**POEM**”) during the year is in India. POEM is based on the place where key management and commercial decisions of the entity as a whole are taken. The Central Board of Direct Taxes has issued a circular No. 06 of 2017 dated 24<sup>th</sup> January, 2017 clarifying the meaning and application of POEM.

If for any reason the activities of an FPI Fund are held to locate its POEM in India, then the global profits of the FPI Fund could be subject to taxation in India.

#### *Taxation of Indirect Transfer of Indian Assets*

The IT Act levies capital gains tax on income arising from the transfer or redemption of shares/interest in a company/entity organised outside India which derives, directly or indirectly, its value substantially from the assets located in India.

As per the Finance Act, 2017, it has been clarified that the scope of the indirect transfer tax provisions as set out above shall not cover within its ambit, direct or indirect investments held by non-resident investors in FPIs that are registered as Category-I or Category-II with SEBI under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. This amendment is effective retrospectively from financial year 2014-15.

#### (vi) **Repatriation Risk**

The repatriation of capital by the FPI Fund may be adversely affected by changes in Indian exchange control regulations and/or political circumstances. Repatriation of the investment proceeds by the FPI Fund may require a prior approval of the Reserve Bank of India and such approval is given on a case-by-case basis. It cannot be guaranteed that such approval will be given by the Reserve Bank of India and such approvals could take time which could further expose the FPI Fund to currency risks.

<sup>6</sup> As per recent FAQs issued by the CBDT on the implementation of GAAR, it has been clarified that tax neutrality of a jurisdiction shall not ipso facto trigger GAAR applicability, if otherwise choice of jurisdiction is motivated by non-tax commercial considerations and the main purpose of the FPI entity is not to obtain any tax benefit. Therefore, sufficient (non-tax) commercial justification for selection of jurisdiction ought to exist in order to preclude the invocation of GAAR.

There can be no assurance that future restrictions on the ability to exchange Indian Rupees or other foreign currency into US Dollars and to repatriate income and capital will not adversely affect the ability of the FPI Fund to repatriate its income and capital. In the past, exchange rates have been subject to significant fluctuations and there can be no assurance that they will be stable. Delays in or a refusal to grant any such government approval, or a revocation or variation of consents granted by the Indian regulators prior to investment being made in any particular country, or the imposition of new restrictions, may adversely affect the FPI Fund's investments. The value of the FPI Fund's assets may also be affected by developments relating to exchange control regulations.

(vii) **Changes to laws, regulations and policies**

Indian laws and securities regulations will affect the FPI Fund. If policy announcements or regulations are made that require retrospective changes in the structure or operations of the FPI Fund, these may impact the performance of the FPI Fund. There can be no assurance that regulations promulgated in the future would not have an adverse impact on the FPI Fund.

Any change in the regulatory framework governing foreign investment or any change in the SEBI (Foreign Portfolio Investor) Regulations, 2014 (including any changes with retrospective effect) which are more restrictive or make it difficult for the FPI Fund to make investments in India could adversely impact the performance of the FPI Fund.

The Indian government restricts foreign investment in certain sectors. These restrictions have been progressively eased to permit foreign investments. There is no guarantee, however, that this policy of liberation will continue. Any reversal could have a retroactive effect and affect existing investments and could also impact the FPI Fund's ability to enforce negotiated rights.

**9.2.27 Risk of Historical Pricing**

You should note that Units in the Cash Fund are issued and realised on a historical pricing basis. The issue and realisation of such Units will be based on the NAV per Unit at the close of business on the calendar day *immediately preceding* the date of the issue or realisation of the Units (or if such calendar day is not a Business Day<sup>7</sup>, at 6 p.m. Singapore time on such day or such other time as may be determined by the Manager with the approval of the Trustee). As such, the issue and realisation prices of the Cash Fund may not be reflective of the actual NAV of the Units of the Cash Fund as at the date of issue or realisation. Any adjustments or shortfalls as a result will be borne by the Cash Fund.

**9.2.28 Risk of investing in defaulted securities and distressed securities**

Some Funds may seek exposure to securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, involved in or the target of acquisition attempts or tender offers or in companies involved in liquidations, spin-offs, reorganizations or similar transactions or issuers that are involved in bankruptcy or reorganization proceedings. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution the value of which will be less than the initial purchase price. Investments of this type involve substantial financial business risks that can result in substantial or total losses. Among the problems involved in investments in troubled issuers is the fact that information as to the conditions of such issuers may be limited, thereby reducing the ability of the Manager to monitor the performance and to evaluate the advisability of continued investments in specific situations. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and ask prices of such securities may be greater than normally expected. It may take a number of years for the market price of such securities to reflect their intrinsic value.

**9.2.29 Risk associated with investments in CIBM**

(i) **CIBM Direct Access Program**

China Interbank Bond Market ("CIBM") is the over-the-counter market for bonds issued and traded in mainland China. A new scheme was launched in 2016 to open up CIBM to eligible foreign institutional investors to access onshore bonds directly ("CIBM Direct Access Program"). Under this scheme, foreign institutions can trade bonds directly through onshore settlement agents (i.e. banks) in mainland China. Unlike QFII and RQFII, there are no specific quota limits imposed on the foreign institutional investor.

<sup>7</sup> Means: (i) (in respect of Funds which are sub-funds of the EIUT) any day other than Saturday, Sunday or gazetted public holiday on which commercial banks in Singapore are generally open for business, or where the context expressly requires, any day other than Saturday, Sunday or gazetted public holiday on which commercial banks in Singapore or elsewhere are generally open for business, or any other day as the Manager and the Trustee may agree in writing; and (ii) (in respect of other Funds) any day other than Saturday or Sunday or gazetted public holiday on which commercial banks in Singapore are generally open for business, or any other day as the Manager and the Trustee may agree in writing.

Participation in the CIBM by foreign institutional investors (such as a Fund) is governed by rules and regulations as promulgated by the Mainland Chinese authorities, i.e., the People's Bank of China ("PBOC") and the State Administration of Foreign Exchange ("SAFE"). Such rules and regulations may be amended from time to time and include (but are not limited to):

- (a) the "Announcement (2016) No 3" issued by the PBOC on 24 February 2016;
- (b) the "Implementation Rules for Filing by Foreign Institutional Investors for Investment in Interbank Bond Markets" issued by the Shanghai Head Office of PBOC on 27 May 2016;
- (c) the "Circular concerning the Foreign Institutional Investors' Investment in Interbank bond market in relation to foreign currency control" issued by SAFE on 27 May 2016; and
- (d) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in mainland China, foreign institutional investors who wish to invest directly in the CIBM may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation but filing with the Shanghai Head Office of PBOC in respect of an investor's anticipated investment size has to be made.

In terms of fund remittance and repatriation, foreign investors (such as a Fund) may remit investment principal in RMB or foreign currency into Mainland China for investing in the CIBM. An investor will need to remit investment principal matching at least 50% of its anticipated investment size within nine months after the completion of filing with the Shanghai Head Office of PBOC, or else an updated filing will need to be made through the onshore settlement agent. Where a Fund repatriates funds out of mainland China, the ratio of RMB to foreign currency ("**Currency Ratio**") should generally match the original Currency Ratio when the investment principal was remitted into Mainland China, with a maximum permissible deviation of 10%.

Please note that the relevant rules governing the CIBM Direct Access Program will generally apply to investments in CIBM under the RQFII Quota by reference (to the extent applicable), so the risks below are generally relevant to a Fund's investment in CIBM, either through the CIBM Direct Access Program or any RQFII Quota.

(ii) **Risk Factors**

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities. An investment in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. A Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that a Fund transacts in the CIBM, the Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Although there is no quota limitation regarding investment via the CIBM Direct Access Program, the Fund is required to make further filings with the PBOC if it wishes to increase its anticipated investment size. There is no guarantee the PBOC will accept such further filings. In the event any further filings for an increase in the anticipated investment size are not accepted by the PBOC, the Fund's ability to invest in the CIBM will be limited and the performance of the Fund may be unfavourably affected as a result.

Investing in the CIBM is also subject to certain restrictions imposed by the mainland Chinese authorities on fund remittance and repatriation which may potentially affect the Fund's performance and liquidity. Any non-compliance with or failure to meet the fund remittance and repatriation requirements may result in regulatory sanctions which in turn may have an adverse impact on the portion of the Fund's investment via the CIBM Direct Access Program. Further, there is no assurance that the fund remittance and repatriation requirements in relation to investment in CIBM will not be changed as a result of change in government policies or foreign exchange control policies. The Fund may incur loss in the event such change in the fund remittance and repatriation requirements in relation to investment in CIBM occurs.

Since the relevant filings and account opening for investment in the CIBM have to be carried out via an onshore settlement agent, the Fund is subject to the risks of default or errors on the part of the onshore settlement agent. The Fund may also incur losses due to the acts or omissions of the onshore settlement agent in the process of settling any transactions. As a result, the net asset value of the Fund may be adversely affected.

In addition, investors should note that cash deposited in the cash account of the Fund with the relevant onshore settlement agent will not be segregated. In the event of the bankruptcy or liquidation of the onshore settlement agent, the Fund will not have any proprietary rights to the cash deposited in such cash account and may face difficulty and/or encounter delays in recovering such assets, or may not be able to recover it in full or at all, in which case the Fund will suffer losses.

The CIBM is also subject to regulatory risks. The relevant rules and regulations on investment in the CIBM is subject to change which may have potential retrospective effect. In the event that the relevant mainland Chinese authorities suspend account opening or trading on the CIBM, the Fund's ability to invest in the CIBM will be limited and, after exhausting other trading alternatives, the Fund may suffer substantial losses as a result.

### 9.2.30 Risk associated with Bond Connect

#### (i) Overview of the Bond Connect

Bond Connect is a mutual bond market access between Hong Kong and mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House (together, the “**Mainland Financial Infrastructure Institutions**”), and HKEx and Central Moneymarkets Unit (together, the “**Hong Kong Financial Infrastructure Institutions**”). China bond market primarily consists of CIBM. Under the Northbound Trading, eligible foreign investors will be allowed to invest in the CIBM through Bond Connect. Northbound Trading will follow the current policy framework for overseas participation in the CIBM. There will be no investment quota for Northbound Trading.

Under the prevailing regulations in mainland China, eligible foreign investors who wish to invest in the CIBM via Bond Connect may do so via an offshore custody agent approved by the Hong Kong Monetary Authority (“**HKMA**”), who will be responsible for the account opening with the relevant onshore custody agent approved by PBOC.

#### (ii) Risk factors

##### (a) Risks associated with Bond Connect

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The relevant Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the relevant Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the relevant Fund transacts in the CIBM, the relevant Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the relevant Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Since the account opening for investment in the CIBM via Bond Connect has to be carried out via an offshore custody agent, the relevant Fund is subject to the risks of default or errors on the part of the offshore custody agent.

Bond Connect is a program novel in nature and will be subject to regulatory risks. The relevant rules and regulations on investment via Bond Connect is subject to change which may have potential retrospective effect. In the event that the relevant Chinese authorities suspend account opening or trading via Bond Connect, the relevant Fund's ability to invest in CIBM will be limited and, may have an adverse effect on the relevant Fund's performance as the relevant Fund may be required to dispose of its CIBM holdings. The relevant Fund may also suffer substantial losses as a result.

##### (b) Taxation Risk

There is no specific written guidance by the mainland China tax authorities on the treatment of income tax and other tax categories payable in respect of trading in CIBM by eligible foreign institutional investors via Bond Connect. Hence it is uncertain as to the relevant Fund's tax liabilities for trading in CIBM via Bond Connect.

### 9.2.31 PRC Risk

#### (i) General

A Fund may be subject to the economic, political and social development and risks in the PRC. In recent years the Chinese government has implemented economic reform measures which emphasise decentralisation and the utilisation of market forces in the development of the Chinese economy. Although many of such reforms have resulted in significant economic growth and social progress, some of them are unprecedented or experimental and are subject to adjustment and modification. Other political

economic and social factors existing in mainland China can also lead to further adjustment of the reform measures. It is uncertain whether or not such reforms will be positive to the stock markets as well as the performance of a Fund.

Companies in the PRC are required to follow the Chinese accounting standards and practice which, to a certain extent, follow international accounting standards. The financial statements prepared by accountants following the Chinese accounting standards and practice may differ from (or are less stringent than) those prepared in accordance with international accounting standards.

The PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organization and governance, foreign investment, commerce, taxation and trade, however, these laws, regulations and legal requirements are relatively recent, their interpretation and enforcement involve uncertainties. In addition, the PRC laws for investor protection are still in developing stage and may be less sophisticated than those in developed countries.

(ii) **PRC securities markets and exchanges**

The PRC securities markets, including the PRC stock exchanges, currently are undergoing a period of growth and change which may lead to difficulties in the settlement and recording of transactions and in interpreting and applying the relevant regulations. In addition, the regulation of, and enforcement activity in, the PRC securities markets may not be equivalent to that in markets in OECD countries. There may not be equivalent regulation and monitoring of the PRC securities markets and activities of investors, brokers and other participants to that in certain OECD markets.

The PRC stock exchanges may have lower trading volumes than some OECD exchanges and the market capitalisations of listed companies may be smaller compared to those on more developed exchanges in developed markets. The listed securities of many companies in the PRC may accordingly be materially less liquid, subject to greater dealing spreads and experience materially greater volatility than those of OECD countries. Government supervision and regulation of the PRC securities markets and of quoted companies may also be less developed than in some OECD countries. In addition, there is a high measure of legal uncertainty concerning the rights and duties of market participants when compared to investments made through securities systems of established markets.

The PRC stock market has in the past experienced substantial price volatility and no assurance can be given that such volatility will not occur in the future. The above factors could negatively affect the Fund, the ability of investors to redeem Units and the price at which Units may be redeemed.

(iii) **PRC Tax Consideration**

By investing in onshore Renminbi debt securities, China A-Shares and other onshore permissible securities (“**PRC Securities**”), the Fund may be subject to withholding and other taxes imposed in the PRC. The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect.

The interpretation and applicability of the tax law and regulations by PRC tax authorities are not as consistent and transparent as those of more developed countries and may vary from region to region.

### 9.2.32 PRC Debt Instruments Risk

Certain Fund(s) may invest its assets in Renminbi-denominated debt instruments in the PRC through the inter-bank bond market or the exchange-traded bond market in the PRC.

(i) **General**

Debt securities associated with the PRC and investment in Chinese bond market may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of such securities may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Fund may incur significant trading costs.

Investors should note that as the PRC financial market is nascent, most of the Renminbi-denominated debt instruments may be unrated.

Renminbi-denominated debt instruments can be issued by a variety of issuers inside or outside the PRC including commercial banks, state policy banks, corporations, etc. These issuers may have different risk profiles and their credit quality may vary. Furthermore, Renminbi-denominated debt instruments are generally unsecured debt obligations not supported by any collateral. The Fund may be fully exposed to the credit/insolvency risk of its counterparties as an unsecured creditor.



- (ii) **Liquidity risk**  
Renminbi-denominated debt instruments are not regularly traded and may have lower trading volumes than other more developed markets. An active secondary market for these instruments is yet to be developed. The bid and offer spread of the price of Renminbi-denominated debt instruments may be large and the Fund may incur significant trading and realisation costs.
- (iii) **Interest rate risk**  
Changes in macroeconomic policies of the PRC (i.e. monetary policy and fiscal policy) will have an influence over capital markets affecting the pricing of debt instruments and thus, the return of the Fund. The value of Renminbi-denominated debt instruments held by the Fund generally will vary inversely with changes in interest rates and such variation may affect the value of the Fund's assets accordingly. Typically, when interest rates increase, the value of fixed income assets tend to depreciate. On the contrary, when interest rates decrease, the value of fixed income assets tends to appreciate.
- (iv) **Valuation risk**  
Renminbi denominated debt instruments are subject to the risk of mispricing or improper valuation, i.e. operational risk that the debt instruments are not priced properly. Valuations are primarily based on valuations from independent third party sources where prices are available, accordingly valuations may sometimes involve uncertainty and judgemental determinations and independent pricing information may not be available at all times.
- (v) **Credit rating risk**  
Many of the debt instruments in the PRC do not have a rating assigned by international credit agencies. The credit appraisal system in the PRC is at an early stage of development; there is no standard credit rating methodology used in investment appraisal and the same rating scale may have a different meaning in different agencies. The assigned ratings may not reflect the actual financial strength of the appraised asset.  
  
Rating agencies are private services that provide ratings of the credit quality of debt instruments. Ratings assigned by a rating agency are not absolute standards of credit quality and do not evaluate market risks. Rating agencies may fail to make timely changes to credit ratings and an issuer's current financial condition may be better or worse than a rating indicates.
- (vi) **Credit rating downgrading risk**  
An issuer of Renminbi denominated debt instruments may experience an adverse change in its financial condition which may in turn result in a decrease in its credit rating. The adverse change in financial condition or decrease in credit rating of an issuer may result in increased volatility in, and adverse impact on, the price of the relevant Renminbi denominated debt instruments and negatively affect liquidity, making any such debt instruments more difficult to sell.
- (vii) **Unrated or high yield debt instruments**  
Subject to the PRC regulations and the investment objective of the Fund, where the assets of the Fund may be invested in unrated or low grade debt instruments, such instruments are subject to greater risk of loss of principal and interest than higher rated debt instruments.  
  
The lower ratings of certain debt instruments or unrated debt instruments held for the account of the Fund reflect a greater possibility that adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. Such debt instruments generally carry a higher degree of default risk which may affect the capital value of an investment. Unrated debt instruments may be less liquid than comparable rated debt instruments and involve the risk that the Fund may not accurately evaluate the debt instrument's comparative credit rating.
- (viii) **Risk of investing in urban investment bonds**  
Urban investment bonds are debt securities issued by local government agencies' financing vehicles ("LGFVs") in PRC and are listed or traded in the interbank bond market. LGFVs are separate legal vehicles established by the local government or their affiliates to raise funds for public welfare investment or infrastructure projects. Although urban investment bonds are issued by LGFVs and appear to be connected with local government bodies, the debt is backed by tax revenues or cash flow of investment projects and such debts are typically not guaranteed by local governments or the central government of the PRC. Such local governmental bodies or the central government are not obligated to provide financial support in case of default. Where the Fund may invest its assets in urban investment bonds, in such case, the Fund could suffer significant loss and the Fund's net asset value could be adversely affected. The credit risk and price volatility of these bonds may be higher when compared with other bonds such as central bank bonds and policy bank bonds. Besides, liquidity may be low during adverse market situations.

- (ix) **“Dim Sum” bond (i.e. bonds issued outside of PRC but denominated in RMB) market risks**  
The “Dim Sum” bond market is still a relatively small market which is more susceptible to volatility and illiquidity. Where the Fund may invest its assets in “Dim Sum” bonds, the operation of the “Dim Sum” bond market as well as new issuances could be disrupted causing a fall in the NAV of the Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).
- (x) **PRC interbank bond market**  
The PRC interbank bond market is a quote-driven over-the counter (OTC) market, where deals are negotiated between two counterparties through a trading system. It will be subject to risks associated with OTC markets, including counterparty default risks on parties with whom the relevant Fund trades and when placing cash on deposit. The relevant Fund will also be exposed to the risk of settlement default by a counterparty. The risk of default of a counterparty is linked to the credit worthiness of the counterparty.
- (xi) **Credit and counterparty risks**  
Investment in Renminbi-denominated debt instruments is subject to the risk the counterparty which may be unable or unwilling to make timely payments on principal and/or interest. The financial market of the PRC, including the PRC interbank bond market, is at an early stage of development. In the event of a default of a counterparty of the Renminbi-denominated debt instruments, the relevant Fund’s value will be adversely affected. The relevant Fund may also encounter difficulties or delays in enforcing its rights against the counterparties of Renminbi-denominated debt instruments.

Renminbi-denominated debt instruments may be offered on an unsecured basis without collateral, and will rank equally with other unsecured debts of the relevant issuer. As a result, if a counterparty becomes bankrupt or insolvent, proceeds from the liquidation of the counterparty’s assets will be paid to the holders of Renminbi-denominated debt instruments only after all secured claims have been satisfied in full. In addition, the relevant Fund may experience delays in liquidating its positions and may incur significant losses or the inability to redeem any gain on investment during the period in which the Fund seeks to enforce its rights.

*You should also be aware that investments of the underlying funds into which any of the Funds may feed may also be subject to the risks highlighted above.*

*The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing into any Fund. You should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time.*

## 10. Subscription of Units

### 10.1 How to Buy Units

You may subscribe for Units through any agent or distributor appointed by the Manager or their ATMs (if applicable) on any Dealing Day<sup>8</sup> by submitting an application form and a copy of your passport or identity card.

If you intend to purchase Units with cash, your application for Units should be accompanied by full payment in the form of a cheque or a banker’s draft made payable to, or via telegraphic transfer to, the account name specified in the application form for the relevant Fund.

If you intend to purchase Units with Supplementary Retirement Scheme (“SRS”) monies, you should instruct your SRS operator bank to withdraw from your SRS account monies in respect of the Units applied for.

If you intend to purchase Units with CPF monies, you should instruct the CPF Board to withdraw from your CPF Ordinary Account for credit to your CPF Investment Account with a CPF agent bank or to withdraw from your CPF Special Account (as the case may be) monies in respect of the Units applied for.

Units will generally only be issued when the funds are cleared, although the Manager may at its discretion issue Units before receiving full payment in cleared funds.

Details of the availability of the Units for investment under the SRS or the CPF Investment Scheme as well as the relevant minimum holding and minimum initial and subsequent investment sums are set out in the relevant Schedule for that Fund.

For compliance with applicable anti-money laundering laws and guidelines, the Manager or its agents or its appointed distributors reserve the right to request such information and/or documents as may, in the opinion of the Manager or its agents or its appointed distributors, be necessary to verify the identity of an investor.

In general, the acceptance or non-acceptance of applications for Units shall be at the absolute discretion of the Manager acting in consultation with the Trustee.

<sup>8</sup> Generally means a Business Day.

## 10.2 Minimum Initial and Subsequent Investment Sums

Please refer to the respective Schedules to this Prospectus for the minimum initial and subsequent investment sum of the relevant Fund (or Class of Fund, where applicable). Such minimum sums or amounts may be waived by the Manager in its discretion. You should also note that distributors appointed by the Manager may impose a higher minimum initial and/or subsequent investment sum for each Fund or Class of Fund than that set out in the relevant Schedule.

## 10.3 Initial Offer Period

Class E of the Singapore Select Bond Fund may be launched during an initial offer period which may be within 12 months from the date of this Prospectus. An initial offer period shall start from such date and be for such period as may be determined by the Manager in respect of the Class E of the Singapore Select Bond Fund.

If Units of the Class E of the Singapore Select Bond Fund are being offered during an initial offer period, you will be able to obtain details of the initial offer period from the relevant appointed distributors.

The initial issue price during the initial offer period will be as follows unless otherwise determined by the Manager:

Fund	Initial Issue Price (per Unit)
Singapore Select Bond Fund	S\$1.000 (for Class E)

Where Units of the Class E of the Singapore Select Bond Fund are offered during an initial offer period, the Manager reserves the right not to issue any Units in the Class E and to return the application monies received (without interest) no later than fourteen (14) Singapore business days after the close of the initial offer period if the Manager is of the opinion that it is not in the interest of investors or not commercially economical to proceed with the launch.

In such an event the offer shall be deemed not to have commenced.

After the close of the initial offer period for the Class E of the Singapore Select Bond Fund, Units of the Class E of the Singapore Select Bond Fund will be issued on a forward pricing basis, and the issue price of such Units shall not be ascertainable at the time of application.

## 10.4 Dealing deadline and pricing (for purchase of Units outside of an initial offer period)

Units (except Units of the Cash Fund) are issued on a forward pricing basis and the issue price of Units shall not be ascertainable at the time of application. Units of the Cash Fund are issued on a historical pricing basis and the issue price will be ascertainable at the time of application.

The issue price per Unit of any Fund or Class of a Fund on any Dealing Day shall be ascertained by the Manager by determining the NAV (as determined in accordance with the relevant Deed) as at the valuation point in relation to that Dealing Day of the proportion of the relevant deposited property represented by one Unit of such Fund or Class of Fund and truncating (but not rounding off) such amount to the nearest six decimal places (in respect of Cash Fund) and the nearest three decimal places (in respect of the other Funds) or by such other adjustment as the Manager may from time to time determine with the approval of the Trustee. The Manager shall be entitled to deduct from any investment sum an initial sales charge and a transactions adjustment upon the issue of Units.

For subscription requests which are received before 3.00 p.m. Singapore time on a Dealing Day, the issue price per Unit will generally be based on the NAV per Unit of the relevant Fund (or Class):

- (i) (in respect of Cash Fund) at the close of business on the calendar day immediately preceding that Dealing Day (or if such calendar day is not a business day) at 6.00 p.m. Singapore time on such day or such other time as may be determined by the Manager with the approval of the Trustee); and
- (ii) (in respect of the other Funds) at the close of business on that Dealing Day.

Subscription requests which are received after 3.00 p.m. Singapore time or on a day which is not a Dealing Day will be deemed to be received and will be processed on the next Dealing Day.

You should note that appointed distributors may impose an earlier deadline for the receipt of subscription requests from investors. You should confirm the applicable deadline with the relevant appointed distributor.

The Manager shall be entitled to convert the issue price to any applicable foreign currency at the rate of exchange.

The Manager may, subject to the prior approval of the Trustee, change the method of determining the issue price and the Trustee shall determine if the Holders should be informed of such changes.

## 10.5 Allotment of Units

The number of Units in a Fund obtained by an investor is determined by dividing the amount paid by the investor (less any applicable initial sales charge and transactions adjustment) by the issue price.

In buying Units, investors pay a fixed amount of money e.g. \$1,000 which will buy the investor the number of Units (including fractions of Units) obtained from dividing \$1,000 (less any initial sales charge and transactions adjustment) by the issue price. The number of Units issued will be rounded to the nearest three decimal places (or such other number of decimal places or such other method of rounding as the Manager may from time to time determine with the approval of the Trustee).

e.g.	\$1000	-	\$50	=	\$950	÷	\$1.000*	=	950.000 Units
	Gross Investment		Initial Sales		Net Investment		Notional Issue Price		No. of Units
	Sum		Charge of 5%		Sum		(= NAV Per Unit)		issued

\* NAV per Unit will be truncated to the nearest six decimal places in respect of Cash Fund.

Note: The above hypothetical example is purely for illustrative purposes and is not to be construed as a forecast or indication of any past or future performance of any Fund. The example is on the assumption that there is a 5% initial sales charge and no transactions adjustment (there is currently no initial sales charge imposed for buying Cash Fund Units).

## 10.6 Confirmation of purchase

A confirmation note detailing the investment amount and the number of Units allocated in the relevant Fund will be sent to Holders within 14 Business Days from the receipt of subscription monies.

## 10.7 Minimum Fund size

The Manager has the discretion to terminate any Fund if the aggregate value of the deposited property of that Fund is less than S\$5 million.

## 10.8 Cancellation of Subscription by New Investors

First-time investors in any Fund shall, subject to the relevant Deed and to the terms and conditions for cancellation of Units attached to the application form, have the right to cancel their subscription of Units in the relevant Fund or Class of Fund within seven calendar days from the date of subscription of Units (or such longer period as may be agreed between the Manager and the Trustee or such other period as may be prescribed by the MAS) without incurring the initial sales charge stated in the relevant Schedule for that Fund.

The cancellation proceeds payable in relation to the cancellation of a subscription of Units will be determined as the lower of:

- (i) the investment sum (which includes any initial sales charge) paid by the investor; or
- (ii) the market value of the Units being cancelled on the Dealing Day the cancellation request is received or deemed to be received and including any initial sales charge paid,

less any administrative expenses incurred in cancelling the subscription so long as such expenses are reasonably related to the original subscription.

If you have a right to cancel your subscription of Units, you should therefore note that, in exercising your right to cancel, you take the risk for any price changes in the NAV of the Fund.

If you are a first-time investor, you may exercise your right to cancel by providing notice in writing to the Manager or any of its agents or appointed distributors.

Full details of the cancellation of Units may be found in the terms and conditions for cancellation of Units in the application form.

## 11. Regular Savings Plan (RSP)

Where available, you may apply for Units in a Fund or Class of Fund via a Regular Savings Plan with a minimum monthly contribution upon satisfying the minimum initial investment as indicated in the applicable Schedule in respect of the relevant Fund or Class of Fund or such other amount as may be required by distributors appointed by the Manager.

The monthly contribution for the Regular Savings Plan will be deducted from a Holder's account on the 20th calendar day of each month (or if that day is not a Business Day, the next Business Day, or on such other date as the Manager may determine) and Units will be allotted within three days of deduction of the monthly contribution or such date as may be required by distributors appointed by the Manager.

Holders may cease participation in the Regular Savings Plan without penalty by informing the Manager in writing or any of the appointed distributors from whom they applied for the Regular Savings Plan (with their full particulars) at least 30 days in advance.

The Manager reserves the right to terminate or suspend the Regular Savings Plan at any time in its absolute discretion by giving prior notice to the affected Holders. The Manager shall not assume any liability for any losses attributable pursuant to the termination or suspension of the Regular Savings Plan.

## **12. Realisation of Units**

### **12.1 How to sell Units**

Holders may sell their Units on any Dealing Day. Holders may sell their Units in full or partially by submitting to the Manager or the agent or appointed distributor of the Manager from whom the Holders purchased their Units, a duly signed written instruction, or by completing a realisation form. In the case of partial realisations, the balance after realisation must satisfy the minimum holding requirements of the relevant Fund.

### **12.2 Minimum realisation and holding**

A Holder shall not be entitled to realise part only of his/her holding of Units in any Class or Fund (as the case may be) if, as a consequence of such realisation, his/her holding in the relevant Class of a Fund or a Fund 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 Manager shall require such Holder to realise all of his/her holding of Units.

Please refer to the respective Schedules to this Prospectus for the minimum realisation and minimum holding requirements of the relevant Fund (or Class of Fund, where applicable). Such minimum sums or amounts may be waived by the Manager in its discretion. You should also note that distributors appointed by the Manager may impose a higher minimum realisation and minimum holding amount for each Fund or Class of Fund than that set out in the relevant Schedule.

### **12.3 Dealing deadline and pricing**

Units (except Units of the Cash Fund) are realised on a forward pricing basis and the realisation price of Units shall not be ascertainable at the time of application. Units of the Cash Fund are realised on a historical pricing basis and the realisation price will be ascertainable at the time of application.

The realisation price per Unit of any Fund or Class of a Fund on any Dealing Day shall be the price per Unit ascertained by the Manager by determining the NAV as at the valuation point in relation to that Dealing Day in accordance with the relevant Deed, and by dividing such value of the deposited property for that Fund or Class of Fund by the number of Units of that Fund or Class of Fund in issue or deemed to be in issue as of that valuation point and truncating (but not rounding off) such amount to the nearest six decimal places (in respect of Cash Fund) and the nearest three decimal places (in respect of the other Funds) or by such other adjustment as the Manager may from time to time determine with the approval of the Trustee. The Manager shall be entitled to impose a realisation charge and a transactions adjustment on the realisation price of Units in any Fund or Class of Fund.

For realisation requests which are received before 3.00 p.m. Singapore time on a Dealing Day, the realisation price will generally be based on the NAV per Unit of the relevant Fund (or Class):

- (i) (in respect of Cash Fund) at the close of business on the calendar day immediately preceding that Dealing Day (or if such calendar day is not a business day) at 6.00 p.m. Singapore time on such day or such other time as may be determined by the Manager with the approval of the Trustee); and
- (ii) (in respect of the other Funds) at the close of business on that Dealing Day.

Realisation requests which are received after 3.00 p.m. Singapore time or on a day which is not a Dealing Day will be deemed to be received and will be processed on the next Dealing Day.

You should note that appointed distributors may impose an earlier deadline for the receipt of realisation requests from you. You should confirm the applicable deadline with the relevant appointed distributor.

The Manager may, subject to the prior approval of the Trustee, change the method of determining the realisation price and the Trustee shall determine if the Holders should be informed of such changes.

You should note that realisation of Units of any Fund may be limited by the total number of Units to be realised on any Dealing Day and may not exceed 10% of the total number of Units for that Fund or Class then in issue (disregarding any Units of that Fund or Class which have been agreed to be issued), such limitation to be applied pro rata to all Holders of that Fund or Class. Any Units not realised shall be realised on the next Dealing Day, subject to the same limitation.

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

## 12.4 Payment of realisation proceeds

Realisation proceeds payable to Holders will be based on the NAV per Unit of the relevant Fund or Class of a Fund, net of the realisation charge (if any) and the transactions adjustment (if any). Currently no realisation charge is imposed for the Funds.

e.g.	1000 Units	X	\$1.100*	=	\$1,100
	Realisation Request		Realisation Price (= NAV per Unit)		Realisation Proceeds

\* NAV per Unit will be truncated to the nearest six decimal places in respect of Cash Fund.

Note: The above hypothetical examples are purely for illustrative purposes and are not to be construed as a forecast or indication of any past or future performance of any Fund. The examples are on the assumption that there is no transactions adjustment.

Realisation proceeds shall normally be paid within four Business Days (for Funds which are bond or money market funds), six Business Days (for other types of funds), or in the case of Funds which are feeder funds, within seven Business Days, or such other periods as may be permitted by the MAS, following the receipt and acceptance of the realisation request by the Manager unless the realisation of Units has been suspended in accordance with Paragraph 15 of this Prospectus.

## 13. Switching or Exchange of Units

**13.1 In respect of the Cash Fund:** There is no facility for the switching or exchange of Units of the Cash Fund as at the date of this Prospectus.

**13.2 In respect of Funds which are sub-funds of EIUT:** For Funds which are sub-funds under the EIUT, where allowed by the Manager, Holders of Units in a Fund or Class of a Fund may switch all or any of such Units to Units of another Fund which is a sub-fund under the EIUT or another Class of the same or another Fund under the EIUT (except for Class E Units of the Singapore Select Bond Fund) or exchange all or any of the Units for units of any other Group Trust (as described in Paragraph 13.4).

**13.3 In respect of Funds which are sub-funds of EIF:** For the Monthly Income Plan, Holders may, where allowed by the Manager, switch the Units of a Class of the Monthly Income Plan to Units of another Class of the Monthly Income Plan or exchange all or any of the Units for units of any other Group Trust (as described in Paragraph 13.4).

**13.4** Switches and exchanges are subject to the following:

- (i) no switching or exchange of Units may be made which would result in a Holder holding less than the minimum holding of either the Original Fund or the New Fund or Class;
- (ii) Units purchased with CPF monies may only be switched or exchanged to units in a New Fund or Class which may be purchased with CPF monies;
- (iii) Units purchased with SRS monies may only be switched or exchanged to units in a New Fund or Class which may be purchased with SRS monies; and
- (iv) the minimum amount required to switch into or out from a Fund or Class of a Fund or to exchange such Units is the minimum holding of the New Fund or Class,

where the “Original Fund” refers to the Fund or Class the Holder was originally invested into and “New Fund or Class” refers to the Fund or Class the Holder will switch or exchange into.

The Manager reserves the right to impose such other terms and conditions on requested switching or exchange as it may determine.

As at the date of this Prospectus, the Group Trust available for Holders of Funds which are sub-funds under the EIUT is the Monthly Income Plan and the Group Trusts available for Holders of the Monthly Income Plan are Funds which are sub-funds under the EIUT (except for Class E of the Singapore Select Bond Fund) which have been authorised by the MAS pursuant to section 286 of the Securities and Futures Act (Chapter 289).

**13.5** Holders will have to give the Manager a notice of switching or exchange (as the case may be) in such form as the Manager may require in order to effect the switch or exchange. If the relevant notice is received by the Manager before the dealing deadline applicable to a common dealing day (i.e. a day which is a dealing day for both the Original Fund and the New Fund), the switch or exchange shall be made on that common dealing day. If the notice is received on a day which is not a common dealing day or is received after the applicable dealing deadline, the switch or exchange will be made on the next common dealing day.

**13.6** The switching or exchange (as the case may be) will be effected according to the provisions of the relevant Deed and units in the New Fund will be issued based on the formula provided in the relevant Deed.

13.7 Where the Holder makes a switch or exchange of a Unit (as the case may be), the Manager shall be entitled to charge a switching fee as set out in the “Fees and Charges” table in the Schedules relating to the Funds.

#### 14. **Obtaining Prices of Units**

The indicative issue and realisation price per Unit (NAV per Unit) of the Fund or Class of Fund in the relevant currency denomination of the relevant Class will be available on the Manager’s website at [www.eastspring.com.sg](http://www.eastspring.com.sg) normally one (1) Business Day after each relevant Dealing Day.

The indicative issue and realisation price per Unit of the Fund or Class of Fund may also be available from other publications or media in Singapore at the initiative of third-party publishers.

The publication of prices in any third-party publication (including but not limited to the frequency of publication) is subject to the publication policy of such third-party publication. You should note that the Manager does not accept any responsibility for any errors on the part of any third-party publisher in the prices published or for any non-publication of prices by such third-party publisher and shall incur no liability in respect of any action taken or loss suffered by investors in reliance upon such third-party publications.

#### 15. **Suspension of Dealing**

##### 15.1 **Cash Fund**

The Manager may at any time, with the approval of the Trustee and subject to the provisions of the Code, suspend the issue of Units, the right of Holders of the Cash Fund to require the realisation of Units and/or the valuation of Units pursuant to the provisions of the Deed which include, but are not limited to the following circumstances:

- (i) during any period when, in the opinion of the Manager and the Trustee, there exists any state of affairs as a result of which withdrawal of deposits held for the account of the Cash Fund or the realisation of any material proportion of the investments for the time being constituting the deposited property cannot be effected or effected normally or without seriously prejudicing the interests of Holders of the Cash Fund as a whole. “Material proportion” of the investments means such proportion of the investments which when sold would in the opinion of the Manager in consultation with the Trustee cause the value of the deposited property to be significantly reduced;
- (ii) during any period during which there is, in the opinion of the Manager and the Trustee, any breakdown in the means of communication normally employed in determining the value of any of the investments or the amount of any cash for the time being comprised in the deposited property or the amount of any liability of the Trustee for account of the Cash Fund or when for any other reason the value of any such investment or the amount of any such cash or liability cannot be promptly and accurately ascertained, including any period when the fair value of a material portion of the investments for the time being constituting the deposited property cannot be determined and for the purpose of this paragraph, “fair value” of an investment is the price that the Cash Fund would reasonably expect to receive upon a current sale of the investment;
- (iii) any 48 hours period (or such longer period as the Manager and the Trustee may agree) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- (iv) any period when dealing in Units is suspended pursuant to any order or direction of MAS;
- (v) any period when the business operations of the Manager or the Trustee in relation to the operation of the Cash Fund is substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or
- (vi) such circumstances as may be required under the provisions of the Code,

and payment for any Units of the Cash Fund realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Manager and the Trustee so agree, be deferred until immediately after the end of such suspension.

Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Manager and, subject to the provisions of the Code, shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist (and such cessation having been confirmed by the Manager). The Manager shall as soon as practicable after its declaration of any temporary suspension of issuance, realisation and/or valuation of Units and of the termination of such suspension cause to be published in the major local newspaper in Singapore which publish the issue and realisation pricing of Units of the Cash Fund a notice to such effect.

The Manager may also, subject to the provisions of the Code, suspend the realisation of Units for such reasonable period as may be necessary to effect an orderly realisation of investments in accordance with the Deed upon giving notice to affected Holders within two Business Days after the relevant day.

## 15.2 Eastspring Investments Funds

Subject to the provisions of the Code, the Manager or the Trustee may, with the prior written approval of the other, suspend the issue, realisation and valuation of Units in relation to any Fund which is a sub-fund of the EIF (referred to in this Paragraph 15.2 as a "Fund") during:-

- (i) any period when the recognised market on which any authorised investments of the deposited property of a particular Fund or the EIF for the time being are listed or dealt in is closed (otherwise than for public holidays) or during which dealings are restricted or suspended or, where applicable, any period when dealings in any of the underlying funds of that Fund are restricted or suspended;
- (ii) the existence of any state of affairs which, in the opinion of the Manager and the Trustee might seriously prejudice the interests of the Holders as a whole or of the deposited property (whether of a Fund or the EIF);
- (iii) any breakdown in the means of communication normally employed in determining the price of any of such authorised investments or the current price on that recognised market or when for any reason the prices of any of such authorised investments cannot be promptly and accurately ascertained;
- (iv) any period when remittance of money which will or may be involved in the realisation of such authorised investments or in the payment for such authorised investments cannot, in the opinion of the Manager and the Trustee, be carried out at normal rates of exchange;
- (v) any period when, in the opinion of the Manager, the transfer of funds which will or may be involved in the realisation of any material proportion of the investments for the time being constituting the deposited property of that Fund cannot be effected promptly at normal rates of exchange;
- (vi) any period when the dealing of Units is suspended pursuant to any order or direction issued by the MAS;
- (vii) any 48 hour period (or such longer period as may be agreed between the Manager and the Trustee) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- (viii) any period when the business operations of the Manager or the Trustee in relation to the operation of that Fund is substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or
- (ix) such circumstances as may be required under the provisions of the Code.

Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Manager (or, as the case may be, to the Manager by the Trustee) and, subject to the provisions of the Code, shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other condition under which such suspension is authorised shall exist upon the declaration in writing thereof by the Manager (or, as the case may be, the Trustee).

Any payment for any Units realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Manager and the Trustee so agree, be deferred until immediately after the end of such suspension.

## 15.3 Eastspring Investments Unit Trusts

Subject to the provisions of the Code, the Manager may at any time, with the approval of the Trustee, suspend the issue of Units and the right of Holders of any Fund which is a sub-fund of the EIUT (referred to in this Paragraph 15.3 as a "Fund") or Class of Fund to require the realisation of Units of the relevant Fund or Class of Fund pursuant to the provisions of the Deed which include, but are not limited to the following circumstances:

- (i) during any period when any market for any material proportion of the calculation of the value of Units, the investments for the time being constituting the relevant deposited property is closed otherwise than for ordinary holidays. "Material proportion" of the investments means such proportion of the investments which when sold would in the opinion of the Manager in consultation with the Trustee cause the value of the deposited property to be significantly reduced;
- (ii) during any period when dealings on any such market are restricted or suspended;
- (iii) during any period when, in the opinion of the Manager and the Trustee, there exists any state of affairs as a result of which withdrawal of deposits held for the account of that Fund or the realisation of any material proportion of the Investments for the time being constituting the relevant deposited property cannot be effected normally or without seriously prejudicing the interests of Holders of that Fund as a whole or within a particular Class of the Fund;



- (iv) during any period during which there is, in the opinion of the Manager and the Trustee, any breakdown in the means of communication normally employed in determining the value of any of the investments or the amount of any cash for the time being comprised in the relevant deposited property or the amount of any liability of the Trustee for account of that Fund or the EIUT or when for any other reason the value of any such investment or the amount of any such cash or liability cannot be promptly and accurately ascertained, including any period when the fair value of a material proportion of the investments for the time being constituting the relevant deposited property cannot be determined and for the purpose of this paragraph, “fair value” of an investment is the price that the Fund would reasonably expect to receive upon a current sale of the investment;
- (v) during any period when, in the opinion of the Manager and the Trustee, the transfer of funds which will or may be involved in the realisation of any material proportion of the investments for the time being constituting the relevant deposited property cannot be effected promptly at normal rates of the exchange;
- (vi) for a Fund which is a feeder fund, during any period when dealings in the units or shares of the Underlying Entity or Underlying Entities are restricted or suspended;
- (vii) any 48 hours period (or such longer period as the Manager and the Trustee may agree) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- (viii) any period when dealing in Units is suspended pursuant to any order or direction of MAS;
- (ix) any period when the business operations of the Manager or the Trustee in relation to the operation of any particular Fund or the EIUT is substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of god; or
- (x) such circumstances as may be required under the provisions of the Code,

and payment for any Units of that Fund or Class of Fund realised before the commencement of any such suspension but for which payment has not been made before the commencement thereof may, if the Manager and the Trustee so agree, be deferred until immediately after the end of such suspension. Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Manager and, subject to the provisions of the Code, shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist (and such cessation having been confirmed by the Manager). The Manager shall as soon as practicable after its declaration of any temporary suspension of realisation and of the termination of such suspension cause to be published in the major local newspaper in Singapore which published the issue and realisation pricing of Units a notice to such effect.

Subject to the provisions of the Code, the Manager may also suspend the realisation of Units of a Fund or Class for such reasonable period as may be necessary to effect an orderly realisation of investments in accordance with Clause 14.10 of the Deed by giving notice to affected Holders within two Business Days after the relevant day.

## 16. Performance of the Funds

### 16.1 Past performance of the Funds and benchmarks (as at 30 September 2017)

Performance calculations are on a single pricing basis (in respect of the Cash Fund) and on an offer-to-bid basis (in respect of the other Funds), with net dividends reinvested, taking into account the initial sales charge and realisation charge (if any).

Source: The Manager

Fund/ Benchmark	One-Year	Three-Years	Five-Years	Ten-Years	Since Inception
<b>(average annual compounded return)</b>					
<b><u>CASH FUND</u></b>					
Cash Fund <i>(Inception date: 23 January 2007)</i>	0.6%	0.6%	0.4%	0.5%	0.6%
Singapore-dollar Saving Deposits Rate <sup>Note 1</sup>	0.2%	0.1%	0.1%	0.1%	0.1%
<b><u>EASTSPRING INVESTMENTS FUNDS</u></b>					
Monthly Income Plan Class A, SGD <i>(Inception date: 1 February 2005)</i>	-0.5%	1.7%	2.7%	3.9%	4.5%
50% JP Morgan Asia Credit Index and 50% BofA Merrill Lynch US High Yield Constrained Index (SGD hedged) <sup>Note 2</sup>	5.2%	5.8%	5.7%	3.7%	3.1%

<b>Fund/ Benchmark</b>	<b>One-Year</b>	<b>Three-Years</b>	<b>Five-Years</b>	<b>Ten-Years</b>	<b>Since Inception</b>
	<b>(average annual compounded return)</b>				
Monthly Income Plan Class M, SGD <i>(Inception date: 1 February 2005)</i>	-0.5%	1.8%	2.7%	4.0%	4.5%
50% JP Morgan Asia Credit Index and 50% BofA Merrill Lynch US High Yield Constrained Index (SGD hedged) <sup>Note 2</sup>	5.2%	5.8%	5.7%	3.7%	3.1%
Monthly Income Plan Class M (RMB hedged), CNH <i>(Inception date: 2 September 2013)</i>	2.3%	4.1%	N.A.	N.A.	5.2%
50% JP Morgan Asia Credit Index and 50% BofA Merrill Lynch US High Yield Constrained Index (CNH hedged)	10.3%	8.8%	N.A.	N.A.	8.9%
<b>EASTSPRING INVESTMENTS UNIT TRUSTS</b>					
Pan European Fund <i>(Inception date: 4 May 2001)</i>	15.7%	8.3%	10.1%	-1.0%	2.1%
MSCI Europe Index <sup>Note 3</sup>	21.8%	6.6%	10.6%	0.5%	3.6%
Global Technology Fund <i>(Inception date: 4 May 2001)</i>	23.0%	15.6%	15.8%	6.3%	1.2%
MSCI AC World Information Technology Index <sup>Note 4</sup>	29.5%	18.9%	19.1%	7.7%	3.3%
Asian Balanced Fund <i>(Inception date: 24 February 2003)</i>	3.1%	3.0%	3.5%	1.2%	5.2%
50% MSCI AC Asia Pacific ex Japan Index 30% The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index 20% The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index <sup>Note 5</sup>	10.4%	7.7%	7.3%	3.7%	7.0%
Dragon Peacock Fund <i>(Inception date: 18 June 2004)</i>	18.0%	10.4%	10.0%	0.8%	9.3%
50% MSCI China Index 50% MSCI India Index	23.1%	11.3%	11.6%	1.8%	12.3%
Global Themes Fund SGD <i>(Inception date: 18 October 2005)</i>	9.1%	5.4%	4.1%	-0.7%	2.6%
MSCI All Country World Index <sup>Note 6</sup>	15.8%	9.3%	11.3%	3.5%	5.9%
Global Themes Fund USD** <i>(Inception date: 11 September 2006)</i>	9.5%	3.2%	2.0%	0.3%	3.1%
MSCI All Country World Index <sup>Note 6</sup>	16.3%	7.0%	9.1%	4.5%	7.0%
Global Themes Fund Euro** <i>(Inception date: 6 May 2008)</i>	4.1%	5.5%	3.8%	N.A.	2.3%
MSCI All Country World Index <sup>Note 6</sup>	10.5%	9.4%	10.9%	N.A.	7.7%

Fund/ Benchmark	One-Year	Three-Years	Five-Years	Ten-Years	Since Inception
	(average annual compounded return)				
Global Balanced Fund <i>(Inception date: 1 October 2007)</i>	2.0%	3.3%	3.0%	0.3%	0.3%
60% MSCI All Country World Index & 40% Citigroup World Government Bond Index ex Japan (hedged to Singapore Dollars) <sup>Note 7</sup>	8.4%	7.0%	8.2%	3.6%	3.6%
Asian Infrastructure Equity Fund SGD <i>(Inception date: 1 April 2008)</i>	5.4%	-0.5%	2.4%	N.A	-0.4%
MSCI AC Asia ex Japan Custom Index <sup>Note 8</sup>	13.0%	4.5%	4.5%	N.A	0.7%
Asian Infrastructure Equity Fund USD** <i>(Inception date: 1 April 2008)</i>	5.9%	-2.6%	0.3%	N.A	-0.3%
MSCI AC Asia ex Japan Custom Index <sup>Note 8</sup>	13.5%	2.3%	2.4%	N.A.	0.9%
Asian Infrastructure Equity Fund Euro** <i>(Inception date: 1 April 2008)</i>	0.6%	-0.4%	2.0%	N.A.	2.7%
MSCI AC Asia ex Japan Custom Index <sup>Note 8</sup>	7.9%	4.6%	4.2%	N.A.	3.9%
Singapore Select Bond Fund Class A <i>(Inception date: 8 April 2011)</i>	-1.1%	3.3%	2.8%	N.A.	3.7%
Benchmark: Markit iBoxx ALBI Singapore Index <sup>Note 9</sup>	0.5%	3.2%	2.1%	N.A.	2.8%
Singapore Select Bond Fund Class A <sub>D</sub> <i>(Inception date: 9 November 2012)</i>	-1.1%	3.3%	N.A.	N.A.	2.6%
Benchmark: Markit iBoxx ALBI Singapore Index	0.5%	3.2%	N.A.	N.A.	2.0%
Singapore ASEAN Equity Fund <i>(Inception date: 14 March 2012)</i>	7.7%	-0.4%	2.8%	N.A.	2.9%
Benchmark: Customised blended FTSE ST All-share and FTSE ASEAN (ex-Singapore) Index <sup>Note 10</sup>	13.2%	2.6%	4.2%	N.A.	4.4%

\*\*Performance of the USD and Euro Units of the relevant Funds and their benchmarks are calculated in USD and Euro respectively.

A track record of at least one year is not available for the Class E and Class I of the Singapore Select Bond Fund as Class E has not been incepted as at the date of this Prospectus and the Class I was incepted on 24 October 2017. A track record of at least one year is not available for the Class IA of the Monthly Income Plan as at the date of this Prospectus as this Class was incepted on 25 May 2017.

#### Notes:

1. The Singapore-dollar Saving Deposits Rate can be accessed from the MAS website at <https://secure.mas.gov.sg/msb/InterestRatesOfBanksAndFinanceCompanies.aspx> under the reference Interest Rates of Banks and Finance Companies/ Banks Saving Deposits.

2. From inception to 31 May 2012, the Monthly Income Plan was benchmarked against the 12-month Singapore Dollar Fixed Deposit Rate. The change in benchmark was to better reflect the investment focus and risk of the Fund.

3. From inception to 16 March 2005, the Pan European Fund was benchmarked against FTSE Eurotop 300 Index and from 17 March 2005 to 31 December 2011, the Fund was benchmarked against FTSE World Europe (including UK) Index. The change in benchmark was to better reflect the investment focus and approach of the Fund.

On 1 January 2012, the MSCI Europe Index was retrospectively applied from the inception of the Fund as the Manager is of the view that the MSCI index is more relevant in measuring the performance of the Fund with its peers.

On 1 May 2012, the MSCI Europe Index was changed from a gross dividend basis to a net dividend basis as the NAV of the Fund is reflected on a net dividend basis. The two series are chain-linked to derive the longer period benchmark returns.

4. From inception to 30 November 2008, the Global Technology Fund was benchmarked against the FTSE World Information Technology Index. The change in benchmark was due to the change in investment focus and approach of the Fund's Underlying Entity as a result of the change in the sub-manager of the Underlying Entity.

On 1 May 2012, the MSCI AC World Information Technology Index was changed from a gross dividend basis to a net dividend basis as the NAV of the Fund is reflected on a net dividend basis.

These series are chain-linked to derive the longer period benchmark returns.

5. Please note that The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index was formerly known as Merrill Lynch US Corporates A-AAA rated (adjusted for A- credits) and The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index was formerly known as Merrill Lynch US Corporates BBB – A rated.

On 1 October 2008, the equity component of the composite benchmark of the Asian Balanced Fund was changed from MSCI AC Far East Free ex Japan Index to MSCI AC Asia ex Japan Index. The change was to better reflect the investment objective and focus of the Fund as the MSCI AC Asia ex Japan Index covers India in addition to the countries in the MSCI Far East Fr ex Japan Index.

On 1 May 2012, the MSCI AC Asia ex Japan Index was changed from a gross dividend basis to a net dividend basis as the NAV of the Fund is reflected on a net dividend basis.

On 23 May 2016, the equity component of the composite benchmark was changed from MSCI AC Asia ex Japan Index to MSCI AC Asia Pacific ex Japan Index due to the change in the Fund's equity Underlying Entity whose benchmark is the MSCI AC Asia Pacific ex Japan Index.

These series are chain-linked to derive the longer period benchmark returns.

6. On 17 November 2017, the benchmark for the Global Themes Fund was changed from the FTSE Global Basics Composite Index (a customised benchmark which is derived by combining all the sector indices of the FTSE World Index save for the media, IT, telecommunications, financials and healthcare sector indices) to the MSCI All Country World Index. The change in benchmark was due to the change in investment objective and policy and benchmark of the Fund's Underlying Entity.

The series are chain-linked to derive the longer period benchmark returns.

7. On 1 April 2011, the Citigroup World Government Bond Index (S\$) ex Japan which comprised 40% of the benchmark for the Global Balanced Fund was changed to the Citigroup World Government Bond Index ex Japan hedged to Singapore Dollars, pursuant to a similar change to the benchmark of the underlying Legg Mason Western Asset Global Bond Trust.

On 17 November 2017, the FTSE Global Basics Composite Index (a customised benchmark which is derived by combining all the sector indices of the FTSE World Index save for the media, IT, telecommunications, financials and healthcare sector indices) which comprised 60% of the benchmark for the Global Balanced Fund was changed to the MSCI All Country World Index due to the change in investment objective and policy and benchmark of the underlying M&G Global Themes Fund.

The series are chain-linked to derive the longer period benchmark returns.

8. From inception to 30 November 2010, the Asian Infrastructure Equity Fund was benchmarked against the MSCI AC Asia ex Japan Index.

On 1 December 2010, the MSCI AC Asia ex Japan Selected Sectors Index was retrospectively applied from the inception of the Fund to better reflect the investment focus and approach of the Fund since its inception.

On 1 May 2012, the benchmark was changed from a gross dividend to a net dividend basis as the NAV of the Fund is reflected on a net dividend basis.

On 1 September 2015, the benchmark was changed to the MSCI AC Asia ex Japan Custom Index (derived from the MSCI AC Asia ex Japan Selected Sectors Index with specific country caps applied) as the new benchmark is more appropriate in measuring the performance of the Fund in order to align with its investment focus.

The series are chain-linked to derive the longer period benchmark returns.

9. On 30 April 2016, the benchmark for the Singapore Select Bond Fund was changed from HSBC Singapore Local Currency All Bond Index to the Markit iBoxx ALBI Singapore Index as the HSBC index was discontinued on 29 April 2016. The two series will be chain-linked to derive a longer period benchmark return.

10. The customised blended FTSE ST All-share and FTSE ASEAN (ex-Singapore) Index is a customised benchmark which is derived by combining the FTSE ST All-Share Index and the non-Singapore constituents in the FTSE ASEAN Index.

**Any past performance of the Funds is not necessarily indicative of the future performance of the Funds.**

## 16.2 Expense ratios<sup>9</sup>

### Cash Fund

<b>Fund</b>	<b>Expense Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Cash Fund	0.35%

### Eastspring Investments Funds

<b>Fund</b>	<b>Expense Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Monthly Income Plan Class A	1.40%
Monthly Income Plan Class M	1.40%
Monthly Income Plan Class M (RMB hedged)	1.46%

There is no expense ratio for the Class IA of the Monthly Income Plan for the period 1 January 2016 to 31 December 2016 as this Class was incepted on 25 May 2017.

### Eastspring Investments Unit Trusts

<b>Fund</b>	<b>Expense Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Pan European Fund	1.70%
Global Technology Fund	1.70%
Asian Balanced Fund	1.46%
Dragon Peacock Fund	1.65%
Global Themes Fund	1.81%
Global Balanced Fund	1.65%
Asian Infrastructure Equity Fund	1.91%
Singapore Select Bond Fund	0.62%**
Singapore ASEAN Equity Fund	1.64%

\*Financial year-end of Cash Fund, EIF and EIUT.

\*\*Expense ratio for the Class A and Class A<sub>D</sub> of the Singapore Select Bond Fund. There is no expense ratio for the Class I of the Singapore Select Bond Fund for the period 1 January 2016 to 31 December 2016 as this Class was incepted on 24 October 2017.

<sup>9</sup> The expense ratios are calculated in accordance with Investment Management Association of Singapore's (IMAS) guidelines on the disclosure of expense ratios and based on the Funds' audited accounts from 1 January 2016 to 31 December 2016 and includes the annualised expense ratios of the Underlying Entities (where applicable) but does not include the following expenses (where applicable):

- interest expense;
- brokerage and other transaction costs;
- performance fee;
- foreign exchange gains/losses;
- tax deducted at source or arising on income received, including withholding tax;
- front or backend loads arising from the purchase or sale of a foreign unit trust or mutual fund; and
- dividends and other distributions paid to Holders.

### 16.3 Turnover ratios<sup>10</sup>

#### 16.3.1 Turnover ratios of Funds

##### Cash Fund

<b>Fund</b>	<b>Turnover Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Cash Fund	1437.10%

##### Eastspring Investments Funds

<b>Fund</b>	<b>Turnover Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Monthly Income Plan	10.26%

##### Eastspring Investments Unit Trusts

<b>Fund</b>	<b>Turnover Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Pan European Fund	7.51%
Global Technology Fund	5.59%
Asian Balanced Fund	65.56%
Dragon Peacock Fund	48.36%
Global Themes Fund	0.12%
Global Balanced Fund	4.47%
Asian Infrastructure Equity Fund	6.15%
Singapore Select Bond Fund	24.02%
Singapore ASEAN Equity Fund	38.96%

\*Financial year-end of the Cash Fund, EIF and EIUT.

#### 16.3.2 Turnover ratios of Underlying Entities

<b>Underlying Entity (under the Luxembourg - domiciled Eastspring Investments)</b>	<b>Turnover Ratio (%) (for the period 1 January 2016 to 31 December 2016*)</b>
Eastspring Investments – US High Yield Bond Fund	100.76%
Eastspring Investments – Asian Bond Fund	26.98%
Eastspring Investments – Pan European Fund	28.65%
Eastspring Investments – Global Technology Fund	42.71%
Eastspring Investments – Asian Equity Income Fund	40.28%
Eastspring Investments – US High Investment Grade Bond Fund	134.03%
Eastspring Investments – US Investment Grade Bond Fund	156.15%
Eastspring Investments – Asian Infrastructure Equity Fund	25.67%

\*Financial year-end of the Eastspring Investments.

<b>Underlying Entity (under the United Kingdom – domiciled M&amp;G Investment Funds (1))</b>	<b>Turnover Ratio (%) (for the period 1 September 2016 to 31 August 2017*)</b>
M&G Investment Funds (1) – M&G Global Themes Fund	32.5%

\*Financial year-end of the M&G Investment Funds (1).

<sup>10</sup> The turnover ratios are calculated based on the lesser of purchases or sales expressed as a percentage of average NAV, i.e., average daily NAV, over the same period used for calculating the expense ratios. The Cash Fund is predominantly invested in term deposits. New term deposits and deposit placements as a result of rollover are taken in as purchases; matured term deposits, including the deposits that are rollover, and early realisation of term deposits are taken in as sales.

<b>Underlying Entity (the Singapore – domiciled Legg Mason Western Asset Global Bond Trust)</b>	<b>Turnover Ratio (%) (for the period 1 April 2016 to 31 March 2017*)</b>
Legg Mason Western Asset Global Bond Trust	50.25%

\*Financial year-end of the Legg Mason Western Asset Global Bond Trust.

**17. Soft Dollar Commissions/Arrangements**

**In respect of the Cash Fund:** The Manager does not receive and / or enter into soft-dollar commissions / arrangements in respect of the Cash Fund.

**In respect of Funds which are sub-funds of the EIF and EIUT:** The Manager and, where applicable, the sub-managers/ investment managers/management company of the Underlying Entities of any Fund which is a sub-fund under the EIF and EIUT (together, the “**Relevant Parties**”) may or may not be entitled to receive and/or enter into soft-dollar commissions/arrangements in respect of the EIF, EIUT, the Funds which are sub-funds under the EIF and EIUT or the Underlying Entities (as the case may be).

If entitled to receive and/or enter into soft-dollar commissions/arrangements in respect of the EIF, EIUT, the Funds which are sub-funds under the EIF and EIUT or the Underlying Entities (as the case may be), the Relevant Parties will comply with applicable regulatory and industry standards on soft-dollars.

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

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

The Relevant Parties shall not accept or enter into soft-dollar commissions/arrangements unless (a) such soft-dollar commissions/arrangements would reasonably assist the Relevant Party concerned in the management of the EIF, EIUT, the Funds which are sub-funds under the EIF and EIUT, or the Underlying Entities (b) the Relevant Party shall ensure at all times that best execution is carried out for the transactions, and (c) no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

The Relevant Parties do not retain for its/their own account, cash or commission rebates arising out of transactions for the EIF, EIUT or any of the Funds which are sub-funds under the EIF and EIUT executed in or outside Singapore.

**18. Conflicts of Interest**

The Manager, the sub-managers/investment managers/management company (where applicable) of the Underlying Entities of any Fund and the Trustee may own, hold, dispose or otherwise deal with Units as though they were not parties to the Deed. If there is any conflict of interest arising as a result of such dealing, the Manager, the sub-managers/investment managers of the Underlying Entities of any Fund and the Trustee, following consultation with the other, shall resolve such conflict in a just and equitable manner as they deem fit which would not prejudice the interests of Holders. The Manager, the sub-managers/investment managers/management company (where applicable) of the Underlying Entities of any Fund and the Trustee shall conduct all transactions with or for the Cash Fund, EIF and EIUT and any Funds which are sub-funds under the EIF and EIUT on an arm’s length basis.

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

The Manager, the sub-managers/investment managers/management company (where applicable) of the Underlying Entities of any Fund and the Trustee and their respective Associates (collectively 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 the Funds. These include management of other funds, product development, investment operations services, IT services, purchases and sales of securities, investment and management counselling, brokerage services, trustee and custodial and registrar services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Funds may invest.

Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. If a conflict of interest does arise, the Parties shall endeavour to ensure that it is resolved fairly and in the interest of relevant Holders.

## **19. Reports**

### **19.1 Financial year-end**

The financial year-end of the Cash Fund, EIF and EIUT is the last day of December of each year.

### **19.2 Distribution of accounts and reports**

The annual report, annual accounts and the auditor's report on the annual accounts for the Cash Fund, EIF and EIUT will be prepared and sent or made available to Holders of the Cash Fund, EIF and EIUT respectively within three months of the financial year-end (or such other period as may be permitted by the MAS). The semi-annual report and semi-annual accounts for the Cash Fund, EIF and EIUT will be prepared and sent or made available to Holders of the Cash Fund, EIF and EIUT respectively within two months of the financial half-year end, i.e., 30 June (or such other period as may be permitted by the MAS). Such reports and accounts may be sent or made available to Holders by electronic means in accordance with the provisions of the Code.

## **20. Other Material Information**

### **20.1 Information on investment**

At the end of each quarter, Holders will receive a statement showing the value of their investment, including any transactions during the quarter. Additional statement will also be provided to Holders at the end of any month in which there are transactions.

### **20.2 Exemptions from liabilities**

The Manager and the Trustee are exempted under the Deeds from certain liabilities in respect of the carrying out of their respective duties for the Cash Fund, EIF and EIUT. You may wish to refer to the relevant Deed for further details on such exemptions.

### **20.3 Distribution of Income and Capital**

**In respect of the Cash Fund:** There is no distribution of income and capital for the Cash Fund.

**In respect of Funds which are sub-funds of the EIF and EIUT:** Distribution of income of the Funds which are sub-funds under the EIF and EIUT (where applicable) will be at the Manager's sole discretion.

The Manager may also distribute an amount representing part of the capital of the Funds which are sub-funds under the EIF and EIUT (where applicable) in such manner as provided for in the relevant Deed.

If any distribution is made, such distribution will reduce the NAV of the relevant Fund. Please refer to Paragraph 9.2.16 of this Prospectus for information on the risk associated with distributions out of capital.

### **20.4 Investment Guidelines**

**20.4.1** The investment guidelines issued by the MAS under Appendix 1 of the Code, which guidelines may be amended from time to time, shall apply to the Funds save for the Cash Fund (unless otherwise waived, exempted or not applied by the MAS). The Cash Fund is a "money market fund" as defined in Appendix 2 of the Code, which together with Appendix 1 of the Code, constitutes the money market funds investment guidelines which shall apply to the Cash Fund (unless otherwise waived, exempted or not applied by the MAS). (collectively, the "**Authorised Funds Investment Guidelines**").

**20.4.2** In addition, in respect of Funds included under CPFIS, the Manager will ensure compliance with the investment guidelines in the CPF Investment Guidelines issued by the CPF Board, which guidelines may be amended from time to time, over and above the applicable Authorised Funds Investment Guidelines.

### **20.5 Holders' right to vote**

Holders of the Cash Fund, EIF and EIUT shall be entitled to vote in such manner and on such issues as provided for in the relevant Deed.

### **20.6 Termination**

A Fund or Class of a Fund or the EIF or EIUT may be terminated by the Manager, the Trustee or Holders of that Fund or Class or the EIF or EIUT respectively in certain circumstances as provided in the relevant Deed.

Such circumstances include but are not limited to the Manager being able to:

- (a) terminate the EIF when the value of the deposited property of the EIF is less than S\$5 million;
- (b) terminate the EIUT when the value of the deposited property of the EIUT is less than S\$5 million;
- (c) terminate a Fund when the value of the deposited property of the Fund is less than S\$5 million;
- (d) terminate a Class of the Monthly Income Plan when the value of the deposited property of the Class is less than S\$5 million or terminate a Class of a Fund under EIUT if Units of that Class in issue fall below a number to be determined by the Manager.

There are other events of termination set out in the Deeds.



You should refer to the relevant Deed for further information with respect to the events of termination and the manner of termination.

## 20.7 Valuation

Save as otherwise expressly provided in the Deed, and subject always to the requirements of the Code, for the purpose of determining the value of any deposited property of a Fund or any part thereof or any investment comprised or to be comprised therein by the Manager or other agents on behalf of the Manager:-

- (a) the value shall be determined as at each valuation point in respect of the relevant Dealing Day;
- (b) the value of any unquoted investment shall be determined in accordance with the following provisions:-
  - (i) an unquoted investment, shall be calculated by reference to, where applicable, (1) the initial value of such unquoted investment shall be the amount expended out of the relevant deposited property in the acquisition thereof; (2) the price of the relevant investment as provided by an independent pricing provider or quoted by a person, firm or institution making a market in that investment, if any (and if there shall be more than one such market maker then such market maker(s) as the Manager may designate); (3) sale prices of recent public or private transactions in the same or similar investments; or (4) valuations of comparable companies or discounted cash flow analysis, as may be determined to represent the fair value of such authorised investment, and in the valuation of such investment the Manager may take into account relevant factors including without limitation significant recent events affecting the issuer such as pending mergers and acquisitions and restrictions as to saleability or transferability; and
  - (ii) the Manager may at any time with the approval of the Trustee and shall at such times or at such intervals as the Trustee may request cause a revaluation to be made of any unquoted investment by an approved valuer approved by the Trustee as qualified to value such unquoted investment;
- (c) the value of any quoted investment shall be calculated, as the case may be, by reference to the price appearing to the Manager to be the official closing price or the last known transacted price on such recognised market (or at such other time as the Manager may from time to time after consultation with the Trustee determine) or if there is no such official closing price or last known transacted price, the value shall be calculated by reference to the last available prices quoted by responsible firms, corporations or associations on a recognised market or pricing provided by independent pricing providers at the time of calculation (or at such other time as the Manager may from time to time after consultation with the Trustee determine);
- (d) cash, deposits and similar property shall be valued: (with respect to the Cash Fund and the EIUT) (by a person approved by the Trustee as qualified to value such cash, deposits and similar property) at their face value (together with accrued interest) unless in the opinion of the Manager (after consultation with the Trustee), any adjustment should be made and (with respect to the EIF) at their face value (together with accrued interest) unless in the opinion of the Manager, any adjustment should be made;
- (e) a unit or share in a unit trust or mutual fund or collective investment scheme shall be valued at the latest published or available NAV per unit or share or if bid and offer prices are published, the latest published bid price;
- (f) (with respect to the EIUT) Futures contracts shall be valued:
  - (i) in the case of a futures contract for the sale of the subject matter thereof, the amount equal to the contract value less the sum of the amount required to close the contract and the amount spent by the relevant Fund to enter into the contract; and
  - (ii) in the case of a futures contract for the purchase of the subject matter thereof, the amount equal to the amount required to close the contract less the sum of the contract value and the amount spent by the relevant Fund to enter into the contract;
- (g) (with respect to the EIUT) Gold shall be valued by reference to the mean of the bid and offered prices in US Dollars per troy ounce of gold on the spot gold market in Singapore at the time of calculation; and
- (h) (with respect to the Cash Fund and the EIUT) any other property forming part of the authorised investments shall be valued (by a person approved by the Trustee as qualified to value such property) at such time or times as the Manager and the Trustee shall from time to time agree and (with respect to the EIF) an investment other than as described above for the EIF, shall be valued in such manner and at such time as the Manager with the prior approval of the Trustee shall from time to time determine;

PROVIDED THAT if the quotations referred to above with respect to the EIF are not available, or if the quotations referred to above with respect to the Cash Fund and the EIF and (with respect to the EIUT) in paragraphs (b), (c) and (e) above, in the opinion of the Manager do not represent a fair value of the authorised investment, then the value of such authorised investment shall be any fair value as the Manager may determine with due care and in good faith and with the consent or approval (as the case may be) of the Trustee and in determining such fair value, the Manager may rely on quotations for the investment on any recognised market or telephone market or any certified valuation by an approved

broker or an approved valuer. The method of calculation of the value of any investment may be changed to the extent permitted by the MAS and with the Trustee's prior approval and the Manager shall notify the Holders of such change if so required by the Trustee.

## **20.8 Common reporting standards (CRS)**

The Organisation for Economic Co-operation and Development has developed a new global standard for the automatic exchange of financial information between tax authorities (the CRS). Singapore is a signatory jurisdiction to the CRS and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in 2018, as regards reportable financial information gathered in relation to fiscal year 2017 and every year thereafter. The CRS has been implemented in Singapore via the Income Tax (International Tax Compliance Agreements)(Common Reporting Standard) Regulations 2016 (the "**CRS Regulations**"). The CRS Regulations empower and require all reporting Singaporean financial institutions to put in place necessary processes and systems to obtain tax residency information from account holders that open a new account with the financial institution from 1 January 2017. Financial institutions will have to establish the tax residency status of all their account holders using the information they have and transmit to the IRAS in 2018 information of account holders that are tax residents of jurisdictions that Singapore has a Competent Authority Agreement for CRS with. The CRS Regulations impose obligations to transmit such information on Holders to the IRAS and notwithstanding any other provision in this Prospectus or any other agreements between the Cash Fund, EIF and EIUT, the Manager and/or the Trustee and the Holder, all Holders will be deemed to have permitted, and (where such information contains personal data of any third party individuals) to have obtained consent from such third party individuals for, the Manager and the Trustee to share such information with the relevant taxing authority.

## **20.9 Compliance with laws in various jurisdictions**

The Cash Fund, EIF and EIUT, the Manager and/or the Trustee may be obliged to comply with or, at its sole and absolute discretion, choose to have regard to, observe or fulfill the requirements or expectations of the laws, regulations, orders, guidelines, codes, market standard, good practices and requests of or agreements with public, judicial, taxation, governmental and other regulatory authorities or self-regulatory bodies in various jurisdictions (the "**Authorities**" and each an "**Authority**") relating to any matter in connection with its business including without limitation, tax compliance (such as the CRS Regulations), anti-money laundering, sanctions, terrorism financing or the prevention and detection of crime as amended, promulgated and introduced from time to time (the "**Applicable Requirements**"). In this connection, the Manager and/or the Trustee may take any and all steps to ensure compliance or adherence (whether voluntary or otherwise) with the Applicable Requirements.

## **20.10 Disclosure of information**

### **20.10.1 General**

In view of complying with the Applicable Requirements and subject to the paragraphs below, the Manager and/or the Trustee may disclose the particulars or any information relating to a Holder and / or the Holder's investments to any Authority in connection with the Manager's, the Trustee's or the Cash Fund's, EIF's or EIUT's compliance or adherence (whether voluntary or otherwise) with the Applicable Requirements including without limitation the Holder's folio / account number, investment / redemption details, amount invested, dividends, bonus or income distribution paid or due, or, where the Holder is an individual, the name, nationality, address, tax identification number, U.S. person status, date and place of birth, or, where the Holder is a corporation or any other type of entity, the name, registered address or address of place of business and place of establishment, tax identification number, U.S. person status, information on the management and legal and beneficial owners, substantial shareholders, owners or controllers and their personal information.

Where the Manager or the Trustee intends to disclose the information of the Holder to any Authority for the purposes of the foregoing, the Manager or the Trustee shall seek the prior consent of such Holder (unless Singapore laws applicable at the relevant times provide otherwise or unless such consent has already been given or is deemed to be given by the Holder pursuant to this Prospectus or in the subscription form or in any other subsequent document), whether by mail or such other mode of communication as the Manager or the Trustee (as the case may be) deems appropriate.

Such disclosure may be effected directly or sent through any of the head office(s) of the Manager or the Trustee or other related corporations or in such manner as the Manager and/or the Trustee deems fit.

For the purposes of the foregoing and notwithstanding any other provision in this Prospectus or any other agreements between the Cash Fund, EIF and EIUT, the Manager and/or the Trustee and the Holder, the Manager and/or the Trustee may require the Holder to provide the Manager and/or the Trustee with further information or documents as may be required for disclosure to any Authority and the Holder shall provide the same to the Manager and/or the Trustee within such time as may be reasonably required by the Manager and/or the Trustee. Accordingly, the Holder agrees, to the fullest extent permitted by law, to waive its rights and give its fullest consent to such disclosure under the Personal Data Protection Act 2012 or any applicable data protection legislation from time to time in force, and confirms, where such information contains personal data of any third party individuals, that it has obtained such waiver and consent from such third party individuals.

Notwithstanding the above and to the extent that such disclosure becomes mandatory under the applicable Singapore laws, the Manager or the Trustee shall be entitled in any and all events to make such disclosure without the prior consent of, or any notification to, the Holder or to make such disclosure in such manner as may be prescribed by applicable law.

#### **20.10.2 Disclosure of information to and by the Trustee**

Holders should note that their information may be collected and processed by and/or disclosed to or by the Trustee and its associates. In particular, the Manager may provide tax documentation (which may include information of the Holder) and updated tax documentation to the Trustee and its associates. The Trustee and its associates may in turn provide such tax documentation to, and may request and receive tax documentation from, any custodian, prime broker, distributor of Units or other person receiving payments from or for the account of, or making payments to or for the account of, the relevant Fund or any Holder, if the Trustee or its associate reasonably determines that any such action is required by, or would mitigate an adverse result under, any tax rule (including, without limitation, the application of a deduction or withholding in respect of taxes, the reporting of information (such as pursuant to the CRS Regulations), or the closing, transferring or blocking of an account).

Without prejudice to the other provisions in this Prospectus, by signing the subscription form or any account opening form or other document in order to subscribe for Units, the Holder agrees that its information may be collected and processed by and disclosed to or by the Trustee and its associates as may be necessary for the Trustee to comply with any tax rules and confirms, where such information contains personal data of any third party individuals, that the Holder has obtained consent from such third party individuals to such personal data being so collected and processed by and disclosed to the Trustee.

#### **20.10.3 Updating of information on Holders**

Notwithstanding any other provision in this Prospectus or any other agreements between the Cash Fund, EIF and EIUT, the Manager and/or the Trustee and the Holder, the Manager and/or the Trustee will require the Holder to provide such assistance as may be necessary (including where required, providing the Manager and/or the Trustee with further information and documents relating to the Holder, its associated persons or affiliates and additionally, where it is a corporation or any other type of entity, further information and documents relating to its management and legal or beneficial owners) to enable the Manager and/or the Trustee to comply with its or the Cash Fund's, EIF's or EIUT's obligations under all Applicable Requirements concerning the Holder's investments in units of the Cash Fund, EIF or EIUT (as the case may be).

The Holder shall update the Manager and/or the Trustee in a timely manner of any change to any of the details previously provided to the Manager and/or the Trustee whether at time of subscription or at any other times. In particular, it is very important that the Holder notifies the Manager and/or the Trustee immediately, if:

- (a) the Holder is an individual, and there is a change in his/her nationality, acquires additional nationality or citizenship, changes in tax residency; or
- (b) the Holder is a corporation or any other type of entity, and there is a change in its registered address, address of its place of business, substantial shareholders or their details, legal and beneficial owners or controllers or their details.

If any of these changes occur or if any other information comes to light concerning such changes, the Manager and/or the Trustee may need to request certain documents or information from the Holder. Such information and documents include but are not limited to duly completed and/or executed (and, if necessary, notarised) tax declarations or forms (including but not limited to the US Department of the Treasury Internal Revenue Service's tax forms) and the Holder shall provide the same to the Manager and/or the Trustee within such time as may be reasonably required by the Manager and/or the Trustee. Accordingly, the Holder consents to the collection, processing and/or disclosure of such information and documents by the Manager and/or the Trustee, and confirms, where such information contains personal data of any third party individuals, that it has obtained such consent from such third party individuals.

#### **20.10.4 Non-compliance**

1. If the Holder does not provide the Manager and/or the Trustee with the information or documents or other assistance requested in a timely manner or if the Holder at any time withdraws its consent to the disclosure by the Manager and/or the Trustee of any particulars or information relating to the Holder and/or the Holder's investments to any Authority; or
2. if the Holder does not update the Manager and/or the Trustee in a timely manner of any change to any of the details previously provided to the Manager and/or the Trustee whether at time of subscription or at any other times; or
3. if any information or documents provided are not up-to-date, accurate or complete such that the Manager and/or the Trustee is unable to ensure its or the Cash Fund's, EIF's or EIUT's (as the case may be) ongoing compliance or adherence (whether voluntary or otherwise) with the Applicable Requirements,

the Holder accepts and agrees that:

- (a) the Manager shall be entitled to effect a redemption of units of the relevant Fund held by the Holder upon reasonable notice as if the Holder had requested the redemption of such Units pursuant to the provisions of the relevant Deed to meet the Cash Fund's, EIF's or EIUT's (as the case may be), the Manager's and/or the Trustee's obligations under the Applicable Requirements notwithstanding any loss that this may cause to the Holder and the Manager shall notify the Trustee before any such redemption is made; and/or
- (b) the Manager and/or the Trustee may withhold payment of any amount due to the Holder in order to comply with the Applicable Requirements; and/or
- (c) the Manager and/or the Trustee may take any and all steps as it deems fit to ensure compliance or adherence (whether voluntary or otherwise) with the Applicable Requirements and/or to protect its interest with respect to such Applicable Requirements.

**20.11 Other information relating to the M&G Global Themes Fund**

Please refer to Appendix 2 hereto, which sets out information relating to the M&G Global Themes Fund, a sub-fund of the M&G Investment Funds (1), an open-ended investment company with variable capital which was incorporated in England and Wales and authorised by the Financial Conduct Authority ("FCA") with effect from 6 June 2001. M&G Investment Funds (1) has been established for an unlimited duration and was certified by the FCA as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on undertakings for collective investment in transferable securities ("UCITS").

**20.12 Other information relating to the Underlying Entities under Eastspring Investments**

Please refer to Appendix 3 hereto, which sets out information relating to Eastspring Investments – US High Yield Bond Fund, Eastspring Investments – Asian Bond Fund, Eastspring Investments - Pan European Fund, Eastspring Investments - Global Technology Fund, Eastspring Investments - Asian Equity Income Fund, Eastspring Investments - US High Investment Grade Bond Fund, Eastspring Investments - US Investment Grade Bond Fund and Eastspring Investments - Asian Infrastructure Equity Fund, which are sub-funds of Eastspring Investments which is an open-ended investment company with variable capital (société d'investissement à capital variable) registered in the Grand Duchy of Luxembourg on the official list of collective investment undertakings pursuant to Part I of the Luxembourg law of 17th December 2010 relating to undertakings for collective investment and the Directive 2009/65/EC of the European Union Parliament and of the Council of 13 July 2009 (the "UCITS Directive").

**21. Queries and Complaints**

If you have questions concerning your investment in any Fund, you may call (65) 6349 9711 for assistance or visit our appointed distributors listed on [www.eastspring.com.sg](http://www.eastspring.com.sg).

## Schedule 1 - Cash Fund

The Cash Fund is a “money market fund” as defined in Appendix 2 of the Code, which together with Appendix 1 of the Code constitutes the money market funds investment guidelines, as may be amended from time to time (“**Money Market Funds Investment Guidelines**”).

*You should note that the purchase of a Unit in the Cash Fund is not the same as placing funds on deposit with a bank or deposit-taking company. Although the Manager may seek to maintain or preserve the principal value of the Cash Fund, there can be no assurance that the Cash Fund will be able to meet this objective. The Cash Fund is not a guaranteed fund, in that there is no guarantee as to the amount of capital invested or return received.*

### I. Structure

The Cash Fund is a fund organised as a direct investment portfolio.

### II. Investment Objective

The investment objective of the Cash Fund is to provide liquidity to investors and provide a return comparable to that of Singapore-dollar savings deposits. The Cash Fund will predominantly hold its assets in Singapore-dollar deposits with eligible financial institutions as defined in the Money Market Funds Investment Guidelines (“**Eligible Financial Institutions**”)<sup>11</sup>, with varying terms of maturity of not more than 366 calendar days.

### III. Investment Focus and Approach

The investment focus and approach of the Cash Fund is to predominantly place its deposited property in Singapore-dollar deposits with Eligible Financial Institutions.

Depending on liquidity needs and requirements of the Cash Fund, the Manager may place deposits of varying maturity tenures of not more than 366 calendar days with such Eligible Financial Institutions.

The Money Market Funds Investment Guidelines shall apply to the Cash Fund.

The Manager will not be investing in derivatives for the Cash Fund.

### IV. Product Suitability

The Cash Fund is only suitable for investors who:

- seek liquidity and a return comparable to that of Singapore-dollar savings deposits; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult their financial advisers if in doubt whether this product is suitable for you.**

### V. Fund Details

<b>Benchmark</b>	Singapore-dollar Saving Deposits Rate
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Minimum Initial Investment Sum</b>	S\$500
<b>Minimum Subsequent Investment Sum</b>	S\$500
<b>Minimum Realisation</b>	50 Units
<b>Minimum Holding</b>	500 Units or such number of Units which were and would have been subscribed or purchased for S\$500 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$500 per month
<b>Dealing Day</b>	Generally each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

<sup>11</sup> An **eligible financial institution** is defined in the Money Market Funds Investment Guidelines to be:

- (i) a financial institution which has a minimum short-term rating of F-2 by Fitch, P-2 by Moody’s or A-2 by Standard and Poor’s (including such sub-categories or gradations therein); or
- (ii) a financial institution rated other than by the credit rating organisations specified in (i) above for which the manager has satisfied the trustee that its short-term rating is comparable to the ratings in (i) above ; or
- (iii) a Singapore-incorporated bank licensed under the Banking Act, Chapter 19 of Singapore, which is not rated, but has been approved under the Central Provident Fund Investment Scheme to accept fixed deposits.

**VI. Fees and Charges**

There are no initial sales charge and realisation charge for the Cash Fund.

<b>Fees and charges payable by the Fund</b>	
Management Fee	Currently 0.32% p.a. (maximum 0.5% p.a.)
Trustee's Fee	Currently not more than 0.04% p.a. (maximum not more than 0.04% p.a.)

The total expense ratio for the Cash Fund will be capped at 0.35% p.a. Any expense beyond 0.35% p.a. will be borne by the Manager.

## Schedule 2 - Monthly Income Plan

The name of the sub-fund, “**Monthly Income Plan**”, should not be taken as implying that monthly or regular distributions in respect of Units will be made.

### I. Structure

The Monthly Income Plan currently invests into the Luxembourg-domiciled Eastspring Investments – US High Yield Bond Fund (“**US HYB Underlying Fund**”) and the Luxembourg-domiciled Eastspring Investments – Asian Bond Fund (“**AB Underlying Fund**”).

Eastspring Investments (Luxembourg) S.A. is the management company of Eastspring Investments. The investment manager of the US HYB Underlying Fund and the AB Underlying Fund is the Manager. The sub-manager of the US HYB Underlying Fund is PPM America, Inc..

The Manager is currently offering four Classes of Units in the Monthly Income Plan:

Classes of Units	Investor type	Currency of the Class	Distribution Policy
Class A	All investors	SGD	Annual payout
Class M	All investors	SGD	Monthly payout
Class M (RMB hedged)	All investors	CNH	Monthly payout
Class IA	Certain distributors and such other investors at the discretion of the Manager	SGD	Annual payout

The four Classes of Units have been established by the Manager for internal classification purposes to enable the different frequency and amount of payouts and do not constitute separate pools of assets. There are separate indicative NAVs in respect of each Class of Units.

*Please note that as at the date of this Prospectus, the US HYB Underlying Fund and the AB Underlying Fund have been recognised by the MAS pursuant to section 287 of the SFA.*

### II. Investment Objective and Focus

The investment objective of the Monthly Income Plan is to seek to provide investors with regular income and capital growth by investing:

- (i) 30% to 70% of its assets into the US HYB Underlying Fund; and
- (ii) 30% to 70% of its assets into the AB Underlying Fund,

(collectively, the “**Underlying Funds**”).

The Monthly Income Plan may in addition, at the Manager’s absolute discretion, invest up to 20% of its assets in any other Asia Pacific investments (including real estate investment trusts, dividend yielding equities and any other sub-funds of the Luxembourg-domiciled Eastspring Investments, subject to the prior approval of the MAS where necessary). The Manager may use FDIs for the purposes of EPM and/or hedging (including to hedge the foreign currency exposure of the Monthly Income Plan by, for instance, entering into one or more foreign exchange forward contracts and/or cross currency swap transactions).

The US HYB Underlying Fund invests in a diversified portfolio consisting primarily of high yield bonds and other fixed income/debt securities denominated in US Dollars, issued in the US market (including “**Yankee**” and “**Global**” bonds) rated below BBB-. Up to 20% of its assets may be invested in investment grade securities (i.e. BBB- and above). Yankee bonds mean debt of foreign issuers issued in the US domestic market. Global bonds mean debt issued simultaneously in the eurobond and US domestic bond markets.

The AB Underlying Fund invests in a diversified portfolio consisting primarily of fixed income/debt securities issued by Asian entities or their subsidiaries. Its portfolio primarily consists of securities denominated in US Dollars as well as the various Asian currencies and aims to maximise total returns through investing in fixed income/debt securities that are rated as well as unrated.

The AB Underlying Fund may invest up to 20% of its net assets in ABS, MBS, contingent convertible bonds (“**Cocos**”), distressed securities and defaulted securities, with a limit of 10% for distressed securities and defaulted securities combined. In addition, the AB Underlying Fund may invest up to 10% of its net assets in synthetic fixed income instruments (including credit-linked notes). It may also hold up to 10% of its net assets in equity securities to the extent that such securities result from the conversion or exchange of a preferred stock or debt obligation.

The AB Underlying Fund may make investments up to 10% of its net assets in Chinese onshore debt securities through the China interbank bond market direct access program (the “**CIBM Direct Access Program**”) and/or China Hong Kong Bond Connect (“**Bond Connect**”).

### III. Investment Approach

In managing the Monthly Income Plan, the Manager will first assess the attractiveness of Asian bonds relative to US high yield bonds by looking at their relative credit spreads as well as versus their own history. The Manager also assesses the attractiveness of Asian equities relative to US Dollars denominated bonds. The Manager will then arrive at the final asset allocation of the Monthly Income Plan after taking into consideration all these factors. The selection of the individual stocks within the Monthly Income Plan is driven by bottom-up stock ideas.

In deciding the asset allocation of the Monthly Income Plan, the Manager adopts a valuation-based investment approach and aims to exploit market inefficiency and dispersion of investment returns.

The investment sub-manager of the US HYB Underlying Fund uses a value-oriented “bottom-up” approach, which focuses on bond specifics. The investment process is credit intensive with a focus on relative valuations. The investment sub-manager’s credit analysis team analyses both investment grade and high yield bonds, allowing for swift capturing of investment opportunities across the rating spectrum.

While focusing on bond specifics, the investment sub-manager is also aware of the opportunities that might be uncovered by the business cycle and believes that the returns from active management are maximised by forming portfolios that take measured, diversified risks across multiple portfolio dimensions, including sectors, securities and maturities.

The AB Underlying Fund applies both a “top-down” and “bottom-up” investment management approach in deriving its duration, credit and currency allocation strategies. From a “top-down” perspective, economic and market analysis are carried out to determine the outlook for interest rate markets, as well as credit and currency trends. This is necessarily combined with a “bottom-up” credit selection process, which is based on research and analysis of credit issuers, to identify value opportunities and avoid potential default events.

The strongest investment ideas from the above analyses then become candidates for inclusion in the portfolio. There is also a strong emphasis on risk management in the portfolio construction process, to ensure that active risks are taken in a diversified manner and that potential returns commensurate with the risks taken on each investment.

### IV. Distribution Policy

As part of the investment objective of the Monthly Income Plan, the Manager intends to make regular annual distributions for Class A and Class IA and regular monthly distributions for Class M and Class M (RMB hedged). Distribution amounts and distribution dates in respect of Class A, Class M, Class M (RMB hedged) and Class IA shall be determined by the Manager at the beginning of each financial year of the Monthly Income Plan.

As at the date of this Prospectus, the Manager intends to make distributions as follows:

Class	Distribution Rate (per Unit)	Distribution Frequency	Distribution Date
Class A	SGD0.05	Annual	Last Business Day of January or such other date as the Manager may in its absolute discretion determine
Class M	(i) Monthly payments of SGD0.004 in respect of the first 11 calendar months from the anniversary of the Monthly Income Plan’s inception (i.e. February to December); and (ii) SGD0.006 in respect of the 12 <sup>th</sup> calendar month (i.e. January)	Monthly	Last Business Day of every calendar month or such other dates as the Manager may in its absolute discretion determine
Class M (RMB hedged)	(i) Monthly payments of CNH0.04 in respect of the first 11 calendar months from the anniversary of the Monthly Income Plan’s inception (i.e. February to December); and (ii) CNH0.06 in respect of the 12 <sup>th</sup> calendar month (i.e. January)	Monthly	Last Business Day of every calendar month or such other dates as the Manager may in its absolute discretion determine
Class IA	SGD0.05	Annual	Last Business Day of January or such other date as the Manager may in its absolute discretion determine

The annual and monthly distributions as described above shall be based on the number of Units held by each Holder as at the Distribution Date as evidenced by the Register of Holders in the Monthly Income Plan. For the avoidance of doubt, where a Distribution Date falls on a Dealing Day, Holders who realise, switch or exchange their Units or who submit a realisation, switching or exchange request on or before a Distribution Date will not be counted as a registered Holder in respect of the Units realised, switched or exchanged on that Distribution Date or as set out in the realisation, switching or exchange request and therefore, will not receive the relevant distribution in relation to those Units.



Distribution payments shall, at the sole discretion of the Manager, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Monthly Income Plan or a combination of (a) and/or (b) and/or (c).

Distributions will be payable to Holders within 30 days from the relevant Distribution Date. You may choose (subject to the distribution reinvestment policy of the relevant appointed distributor) to either receive all (but not part) of the distributions of a Class in cash or to have all (but not part) of the distributions of a Class reinvested in the Monthly Income Plan.

#### Distribution Reinvestment Mandate

At the time of an initial application for Units of Class A, Class IA, Class M or Class M (RMB hedged) in the Monthly Income Plan or at any time after (subject to the distribution reinvestment policy of the relevant appointed distributor), you may request in writing (a “**Distribution Reinvestment Mandate**”) for the automatic reinvestment of all (but not part) of the net amount of distributions in respect of the Class A, Class IA, Class M Units or Class M (RMB hedged) (as the case may be) to be received by you in the purchase of further Units of Class A, Class IA, Class M or Class M (RMB hedged) (as the case may be) of the Monthly Income Plan (including fractions of such Units, if any). Once you make a Distribution Reinvestment Mandate, it shall apply to all your Units of the relevant Class in the Monthly Income Plan at any particular time. After the initial application, you can withdraw a Distribution Reinvestment Mandate by giving the Manager not less than 30 days’ notice in writing prior to the date of any particular distribution. If you withdraw the Distribution Reinvestment Mandate, the distribution, if any, to be made to you shall be the relevant amount in cash available for distribution in respect of your holding of Units of the relevant Class in the Monthly Income Plan.

*Distributions are at the discretion of the Manager and there is no guarantee that any distribution will be made. If distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance/distribution of the Monthly Income Plan. The making of any distribution shall not be taken to imply that further distributions will be made. The Manager may also vary the frequency and/or amount of the distributions made.*

*You should also note that distributions of the Monthly Income Plan may, if income and net capital gains are insufficient, be made out of the capital of the Monthly Income Plan. If distributions are made out of the capital of the Monthly Income Plan, Holders will be notified accordingly of the proportion of the distribution which is made out of the capital of the Monthly Income Plan.*

*When distributions are declared and paid out (including out of capital) with respect to the Monthly Income Plan, the net assets attributable to the relevant Class of Units will stand reduced by an amount equivalent to the product of the number of Units outstanding and distribution amount declared per Unit.*

#### V. Product Suitability

The Fund is only suitable for investors who:

- (i) seek regular income and capital growth;
- (ii) are comfortable with the risks of a fund investing mainly in US Dollar denominated bonds issued in the US and Asia; and
- (iii) appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

You should note that investment in a hedged Class is suitable for investors who already have exposure to, or have all or part of their deposits, assets and liabilities denominated in, the reference currency of the hedged Class.

**You should consult your financial advisers if in doubt whether this product (or a particular Class) is suitable for you.**

#### VI. Fund Details

<b>Benchmark</b>	50% JP Morgan Asia Credit Index and 50% BofA Merrill Lynch US High Yield Constrained Index
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS (only Class A and Class M Units may be purchased with SRS monies)
<b>Investment Manager of Fund and Underlying Funds</b>	Eastspring Investments (Singapore) Limited
<b>Sub-Manager of US HYB Underlying Fund</b>	PPM America, Inc
<b>Dealing Day</b>	Generally each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

	<b>Class A</b>	<b>Class M</b>	<b>Class M (RMB hedged)</b>	<b>Class IA</b>
<b>Minimum Initial Investment Sum</b>	S\$1,000	S\$1,000	CNH10,000	S\$10,000,000
<b>Minimum Subsequent Investment Sum</b>	S\$100	S\$100	CNH500	S\$1,000
<b>Minimum Realisation</b>	100 Units	100 Units	100 Units	1,000 Units
<b>Minimum Holding</b>	1,000 Units or such number of Units as may be purchased for S\$1,000*	1,000 Units or such number of Units as may be purchased for S\$1,000*	1,000 Units or such number of Units as may be purchased for CNH10,000*	10,000,000 Units or such number of Units as may be purchased for S\$10,000,000*
<b>Regular Savings Plan</b>	S\$100 per month**	S\$100 per month**	CNH 500 per month**	Not available
<b>Class Currency</b>	Singapore Dollars	Singapore Dollars	Offshore renminbi (CNH)	Singapore Dollars

\*The number of Units which would have been purchased for the prescribed S\$ or CNH amount is determined based on the issue price prevailing on the date of initial purchase or subscription of Units (in respect of minimum holding for realisations) or the date of application to join the RSP (in respect of minimum holding for joining the RSP).

\*\*Holders participating in a RSP for Class A or Class M Units of the Monthly Income Plan may opt to invest the minimum sum of S\$100 per month through GIRO payment (or such other amounts as the Manager may determine). GIRO payment is not available to Holders participating in a RSP for Class M (RMB hedged) Units.

## VII. Fees and Charges

<b>Fees and charges payable by Holder</b>		
Initial Sales Charge	Class A, Class M and Class M (RMB hedged)	5% (maximum 5%)
	Class IA	0% (maximum 5%)
Realisation Charge	0% (maximum 2%)	
Switching Fee (in respect of allowed switches amongst Classes of the Fund)	1% (maximum 2%)	
Switching Fee (in respect of allowed exchanges for units of any Group Trust)	1%*	

\* The Manager may from time to time determine the fee in respect of any exchanges (where allowed by the Manager) of all or any of the Units of the Fund for units of any other Group Trust.

<b>Fees and charges payable by Fund</b>		
Management Fee	Class A, Class M and Class M (RMB hedged)	1.25% p.a.^ (maximum 2% p.a.)
	Class IA	0.625% p.a. ^ (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)	
Valuation Fee	Up to 0.04% p.a.	
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.	
Other fees charged by Underlying Funds e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Custodian and transaction fee: 0.03% p.a.*, but subject to change from time to time, depending on various factors, including, inter alia, the number of transactions entered into by the Underlying Funds and the country where the assets are kept.  Fund administration fee: 0.03% p.a.*	

^ Includes the management fees charged by the investment manager of the Underlying Funds.

\* Based on the audited accounts of the Underlying Funds as at 31 December 2016.

## Schedule 3 - Pan European Fund

### I. Structure

Pan European Fund is organised as a feeder fund which feeds into the Luxembourg-domiciled Eastspring Investments – Pan European Fund (“PE Underlying Fund”).

Eastspring Investments (Luxembourg) S.A. is the management company of Eastspring Investments. The investment manager and sub-manager of the PE Underlying Fund is the Manager and the UK domiciled M&G Investment Management Limited respectively.

*Please note that as at the date of this Prospectus, the PE Underlying Fund has been recognised by the MAS pursuant to section 287 of the SFA and is available to the retail public in Singapore for direct investment. You can contact the relevant appointed distributors for information on how you can invest directly into the PE Underlying Fund. Investments into the PE Underlying Fund by way of a feeder fund structure may incur in aggregate higher fees and charges than would otherwise be payable if such investments were made directly.*

### II. Investment Objective

The investment objective of the Pan European Fund is to maximise long-term total return by investing in equity and equity-related securities of companies, which are incorporated, or have their area of primary activity, in Europe (including the United Kingdom). The Pan European Fund may also invest in depository receipts, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Pan European Fund into the PE Underlying Fund which shares the same investment objective.

### III. Investment Focus and Approach

The PE Underlying Fund is a concentrated portfolio, making long term investments in companies from across the pan-European investment universe. The sub-manager of the PE Underlying Fund adopts a bottom-up approach to stock selection, based on extended fundamental research. The investment approach focuses on quality companies with economic moats to protect their profitability and with an element of change to drive their value. Importantly, the fund manager takes advantage of short-term ‘disruptions’ that provide clear valuation entry points. The fund manager believes that a focus on quality and value offers a powerful combination, providing the long term compound value of quality businesses as well as the potential boost to a company’s share price when a short term disruption has been resolved. The sub-manager of the PE Underlying Fund works closely with its risk management team to ensure that the primary driver of the portfolio’s risk is stock selection. Investors can expect a long-term, bottom-up investment approach with moderate turnover.

### IV. Product Suitability

The Fund is only suitable for investors who:

- seek long-term total return;
- are comfortable with risks of an equity fund that invests in European companies (including the United Kingdom); and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

### V. Fund Details

<b>Benchmark</b>	MSCI Europe Index
<b>CPF Investment Scheme (CPFIS)</b>	Included under the CPFIS - Ordinary Account
<b>CPF Risk Classification</b>	Higher Risk – Narrowly Focused – Regional – Europe
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund and PE Underlying Fund</b>	Eastspring Investments (Singapore) Limited
<b>Sub-Manager of PE Underlying Fund</b>	M&G Investment Management Limited
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

**VI. Fees and Charges**

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	5% (in respect of subscriptions made using cash and SRS monies) and 3% (in respect of subscriptions made using CPF monies) (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)
<b>Fees and charges payable by Fund</b>	
Management Fee	1.5% p.a. <sup>^</sup> (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Other fees charged by PE Underlying Fund e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Custodian and transaction fee: 0.04% p.a.*, but subject to change from time to time, depending on various factors, including, inter alia, the number of transactions entered into by the PE Underlying Fund and the country where the assets are kept. Fund administration fee: 0.02% p.a.*

<sup>^</sup> Includes the management fee charged by the investment manager of the PE Underlying Fund.

\* Based on the audited accounts of the PE Underlying Fund as at 31 December 2016.

## Schedule 4 - Global Technology Fund

### I. Structure

Global Technology Fund is organised as a feeder fund which feeds into the Luxembourg-domiciled Eastspring Investments – Global Technology Fund (“GT Underlying Fund”).

Eastspring Investments (Luxembourg) S.A. is the management company of Eastspring Investments. The investment manager and sub-manager of the GT Underlying Fund is the Manager and the UK domiciled Henderson Global Investors Limited respectively.

*Please note that as at the date of this Prospectus, the GT Underlying Fund has been recognised by the MAS pursuant to section 287 of the SFA and is available to the retail public in Singapore for direct investment. You can contact the relevant appointed distributors for information on how you can invest directly into the GT Underlying Fund. Investments into the GT Underlying Fund by way of a feeder fund structure may incur in aggregate higher fees and charges than would otherwise be payable if such investments were made directly.*

### II. Investment Objective

The investment objective of the Global Technology Fund is to maximise long-term total returns through investment in equities and equity-related securities of companies around the world with innovative products, processes or services. These investments include, but are not restricted to, those companies whose provision or use of technology give them a strategic advantage in the market. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Global Technology Fund into the GT Underlying Fund which shares the same investment objective.

### III. Investment Focus and Approach

The technology team of the sub-manager of the GT Underlying Fund employs a “bottom-up” investment strategy with the aim to outperform the market consistently. Each stock is subjected to rigorous analysis to determine its potential to deliver the best returns for investors.

The technology team views technology stocks as global, rather than country specific. The Fund takes a geographically diversified approach and operates within broad asset allocation ranges. There are no specified limits on the amounts that the Fund can or must invest in any geographical region or single country. There are two key characteristics which the technology team focuses on:

- (i) organic growth potential of a company’s products; and
- (ii) the competitive environment it operates in – how strong are the barriers to entry?

While observing the investment restrictions as set out in the Authorised Funds Investment Guidelines and the CPF Investment Guidelines, the GT Underlying Fund may also invest in global, American, European, transferable or other depository receipts.

### IV. Product Suitability

The Fund is only suitable for investors who:

- seek long-term total return;
- are comfortable with risks associated with investments in technology-related industries and the greater volatility of a sector-based fund; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

### V. Fund Details

<b>Benchmark</b>	MSCI All Countries World Information Technology Index
<b>CPF Investment Scheme (CPFIS)</b>	Included under the CPFIS - Ordinary Account
<b>CPF Risk Classification</b>	Higher Risk – Narrowly Focused – Sector – Technology
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund and GT Underlying Fund</b>	Eastspring Investments (Singapore) Limited
<b>Sub-Manager of GT Underlying Fund</b>	Henderson Global Investors Limited
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month

<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

## VI. Fees and Charges

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	5% (in respect of subscriptions made using cash and SRS monies) and 3% (in respect of subscriptions made using CPF monies) (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)

<b>Fees and charges payable by Fund</b>	
Management Fee	1.5% p.a. <sup>^</sup> (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Other fees charged by GT Underlying Fund e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Custodian and transaction fee: 0.04% p.a.*; but subject to change from time to time, depending on various factors, including, inter alia, the number of transactions entered into by the GT Underlying Fund and the country where the assets are kept. Fund administration fee: 0.03% p.a.*

<sup>^</sup> Includes the management fee charged by the investment manager of the GT Underlying Fund.

\* Based on the audited accounts of the GT Underlying Fund as at 31 December 2016.

## Schedule 5 - Asian Balanced Fund

### I. Structure

The Asian Balanced Fund is organised as a feeder fund which feeds into the Luxembourg - domiciled Eastspring Investments – Asian Equity Income Fund (“**Asian Equity Underlying Fund**”) for its equity participation and Eastspring Investments – US High Investment Grade Bond Fund (“**US HIG Bond Underlying Fund**”) and Eastspring Investments – US Investment Grade Bond Fund (“**US IG Bond Underlying Fund**”) for its bond participation.

Eastspring Investments (Luxembourg) S.A. is the management company of Eastspring Investments.

The investment manager of Asian Equity Underlying Fund, US HIG Bond Underlying Fund and US IG Bond Underlying Fund is the Manager.

The sub-manager of the US HIG Bond Underlying Fund and US IG Bond Underlying Fund is PPM America, Inc.

*Please note that as at the date of this Prospectus, the Asian Equity Underlying Fund, the US HIG Bond Underlying Fund and the US IG Bond Underlying Fund have been recognised by the MAS pursuant to section 287 of the SFA.*

### II. Investment Objective

The investment objective of the Asian Balanced Fund is to maximise total return in the medium to long term by investing in a portfolio comprising equities of companies in the Asian ex-Japan region, and quality corporate bonds and other fixed income securities issued in the United States market.

### III. Underlying funds

(i) Asian Equity Underlying Fund

Eastspring Investments – Asian Equity Income Fund

The Eastspring Investments – Asian Equity Income Fund’s investment objective is to maximise income by investing primarily in equity and equity-related securities of companies, which are incorporated, listed in or have their area of primary activity in the Asia Pacific ex-Japan region\*\*. The Eastspring Investments – Asian Equity Income Fund may also invest in depository receipts including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants.

\*\*For purposes of the Asian Equity Underlying Fund, as at the date of this Prospectus, the Asia Pacific ex-Japan region includes but is not limited to the following countries: Korea, Taiwan, Hong Kong, Philippines, Thailand, Malaysia, Singapore, Indonesia, People’s Republic of China, India, Australia and New Zealand

(ii) US HIG Bond Underlying Fund

The US HIG Bond Underlying Fund invests in a diversified portfolio consisting primarily of high quality bonds and other fixed income / debt securities denominated in US dollars, issued in the US market (including “Yankee” and “Global” bonds) rated single A flat and above. The US HIG Bond Underlying Fund may continue to hold / invest in securities that are downgraded below the minimum indicated rating after purchase but may not make additional purchases of such securities. Yankee bonds mean debt of foreign issuers issued in the US domestic market. Global bonds mean debt issued simultaneously in the eurobond and US domestic bond markets.

(iii) US IG Bond Underlying Fund

The US IG Bond Underlying Fund invests in a diversified portfolio consisting primarily of quality bonds and other fixed income / debt securities denominated in US dollars, issued in the US market (including “Yankee” and “Global” bonds) rated BBB - (BBB Minus) and above. The US IG Bond Underlying Fund may continue to hold / invest in securities that are downgraded below the minimum indicated rating after purchase but may not make additional purchases of such securities. Yankee bonds mean debt of foreign issuers issued in the US domestic market. Global bonds mean debt issued simultaneously in the eurobond and US domestic bond markets.

### IV. Investment Focus

The Asian Balanced Fund is designed to be an effective way of meaningfully participating in Asian ex-Japan equities, taking advantage of the potentially higher returns associated with Asian economies, while offsetting some of the associated volatility by investing in the quality (investment grade) segment of the US bond market.

### V. Investment Approach

#### • *Adding value through an active asset allocation process*

Rather than having a fixed asset allocation regardless of market conditions, the Manager will systematically vary the portfolio’s investments in equities, bonds or cash, so as to reflect the prevailing market and economic dynamics and in so doing, add value to a passive long-term strategic asset mix. The long-term strategic asset mix and maximum tactical tilts are as follows:

Long-term Strategic Asset Mix	:	50% Equities - 50% Bonds
Maximum Tactical Tilts	:	+/- 20%

In determining the asset allocation of the Fund, the Manager adopts a valuation-based investment approach and aims to exploit market inefficiency and dispersion of investment returns.

#### Asian Equity Underlying Fund

The first part of the process is idea generation. This is a systematic starting point where the Manager as the investment manager of the Asian Equity Underlying Fund uses proprietary screens across a wide investment universe applying consistent anchors around valuation and dividend yield. This allows the Manager to be equipped to rapidly identify high yielding stocks that are also valuation outliers which may become investment candidates. The next stage is the fundamental analysis of these outliers. This fundamental analysis drives the Manager's investment approach and the Manager employs a strong discipline around a single valuation framework. The Manager insists on challenge and debate to test the assumptions and help to achieve a level of conviction in the valuation of each security. The next stage is portfolio construction. In taking active risk the Manager considers the stock by stock relationships in the fund to ensure sufficient diversification. The Manager establishes an explicit link between risk and return which reinforces the Manager's ability to take long-term positions without being forced to close positions in response to excessive volatility. The last stage is review and control. This is a team-owned responsibility involving a formal peer review of all strategies which ensures the integrity of the Manager's process.

#### US HIG Bond Underlying Fund and US IG Bond Underlying Fund

The sub-manager of US HIG Bond Underlying Fund and US IG Bond Underlying Fund uses a combination of a value-oriented "top-down" approach, which focuses on bond sectors, and a value-oriented "bottom-up" approach, which focuses on bond specifics. The investment process is credit intensive with a focus on relative valuations. The sub-manager's credit analysis team analyses both investment grade and high yield bonds, aiming to capture investment opportunities across the rating spectrum. While focusing on bond specifics, the sub-manager also seeks opportunities that might be uncovered by the business cycle, and believes that the returns from active management are maximised by forming portfolios that take measured, diversified risks across multiple portfolio dimensions, including sectors, securities and maturities.

### VI. Product Suitability

The Fund is only suitable for investors who:

- seek total return in the medium to long term;
- seek a fund that invests in both equities and bonds; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

### VII. Fund Details

<b>Benchmark</b>	50% MSCI AC Asia Pacific ex Japan Index  30% The BofA Merrill Lynch U.S. Corporates, A2 Rated and above Index (formerly known as Merrill Lynch US Corporates A-AAA rated (adjusted for A- credits))  20% The BofA Merrill Lynch U.S. Corporates, BBB3-A3 Rated Index (formerly known as Merrill Lynch US Corporates BBB – A rated)
<b>CPF Investment Scheme (CPFIS)</b>	Included under the CPFIS - Ordinary Account and Special Account
<b>CPF Risk Classification</b>	Medium to High Risk – Narrowly Focused - Regional - Asia
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund and Underlying Funds</b>	Eastspring Investments (Singapore) Limited
<b>Sub-Manager of US HIG Bond Underlying Fund and US IG Bond Underlying Fund</b>	PPM America, Inc
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars



**VIII. Fees and Charges**

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	4% (in respect of subscriptions made using cash and SRS monies) and 3% (in respect of subscriptions made using CPF monies) (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)
<b>Fees and charges payable by Fund</b>	
Management Fee	1.3% p.a. <sup>^</sup> (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Other fees charged by Underlying Entities e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Custodian and transaction fee: 0.01% - 0.08% p.a.*, but subject to change from time to time, depending on various factors, including, inter alia, the number of transactions entered into by the Underlying Entity and the country where the assets are kept.  Fund administration fee: 0.01% - 0.08% p.a.*

<sup>^</sup> Includes the management fees charged by the investment managers of the Underlying Entities.

\* Based on the audited accounts of the Underlying Entities as at 31 December 2016.

## Schedule 6 - Dragon Peacock Fund

### I. Structure

The Dragon Peacock Fund is a fund organised as a direct investment portfolio.

For efficient portfolio management purposes, a Mauritian entity, Dragon Peacock Investments Limited has been established to hold all the investments of the Dragon Peacock Fund in China and/or India (except such investments which the Manager determines should be held directly by the Dragon Peacock Fund). The Mauritian entity is wholly-owned by the Trustee and held by the Trustee on behalf of the Dragon Peacock Fund. The Trustee remains responsible for the safe custody of the assets of the Dragon Peacock Fund held through the Mauritian entity.

The Mauritian entity was incorporated as a private company limited by shares in the Republic of Mauritius on 25 May 2004 under Section 24 of the Companies Act 2001. The Mauritian entity is registered with the Financial Services Commission of Mauritius and has been issued with a Category 1 Global Business License Company from the Financial Services Commission bearing the license number C104001022. It has also obtained a certificate of tax residency from the Director General of the Mauritius Revenue Authority in Mauritius and is expected to be governed by the provisions of the India-Mauritius Double Taxation Avoidance Treaty and the China-Mauritius Double Taxation Avoidance Treaty. If it is no longer practicable or beneficial to invest through the Mauritian entity, the Dragon Peacock Fund may elect to invest directly in China and/or India.

A copy of the constitutive documents of the Mauritian entity shall be made available for inspection, free of charge at all reasonable times and for at least three hours during normal business hours at the registered office of the Manager at 10 Marina Boulevard, #32-01 Marina Bay Financial Centre Tower 2, Singapore 018983.

### II. Investment Objective

The investment objective of the Dragon Peacock Fund is to maximise long-term total return by investing primarily in equity and equity-related instruments of corporations, which are incorporated in, or listed in, or operating principally from, or carrying on significant business in, or derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, the People's Republic of China (PRC) and the Republic of India (India).

### III. Investment Focus

The Dragon Peacock Fund is designed to be an effective way of meaningfully participating in the China-related and India-related markets, by investing in a concentrated portfolio of stocks based on the best ideas generated by the China and India equity specialists. The Dragon Peacock Fund aims to add value via tactical asset allocation between the China-related and India-related equities based on relative fundamental valuation. Careful consideration is given to capital preservation, especially when equity markets are perceived to be overvalued relative to fundamental prospects.

The investments of the Dragon Peacock Fund include, but are not limited to, listed securities in recognised markets, depository receipts including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants.

### IV. Investment Approach

#### • *Adopting a Value approach to investments*

The first part of the process is idea generation. This is a systematic starting point where the Manager uses proprietary screens across a wide investment universe of Chinese and Indian companies applying consistent anchors around valuation. This allows the Manager to be equipped to rapidly identify valuation outliers which may become investment candidates. The next stage is the fundamental analysis of these outliers. This fundamental analysis drives the Manager's investment approach and the Manager employs a strong discipline around a single valuation framework. The Manager insists on challenge and debate to test the assumptions and help to achieve a level of conviction in the valuation. The next stage is portfolio construction. In taking active risk the Managers considers the stock by stock relationships in the fund to ensure sufficient diversification. The Manager establishes an explicit link between risk and return which reinforces the Manager's ability to take long-term positions without being forced to close positions in response to excessive volatility. The last stage is review and control. This is a team-owned responsibility involving a formal peer review of all strategies which ensures the integrity of the Manager's process.

#### • *Adding value through an active asset allocation process*

Rather than having a fixed asset allocation regardless of market conditions, the Manager will systematically vary the portfolio's investments in China-related and India-related equities, so as to reflect the prevailing market dynamics and valuations and in so doing, add value to a passive long-term strategic asset mix. The long-term strategic asset mix and maximum tactical tilts are as follows:

Long-term Strategic Asset Mix : 50% China-related Equities - 50% India-related Equities.

Maximum Tactical Tilts : +/- 25%

The Manager's asset allocation process is based on examining the following factors in both India and China equity markets:

- I Valuations
  - o Market valuations relative to history
  - o Absolute valuations (price/book, price/earnings, price/cash flow, dividend yield)
  - o Earnings yield versus cash/bond yields and equity risk premium
- II Earnings
  - o Index earnings forecasts
  - o Corporate margins
  - o Consensus earnings upgrades/downgrades and earnings revision ratio
- III Stock price performance
  - o Country performance
  - o Index composition
  - o Sector performance

***You should note that the NAV of the Dragon Peacock Fund is likely to have a higher volatility due to its concentration of investment in two countries.***

#### V. Change of investment policy and exchange of Units

Investors of the Dragon Peacock Fund should note that the Luxembourg-domiciled umbrella fund Eastspring Investments has established a similar sub-fund having the same investment objective and focus as the Dragon Peacock Fund (the “**Eastspring Investments sub-fund**”). If the Eastspring Investments sub-fund is approved by the MAS as a recognised scheme available for direct investment by the retail public in Singapore, the Manager may, in consultation with the Trustee, and subject to the approval of the relevant authorities, (i) seek to terminate the Dragon Peacock Fund and exchange existing Units in the Dragon Peacock Fund for shares in the Eastspring Investments sub-fund; or (ii) change the investment policy of the Dragon Peacock Fund from a direct investment portfolio to a feeder fund investing all or substantially all of its assets into the Eastspring Investments sub-fund. You should note that on an exchange of Units for shares in the Eastspring Investments sub-fund, there is no assurance that the fees and charges of the Eastspring Investments sub-fund would not be higher than that of the Dragon Peacock Fund. You should not invest in the Dragon Peacock Fund in anticipation of investing in the Eastspring Investments sub-fund as there is no certainty whether the Eastspring Investments sub-fund may be recognised for offer to the retail public in Singapore.

#### VI. Product Suitability

The Fund is only suitable for investors who:

- seek long term total return;
- are comfortable with the risks associated with an equity fund invested in emerging markets and with the inherent higher volatility of a 2-country only fund; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

#### VII. Fund Details

<b>Benchmark</b>	50% MSCI China Index and 50% MSCI India Index
<b>CPF Investment Scheme (CPFIS)</b>	Included under the CPFIS - Ordinary Account  <b><i>The Fund no longer accepts subscriptions using CPF monies.</i></b>
<b>CPF Risk Classification</b>	Higher Risk – Narrowly Focused - Country – Country – Others
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

**VIII. Fees and Charges**

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	5% (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)

  

<b>Fees and charges payable by Fund</b>	
Management Fee	1.5% p.a. (maximum 2% p.a.)
Trustee's Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Custodian Fee	Currently below 0.15% p.a., depending on number and volume of transactions
Fee payable by Fund to Mauritian entity	Below US\$50,000 p.a. plus transactional fees

## Schedule 7 - Global Themes Fund

### I. Structure

Global Themes Fund is organised as a feeder fund, which feeds into the Sterling Class A of the M&G Investment Funds (1) – M&G Global Themes Fund (“**M&G Global Themes Fund**”), domiciled in the United Kingdom.

The investment manager of the M&G Global Themes Fund is the UK domiciled M&G Investment Management Limited.

The Manager is currently offering three Classes of Units in the Global Themes Fund, namely, SGD Class, USD Class and Euro Class. There are no material differences between the three Classes save for the difference in the base currency of each Class. Units of the SGD Class shall hereinafter be referred to as the “**SGD Class Units**”, Units of the USD Class shall hereinafter be referred to as the “**USD Class Units**” and Units of the Euro Class shall hereinafter be referred to as the “**Euro Class Units**”.

As USD Class Units and Euro Class Units are not denominated in SGD, the currency of denomination of the Global Themes Fund, you should note that the USD Class Units and Euro Class Units may be subject to additional foreign exchange risk and currency conversion costs. In addition, a separate NAV per Unit (denominated in the relevant base currency) which may differ as a consequence of the aforesaid variable factors will be calculated for each Class.

### II. Investment Objective and Focus

The investment objective of the Global Themes Fund is to provide a higher total return (the combination of capital growth and income) than that of the MSCI All Country World Index over any five-year period. The Global Themes Fund will invest at least 80% of its net asset value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets. The Global Themes Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes. Derivatives may be used for efficient portfolio management. The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Global Themes Fund into the M&G Global Themes Fund which shares the same investment objective.

### III. Investment Approach

The investment process of the M&G Global Themes Fund combines top-down and bottom-up analysis. The fund manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks that can benefit from these themes are then selected on the basis of their quality, growth and valuation.

Themes are identified through a “top-down” analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

The M&G Global Themes Fund is invested across the market-cap spectrum and is geographically diversified.

### IV. Product Suitability

The Fund is only suitable for investors who:

- seek long-term total return;
- are comfortable with the risk of a fund that invests in a diversified global portfolio of equity securities; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

### V. Fund Details

<b>Benchmark</b>	MSCI All Country World Index
<b>Supplementary Retirement Scheme (“SRS”)</b>	Included under the SRS  You should note that only the SGD Class Units of the Global Themes Fund may be purchased with SRS monies. You may pay for USD Class Units and Euro Class Units of the Global Themes Fund only with cash.
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Investment Manager of the underlying M&amp;G Global Themes Fund</b>	M&G Investment Management Limited
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

	<b>SGD Class</b>	<b>USD Class</b>	<b>Euro Class</b>
<b>Minimum Initial Investment Sum</b>	S\$1,000	US\$1,000	EUR1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100	US\$100	EUR100
<b>Minimum Realisation</b>	100 Units	100 Units	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units	1000 Units or such number of Units which were and would have been subscribed or purchased for US\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units	1000 Units or such number of Units which were and would have been subscribed or purchased for EUR1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units
<b>Regular Savings Plan</b>	Minimum of S\$100 per month	Not available	Not available
<b>Base Currency</b>	Singapore Dollars	US Dollars	Euro

## VI. Fees and Charges

<b>Fees and charges payable by Holder</b>		
Initial Sales Charge	SGD Class Units	5% (maximum 5%)
	USD Class Units	5% (maximum 5%)
	Euro Class Units	5% (maximum 5%)
Realisation Charge	0% (maximum 2%)	
Switching Fee	1% (maximum 3%)	
<b>Fees and charges payable by Fund</b>		
Management Fee	1.5% p.a. <sup>^</sup> (maximum 2% p.a.)	
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)	
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.	
Other fees charged by M&G Global Themes Fund e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Administrator and Registrar's Annual Fee: 0.15% p.a.  Custody fees range from 0.00005% to 0.40% p.a., vary from country to country depending on the markets and the type of transaction involved, and are subject to changes from time to time, depending on the markets invested by the M&G Global Themes Fund as well as the levies imposed by the stock exchanges in each market.	

<sup>^</sup> Includes the management fee charged by the investment manager of the M&G Global Themes Fund.

## Schedule 8 - Global Balanced Fund

### I. Structure

The Global Balanced Fund is organised as a feeder fund which feeds into the Sterling Class A of the United Kingdom – domiciled M&G Investment Funds (1) – M&G Global Themes Fund (“**M&G Global Themes Fund**”) for its equity participation and into the Singapore – domiciled Legg Mason Western Asset Global Bond Trust (“**LMWAGBT**”) for its bond participation.

The investment manager of the M&G Global Themes Fund is the UK domiciled M&G Investment Management Limited and the investment manager of the LMWAGBT is the Singapore incorporated Western Asset Management Company Pte. Ltd..

The sub-managers of the LMWAGBT are Western Asset Management Company (“**WAMC**”) and Western Asset Management Company Limited (“**WAMCL**”). WAMC manages the North America, South America and Central America portfolio of debt securities of the LMWAGBT and WAMCL manages the Europe, UK, Scandinavia, Middle East and Japan portfolio of debt securities of the LMWAGBT.

*Please note that as at the date of this Prospectus, the LMWAGBT has been authorised by the MAS pursuant to section 286 of the SFA.*

### II. Investment Objective

The investment objective of the Global Balanced Fund is to maximise total return in the medium to long term by investing primarily in a portfolio comprising global equities and high quality debt securities of major global bond markets.

### III. Underlying Entities

#### (i) M&G Global Themes Fund

The investment objective of the M&G Global Themes Fund is to provide a higher total return (the combination of capital growth and income) than that of the MSCI All Country World Index over any five-year period. The M&G Global Themes Fund will invest at least 80% of its net asset value in the equity securities of companies across any sectors and market capitalisations that are domiciled in any country, including emerging markets. The M&G Global Themes Fund may also invest in collective investment schemes, other transferable securities and may hold cash for liquidity purposes. Derivatives may be used for efficient portfolio management.

#### (ii) LMWAGBT

The investment objective of the LMWAGBT is to maximise total returns in Singapore Dollar terms over the longer term by investing in a portfolio of high quality debt securities of Singapore and major global bond markets such as the G10 countries and Australia and New Zealand. The LMWAGBT aims to outperform the Citigroup World Government Bond Index ex Japan hedged to Singapore Dollar.

### IV. Investment Focus and Approach

The Manager adopts a relatively balanced approach towards equities and bonds exposure with the aim of achieving potentially higher returns while minimizing volatility.

The asset allocation will normally be 60% invested in the M&G Global Themes Fund and 40% invested in the LMWAGBT. However, depending on the global market conditions, the Manager will vary the asset allocation in the range of + / - 10%.

#### • **Global equities investment approach**

The investment process of the M&G Global Themes Fund combines top-down and bottom-up analysis. The fund manager aims to identify themes arising from long-term structural shifts, changes or trends. Stocks that can benefit from these themes are then selected on the basis of their quality, growth and valuation.

Themes are identified through a “top-down” analysis of global macroeconomics, demographics, government policies and spending, and technological innovation, among other considerations.

The bottom-up stock selection process is designed to identify well-run companies which can benefit from those themes and which are trading on attractive valuations with good, sustainable growth prospects.

The M&G Global Themes Fund is invested across the market-cap spectrum and is geographically diversified.

#### • **Global markets fixed income investment approach**

The investment policy of the investment manager and (as the case may be) the sub-managers of the LMWAGBT, in managing the LMWAGBT will be to pursue an active but prudent approach which employs fundamental economic and market analysis to take maximum advantage of short and medium to long term investment opportunities in interest rate and currency trends of the global bond markets.

## V. Product Suitability

The Fund is only suitable for investors who:

- seek total return in the medium to long term;
- seek a fund that invests in both equities and bonds; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

## VI. Fund Details

<b>Benchmark</b>	60% MSCI All Country World Index 40% Citigroup World Government Bond Index ex Japan hedged to Singapore Dollars
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Investment Manager of the underlying M&amp;G Global Themes Fund</b>	M&G Investment Management Limited
<b>Investment Manager of underlying LMWAGBT</b>	Western Asset Management Company Pte. Ltd.
<b>Sub-Managers of underlying LMWAGBT</b>	Western Asset Management Company and Western Asset Management Company Limited
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

## VII. Fees and Charges

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	5% (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)
<b>Fees and charges payable by Fund</b>	
Management Fee	1.35% p.a.^ (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Other fees charged by Underlying Entity e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	<p><u>M&amp;G Global Themes Fund</u> Administrator and Registrar's Annual Fee: 0.15% p.a. Custody fees range from 0.00005% to 0.40% p.a., vary from country to country depending on the markets and the type of transaction involved, and are subject to changes from time to time, depending on the markets invested by the M&amp;G Global Themes Fund as well as the levies imposed by the stock exchanges in each market.</p> <p><u>LMWAGBT</u> Preliminary charge - Currently 3%. Maximum 3%.* Realisation fee - Currently nil. Maximum 2%.* Trustee's fee - Currently 0.075% on 1st S\$10 million. 0.05% on balance of S\$10 million and above. Maximum 0.15% p.a. subject always to a minimum of S\$15,000 p.a.</p>

^ Includes the management fees charged by the investment managers of the Underlying Entities.

\*The preliminary charge and any realisation fee is currently being waived in respect of the Fund's investments into the LMWAGBT.



## Schedule 9 - Asian Infrastructure Equity Fund

### I. Structure

The Asian Infrastructure Equity Fund is organised as a feeder fund which feeds into the Luxembourg - domiciled Eastspring Investments – Asian Infrastructure Equity Fund (“**AIE Underlying Fund**”).

Eastspring Investments (Luxembourg) S.A. is the management company of Eastspring Investments. The investment manager of AIE Underlying Fund is the Manager.

The Manager is currently offering three Classes of Units in the Asian Infrastructure Equity Fund, namely, SGD Class, USD Class and Euro Class. There are no material differences between the three Classes save for the difference in the base currency of each Class. Units of the SGD Class shall hereinafter be referred to as the “**SGD Class Units**”, Units in the USD Class shall hereinafter be referred to as the “**USD Class Units**” and Units in the Euro Class shall hereinafter be referred to as the “**Euro Class Units**”.

As USD Class Units and Euro Class Units are not denominated in SGD, the currency of denomination of the Asian Infrastructure Equity Fund, you should note that the USD Class Units and Euro Class Units may be subject to additional foreign exchange risk and currency conversion costs. In addition, a separate NAV per Unit (denominated in the relevant base currency) which may differ as a consequence of the aforesaid variable factors will be calculated for each Class.

*Please note that as at the date of this Prospectus, the AIE Underlying Fund has been recognised by the MAS pursuant to section 287 of the SFA.*

### II. Investment Objective and Focus

The investment objective of the Asian Infrastructure Equity Fund is to maximise long-term capital appreciation by investing primarily in equity and equity-related securities of corporations deriving substantial revenue from, or whose subsidiaries, related or associated corporations are engaged in, infrastructure or related business and are incorporated in, or listed in, or operating principally from the Asia ex-Japan region.

The Asian Infrastructure Equity Fund may also invest in depository receipts including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), debt securities convertible into common shares, preference shares and warrants.

The Manager intends to achieve this investment objective by investing all or substantially all of the assets of the Asian Infrastructure Equity Fund into the AIE Underlying Fund which shares the same investment objective.

You should note that “infrastructure” or “infrastructure related” may be capable of wide-ranging interpretation. The Manager has the sole discretion to decide as to what constitute “infrastructure” or “infrastructure related” investments for the purposes of any such investments under the Asian Infrastructure Equity Fund and / or AIE Underlying Fund.

### III. Investment Approach

The investable universe is defined as including but not limited to, the MSCI Energy, Telecommunication Services, Materials, Industrials and Utilities Groups in the Asia excluding Japan region. The AIE Underlying Fund may invest in stocks from outside these sectors if the stock is deemed to be a significant beneficiary from the infrastructure investments and developments in the region.

The first part of the process is idea generation. This is a systematic starting point where the Manager as the investment manager of the AIE Underlying Fund uses proprietary screens across a wide investment universe applying consistent anchors around valuation. This allows the Manager to be equipped to rapidly identify valuation outliers which may become investment candidates. The next stage is the fundamental analysis of these outliers. This fundamental analysis drives the Manager’s investment approach and the Manager employs a strong discipline around a single valuation framework. The Manager insists on challenge and debate to test the assumptions and help to achieve a level of conviction in the valuation of each security. The next stage is portfolio construction. In taking active risk the Manager considers the stock by stock relationships in the fund to ensure sufficient diversification. The Manager establishes an explicit link between risk and return which reinforces the Manager’s ability to take long-term positions without being forced to close positions in response to excessive volatility. The last stage is review and control. This is a team owned responsibility involving a formal peer review of all strategies which ensures the integrity of the Manager’s process.

### IV. Product Suitability

The Fund is only suitable for investors who:

- seek long-term capital appreciation;
- are comfortable with the risks of a fund that invests in Asia ex-Japan companies in the infrastructure sector; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

V. Fund Details

<b>Benchmark</b>	MSCI AC Asia ex Japan Custom Index
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS  You should note that only the SGD Class Units of the Asian Infrastructure Equity Fund may be purchased with SRS monies. You may pay for USD Class Units and Euro Class Units of the Asian Infrastructure Equity Fund only with cash.
<b>Investment Manager of Fund and AIE Underlying Fund</b>	Eastspring Investments (Singapore) Limited
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

	<b>SGD Class</b>	<b>USD Class</b>	<b>Euro Class</b>
<b>Minimum Initial Investment Sum</b>	S\$1,000	US\$1,000	EUR1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100	US\$100	EUR100
<b>Minimum Realisation</b>	100 Units	100 Units	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.	1000 Units or such number of Units which were and would have been subscribed or purchased for US\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.	1000 Units or such number of Units which were and would have been subscribed or purchased for EUR1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month	Not available	Not available
<b>Base Currency</b>	Singapore Dollars	US Dollars	Euro

VI. Fees and Charges

<b>Fees and charges payable by Holder</b>		
Initial Sales Charge	SGD Class Units	5% (maximum 5%)
	USD Class Units	5% (maximum 5%)
	Euro Class Units	5% (maximum 5%)
Realisation Charge	0% (maximum 2%)	
Switching Fee	1% (maximum 3%)	

<b>Fees and charges payable by Fund</b>	
Management Fee	1.5% p.a.^ (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.
Other fees charged by the AIE Underlying Fund e.g. preliminary charge, realisation fee, performance fee, trustee/custodian fee	Custodian and transaction fee: 0.10% p.a.*, but subject to change from time to time, depending on various factors, including, inter alia, the number of transactions entered into by the AIE Underlying Fund and the country where the assets are kept.  Fund administration fee: 0.04% p.a.*

^ Includes the management fee charged by the investment manager of the AIE Underlying Fund.

\* Based on the audited accounts of the AIE Underlying Fund as at 31 December 2016.

## Schedule 10 - Singapore Select Bond Fund

### I. Structure

The Singapore Select Bond Fund is a fund organised as a direct investment portfolio.

The Manager is currently offering three Classes of Units in the Singapore Select Bond Fund:

Classes of Units	Investor type	Currency of the Class	Distribution Policy
Class A	All investors	SGD	Accumulation
Class A <sub>D</sub>	All investors	SGD	Quarterly payout
Class I	Certain distributors and such other investors at the discretion of the Manager	SGD	Accumulation

There are no material differences between the Class A and Class A<sub>D</sub> save that Class A is an accumulation class whereby no dividends will be declared and paid out while in respect of Class A<sub>D</sub>, the Manager may at its sole discretion declare and pay out dividends. Units of Class A shall hereinafter be referred to as the “**Class A Units**” and Units of Class A<sub>D</sub> shall hereinafter be referred to as the “**Class A<sub>D</sub> Units**”.

The Manager may also offer Class E Units in the Singapore Select Bond Fund. Class E is not available as at the date of this Prospectus, please refer to paragraph 10.3 for details on the initial offer of this Class or check with relevant distributors on the availability of this Class.

Both Class E and Class I are accumulation classes whereby no dividends will be declared and paid out. Subscriptions into Class E and Class I will be restricted to certain investors. Fees and charges as well as minimum investment and realisation amounts for Class E and Class I also differ from those for Class A and Class A<sub>D</sub> as set out in Sections VI and VII below. Units of Class E shall hereinafter be referred to as the “**Class E Units**” and Units of Class I shall hereinafter be referred to as the “**Class I Units**”.

Classes of Units	Investor type	Currency of the Class	Distribution Policy
Class E	The Manager, investment funds managed by the Manager and such other investors at the discretion of the Manager	SGD	Accumulation

You should note that a separate NAV per Unit which may differ as a consequence of the aforesaid variable factors will be calculated for each Class.

### II. Investment Objective

The Singapore Select Bond Fund aims to maximise total returns over time by investing primarily in Singapore-dollar denominated debt securities and foreign currency debt securities which will be hedged back into Singapore Dollars.

### III. Investment Focus and Approach

The Singapore Select Bond Fund will invest primarily in Singapore-dollar denominated debt securities, including the Singapore government securities, investment grade and/or unrated debt securities issued by Singapore statutory boards and Singapore -incorporated entities as well as investment grade debt securities issued by entities outside Singapore. The Singapore Select Bond Fund may also invest up to 30% of its assets in foreign currency-denominated debt securities issued by the above entities. Any such foreign currency-denominated debt securities will be hedged back into Singapore Dollars. Additionally, the Singapore Select Bond Fund may employ derivatives for hedging or efficient portfolio management purposes.

The Manager applies a “top-down” investment management approach through economic and market analysis to establish duration, yield curve and credit strategies. This approach is complemented with a “bottom-up” credit selection process, which involves the research and analysis of bond issuers, to identify value opportunities and manage credit risks.

The investment process takes into consideration the risk-return trade off of each investment and an assessment of the likelihood associated with market outcomes that would affect the investment strategies. Portfolio positions are monitored and dynamically managed to meet the investment objective of the Singapore Select Bond Fund in varying market conditions.

### IV. Distribution Policy

The Manager intends to make quarterly distributions in respect of the Class A<sub>D</sub> Units.

The quarterly distribution dates are intended to be the last Business Day of each March, June, September and December or such other dates as the Manager may in its absolute discretion determine.

Distribution payments shall, at the sole discretion of the Manager, be made out of either (a) income; or (b) net capital gains; or (c) capital attributable to the Class A<sub>D</sub> Units of the Singapore Select Bond Fund or a combination of (a) and/or (b) and/or (c).

**You are reminded that the aforementioned intention to make quarterly distributions is not guaranteed and is determined by the Manager.**

**Distributions are at the discretion of the Manager and there is no guarantee that any distribution will be made. If distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance/distribution of the Singapore Select Bond Fund. The making of any distributions shall not be taken to imply that further distributions will be made. The Manager may also vary the frequency and/or amount of the distributions made.**

When distributions are declared and paid out with respect to the Class A<sub>D</sub> Units of the Singapore Select Bond Fund, the net assets attributable to the Class A<sub>D</sub> Units will stand reduced by an amount equivalent to the product of the number of Class A<sub>D</sub> Units outstanding and distribution amount declared per Class A<sub>D</sub> Unit.

The distributions shall be based on the number of Class A<sub>D</sub> Units held by each Holder as at the relevant distribution date as evidenced by the Register. Distributions will be made to Holders within 30 days from the relevant distribution date. If any distribution date falls on a Dealing Day, Holders who realise their Class A<sub>D</sub> Units or who submit a realisation request on or before the distribution date (before the dealing deadline for that Dealing Day and whose realisation has been accepted) will not be treated as a registered Holder in respect of the Class A<sub>D</sub> Units realised on that distribution date and therefore, will not receive the relevant distribution in relation to those Class A<sub>D</sub> Units (unless otherwise determined by the Manager). Holders who submit an application for Class A<sub>D</sub> Units on or before that distribution date (before the dealing deadline for that Dealing Day and whose application has been accepted) will be treated as a registered Holder and will therefore receive the relevant distribution in relation to those new Class A<sub>D</sub> Units (unless otherwise determined by the Manager).

You may choose at the time of application for Class A<sub>D</sub> Units (subject to the distribution reinvestment policy of the relevant appointed distributor) to either receive all (but not part) of the distributions or opt for a Distribution Reinvestment Mandate i.e. have all (but not part) of the distributions reinvested in the Singapore Select Bond Fund. If you already hold Class A<sub>D</sub> Units and are applying for more Units, please note that any such election on your part in a subsequent application for Class A<sub>D</sub> Units shall automatically revoke all prior instructions relating to distributions and shall apply to all of your Class A<sub>D</sub> Units.

You can withdraw a Distribution Reinvestment Mandate by giving the Manager not less than 30 days' notice in writing prior to the date of any particular distribution. If you withdraw the Distribution Reinvestment Mandate, the distribution, if any, to be made to you shall be the relevant amount in cash available for distribution in respect of your entire holding of Class A<sub>D</sub> Units.

#### **V. Product Suitability**

The Fund is only suitable for investors who:

- seek long-term total return;
- are comfortable with the risk of a fund investing in bonds which are primarily denominated in Singapore Dollars; and
- appreciate that their capital may be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

#### **VI. Fund Details**

<b>Benchmark</b>	Markit iBoxx ALBI Singapore Index
<b>CPF Investment Scheme (CPFIS)</b>	Included under CPFIS – Ordinary Account and Special Account (Class A and Class A <sub>D</sub> only)
<b>CPF Risk Classification</b>	Low to Medium Risk – Narrowly Focused - Country - Singapore
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS (Class A and Class A <sub>D</sub> only)
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

	<b>Class A and Class A<sub>D</sub></b>	<b>Class E</b>	<b>Class I</b>
<b>Minimum Initial Investment Sum</b>	S\$1,000	At the Manager's discretion	S\$10,000,000
<b>Minimum Subsequent Investment Sum</b>	S\$100	At the Manager's discretion	S\$1,000
<b>Minimum Realisation</b>	100 Units	At the Manager's discretion	1,000 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.	At the Manager's discretion	10,000,000 Units or such number of Units as may be purchased for S\$10,000,000
<b>Regular Savings Plan</b>	Minimum of S\$100 per month	Not available	Not available

## VII. Fees and Charges

<b>Fees and charges payable by Holder</b>		
Initial Sales Charge	Class A and Class A <sub>D</sub>	3% (maximum 5%)
	Class E	0% (maximum 5%)
	Class I	0% (maximum 5%)
Realisation Charge	0% (maximum 2%)	
Switching Fee	Class A, Class A <sub>D</sub> and Class I	1% (maximum 3%)
	Class E	0% (maximum 3%)
<b>Fees and charges payable by Fund</b>		
Management Fee	Class A and Class A <sub>D</sub>	0.5% p.a. (maximum 2% p.a.)
	Class E	0% p.a. (maximum 2%)
	Class I	0.35% p.a. (maximum 2%)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)	
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.	

## Schedule 11 - Singapore ASEAN Equity Fund

### I. Structure

The Singapore ASEAN Equity Fund is a fund organised as a direct investment portfolio.

### II. Investment Objective

The Singapore ASEAN Equity Fund aims to maximise total return in the medium to long term by investing primarily in equities and equity-related securities of companies which are incorporated, quoted or listed in, or have their area of primary activity in Singapore and other ASEAN markets.

### III. Investment Focus and Approach

The investments of the Singapore ASEAN Equity Fund include, but are not limited to listed securities, depository receipts including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), rights and warrants arising from corporate action of underlying listed equities, and cash and near cash instruments. You should also note that the Singapore ASEAN Equity Fund may gain exposure to Singapore and ASEAN markets by way of direct investments and/or by way of investments into one or more sub-funds under the Luxembourg-domiciled Eastspring Investments umbrella or such other collective investment scheme(s), which may be selected by the Manager in its discretion from time to time.

The Singapore ASEAN Equity Fund is designed to be an effective way of meaningfully participating in the Singapore equity market, as well as the equity markets of Singapore's ASEAN hinterland. The Singapore ASEAN Equity Fund aims to add value via focused bottom-up stock-picking to capitalise on attractive and diverse investment opportunities within the Singapore and ASEAN markets.

The first part of the process is idea generation. This is a systematic starting point where the Manager uses proprietary screens across a wide investment universe applying consistent anchors around valuation. This allows the Manager to be equipped to rapidly identify valuation outliers which may become investment candidates. The next stage is the fundamental analysis of these outliers. This fundamental analysis drives the Manager's investment approach and the Manager employs a strong discipline around a single valuation framework. The Manager insists on challenge and debate to test the assumptions and help to achieve a level of conviction in the valuation of each security. The next stage is portfolio construction. In taking active risk the Manager considers the stock by stock relationships in the fund to ensure sufficient diversification. The Manager establishes an explicit link between risk and return which reinforces the Manager's ability to take long-term positions without being forced to close positions in response to excessive volatility. The last stage is review and control. This is a team-owned responsibility involving a formal peer review of all strategies which ensures the integrity of the Manager's process.

### IV. Product Suitability

The Fund is only suitable for investors who:

- seek total return in the medium to long term;
- are comfortable with risks of an equity fund that primarily invests in Singapore and other ASEAN markets; and
- appreciate that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

### V. Fund Details

<b>Benchmark</b>	Customised blended FTSE ST All-share and FTSE ASEAN (ex-Singapore) Index
<b>CPF Investment Scheme (CPFIS)</b>	Included under CPFIS – Ordinary Account
<b>CPF Risk Classification</b>	Higher Risk – Narrowly Focused – Regional - Asia
<b>Supplementary Retirement Scheme (SRS)</b>	Included under the SRS
<b>Investment Manager of Fund</b>	Eastspring Investments (Singapore) Limited
<b>Minimum Initial Investment Sum</b>	S\$1,000
<b>Minimum Subsequent Investment Sum</b>	S\$100
<b>Minimum Realisation</b>	100 Units
<b>Minimum Holding</b>	1000 Units or such number of Units which were and would have been subscribed or purchased for S\$1,000 at the prevailing issue price at the time of the initial purchase or subscription of Units.
<b>Regular Savings Plan</b>	Minimum of S\$100 per month
<b>Dealing Day</b>	Each Business Day in Singapore
<b>Dealing Deadline</b>	3 p.m. Singapore time on a Dealing Day
<b>Fund Currency</b>	Singapore Dollars

**VI. Fees and Charges**

<b>Fees and charges payable by Holder</b>	
Initial Sales Charge	5% (in respect of subscriptions made using cash and SRS monies) and 3% (in respect of subscriptions made using CPF monies) (maximum 5%)
Realisation Charge	0% (maximum 2%)
Switching Fee	1% (maximum 3%)
<b>Fees and charges payable by Fund</b>	
Management Fee	1.5% p.a. (maximum 2% p.a.)
Trustee's and Custodian Fee	Below 0.05% p.a. (maximum 0.2% p.a.)
Registrar's Fee	More than 0.1% p.a. if the total asset under management of the Fund is less than S\$5 million, plus transactional fees.

## **Appendix 1 - List of trust deeds, supplemental deeds and amending and restating deeds**

### **Cash Fund**

The Cash Fund is constituted as a unit trust by way of a deed of trust dated 8 January 2007.

The deed of trust has been amended by the following deeds:

- First Amending and Restating Deed dated 16 January 2007;
- Second Amending and Restating Deed dated 15 February 2007;
- Supplemental Deed of Appointment and Retirement of Trustee dated 24 August 2007;
- Third Amending and Restating Deed dated 30 March 2011;
- Fourth Amending and Restating Deed dated 30 September 2011;
- Fifth Amending and Restating Deed dated 27 September 2013;
- Sixth Amending and Restating Deed dated 28 March 2014; and
- Seventh Amending and Restating Deed dated 5 February 2016.

### **Eastspring Investments Funds**

The Eastspring Investments Funds is constituted as a unit trust by way of a deed of trust dated 10 January 2005.

The deed of trust has been amended by the following deeds:

- First Supplemental Deed dated 6 April 2005;
- Second Supplemental Deed dated 7 April 2006;
- Supplemental Deed of Appointment and Retirement of Trustee dated 24 August 2007;
- Third Supplemental Deed dated 19 June 2008;
- First Amending and Restating Deed dated 19 June 2009;
- Second Amending and Restating Deed dated 29 September 2011;
- Third Amending and Restating Deed dated 14 February 2012;
- Fourth Amending and Restating Deed dated 31 May 2013;
- Fifth Amending and Restating Deed dated 29 August 2013;
- Sixth Amending and Restating Deed dated 28 March 2014;
- Seventh Amending and Restating Deed dated 27 March 2015;
- Eighth Amending and Restating Deed dated 5 February 2016; and
- Ninth Amending and Restating Deed dated 18 May 2017.

### **Eastspring Investments Unit Trusts**

The Eastspring Investments Unit Trust is constituted as a unit trust by way of a deed of trust dated 5 April 2001.

The deed of trust has been amended by the following deeds:

- First Supplemental Deed dated 12 September 2001;
- Amending and Restating Deed dated 18 December 2002;
- Second Amending and Restating Deed dated 26 March 2003;
- Third Amending and Restating Deed dated 30 June 2003;
- Fourth Amending and Restating Deed dated 13 January 2004;
- Fifth Amending and Restating Deed dated 17 May 2004;
- Sixth Amending and Restating Deed dated 10 August 2004;
- Seventh Amending and Restating Deed dated 17 March 2005;
- Eighth Amending and Restating Deed dated 9 September 2005;
- Ninth Amending and Restating Deed dated 6 September 2006;
- Tenth Amending and Restating Deed dated 30 July 2007;
- Supplemental Deed of Appointment and Retirement of Trustee dated 24 August 2007;
- Eleventh Amending and Restating Deed dated 25 February 2008;
- Twelfth Amending and Restating Deed dated 13 March 2008;
- Thirteenth Amending and Restating Deed dated 11 August 2008;
- Fourteenth Amending and Restating Deed dated 11 August 2009;
- Fifteenth Amending and Restating Deed dated 5 August 2010;
- Sixteenth Amending and Restating Deed dated 28 February 2011;
- Seventeenth Amending and Restating Deed dated 29 September 2011;
- Eighteenth Amending and Restating Deed dated 14 February 2012;
- Nineteenth Amending and Restating Deed dated 12 February 2014;
- Twentieth Amending and Restating Deed dated 15 September 2014;
- Twenty-First Amending and Restating Deed dated 5 February 2016;
- Twenty-Second Amending and Restating Deed dated 13 May 2016;
- Twenty-Third Amending and Restating Deed dated 18 May 2017; and
- Twenty-Fourth Amending and Restating Deed dated 17 November 2017.



## Appendix 2 - Other information relating to the M&G Global Themes Fund

### 1. Use of Financial Derivative Instruments (“FDIs”)

1.1 M&G Investment Funds (1) (the “Company”) may use its property to enter into transactions for the purposes of efficient portfolio management (“EPM”) and may enter into any transaction to hedge (eg. with the purpose of preserving the value of an asset or assets of a sub-fund of the Company (referred to in this Appendix as a “Sub-Fund”). Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives (eg. options, futures or contracts for differences) dealt in or traded on an approved derivatives market; and over the counter (OTC) futures, options or contracts for differences resembling options; or synthetic futures in certain circumstances. It is anticipated that the use of these derivatives for EPM and hedging purposes will not increase the risk profile of the Sub-Funds and therefore will not increase the volatility of the Sub-Funds’ NAV.

### 1.2 Risks associated with the use of FDIs

Please refer to Paragraph 9.2.2 of this Prospectus for information on the risks associated with the use of FDIs (in this context, references to “Fund” in Paragraph 9.2.2 shall be replaced with references to the Company and to the sub-funds of the Company).

### 2. Risk Management Process

#### Using Derivatives for the Purposes of Efficient Portfolio Management

2.1 There is no limit on the amount of the scheme property which may be used for EPM but the transactions must reasonably be believed to be economically appropriate to the efficient portfolio management of the Company. This means that transactions undertaken to reduce risk or cost (or both) must alone or in combination with other EPM transactions diminish a risk or cost of a kind or level which it is sensible to reduce and transactions undertaken to generate additional capital or income must confer a benefit on the Company or a Sub-Fund.

2.2 EPM transactions may not include speculative transactions. The purpose of an EPM transaction for the Company must be to achieve one of the following aims in respect of the Company or a Sub-Fund:

(a) **The Reduction of Risk**

This aim allows for the use of the technique of cross-currency hedging in order to switch all or part of the Company’s or Sub-Fund’s exposure away from a currency considered to be unduly prone to risk, to another currency. This aim also permits the use of stock index contracts to change the exposure from one market to another, a technique known as ‘tactical asset allocation’.

(b) **The Reduction of Cost**

This aim allows for the use of futures or options contracts, either on specific stocks or on an index, in order to minimise or eliminate the effect of changing prices of stocks to be bought or sold.

(c) **The Generation of Additional Capital or Income for the Company or a Sub-Fund of the Company**

The generation of additional capital or income for the Company or Sub-Fund must be with no or an acceptably low level of risk, and it should be reasonably foreseeable that the Company or a Sub-Fund will derive a benefit.

2.3 Each EPM transaction must be fully covered ‘individually’ by scheme property of the right kind (i.e. in the case of exposure in terms of property, appropriate transferable securities or other property; and, in the case of exposure in terms of money, cash, near-cash instruments, borrowed cash or transferable securities which can be sold to realise the appropriate cash). Each EPM transaction must also be covered ‘globally’ (i.e. after providing cover for existing EPM transactions there is adequate cover for another EPM transaction within the scheme property - there can be no gearing). Scheme property and cash can be used only once for cover and, generally, scheme property is not available for cover if it is the subject of a stocklending transaction. The EPM lending transaction in a back to back currency borrowing (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates) does not require cover.

### 3. Supplementary Information

You may obtain supplementary information relating to the risk management methods employed by the Company including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments from the Manager.

**Appendix 3 - Other Information relating to Eastspring Investments – US High Yield Bond Fund, Eastspring Investments – Asian Bond Fund, Eastspring Investments - Pan European Fund, Eastspring Investments - Global Technology Fund, Eastspring Investments – Asian Equity Income Fund, Eastspring Investments - US High Investment Grade Bond Fund, Eastspring Investments - US Investment Grade Bond Fund and Eastspring Investments- Asian Infrastructure Equity Fund**

**1. Use of Financial Derivative Instruments (“FDIs”)**

Eastspring Investments (the “SICAV”) may use derivative instruments (such as options, forward contracts and futures contracts) extensively for hedging and efficient portfolio management purposes. Should the management company, on behalf of the SICAV, decide to enter into derivative transactions for other purposes than hedging and/or efficient portfolio management, the investment policy of the relevant sub-fund(s) of the SICAV (the “SICAV Sub-Funds”) will be amended accordingly.

**2. Risks associated with the use of FDIs**

Please refer to Paragraph 9.2.2 of this Prospectus for information on the risks associated with the use of FDIs (in this context, references to “Fund” in Paragraph 9.2.2 shall be replaced with references to the SICAV and to the SICAV Sub-Funds).

**3. Risk Management Process**

The management company, on behalf of the SICAV, may, for each SICAV Sub-Fund, for the purpose of efficient portfolio management of the assets of the respective SICAV Sub-Fund and/or to protect its assets and commitments, employ certain techniques and instruments as set out in the Luxembourg prospectus of the SICAV.

Efficient portfolio management transactions may not include speculative transactions. These transactions must be economically appropriate (this implies that they are realised in a cost-effective way) and be entered into for one or more of the following specific aims:

- the reduction of risks;
- the reduction of cost; or
- the generation of additional capital gain or income for the fund with an appropriate level of risk, taking into account its risk profile and the risk diversification rules laid down in the investment restrictions in the Luxembourg prospectus of the SICAV.

In addition to the above, the management company, on behalf of the SICAV, may, for each SICAV Sub-Fund, use derivatives to facilitate more complex efficient portfolio management techniques. In particular this may involve:

- using swap contracts to adjust interest rate risk;
- using currency derivatives to buy or sell currency risk;
- writing covered call options to generate additional income;
- using credit default swaps to buy or sell credit risk; and
- using volatility derivatives to adjust volatility risk.

The relating risks of these transactions must be adequately captured by the SICAV’s risk management process.

The management company, on behalf of the SICAV, must ensure that the overall risk associated with derivatives does not exceed the net assets of the relevant SICAV Sub-Fund. The following are taken into account in computing risk: the market value of the underlying instruments, the risk of default, future foreseeable market developments and the period within which the positions are to be liquidated. This also applies to the following two points:

- In the case of investments in derivatives, the overall exposure for the underlying instruments may not exceed the investment limits set forth in the investment restrictions in the Luxembourg prospectus of the SICAV. Investments in index-based derivatives need not be taken into account in the case of the investment limits set forth in the investment restrictions in the Luxembourg prospectus of the SICAV.
- If a derivative has a security or money market instrument as the underlying, it has to be taken into account with regard to compliance with the rules set forth under in the investment restrictions in the Luxembourg prospectus of the SICAV.

In no case whatsoever must recourse to transactions involving derivatives or other financial techniques and instruments cause the management company, on behalf of the SICAV to depart from the investment objectives set out in the Luxembourg prospectus of the SICAV or add substantial supplementary risks in comparison to the SICAV’s general risk policy (as described in the Luxembourg prospectus).

In addition, the financial derivative instruments used for efficient portfolio management purposes must comply with the provisions contained in the investment restrictions in the Luxembourg prospectus of the SICAV.

**4. Supplementary Information**

You may obtain supplementary information relating to the risk management methods employed by the management company, on behalf of the SICAV or its SICAV Sub-Funds, including the quantitative limits that are applied and any recent developments in the risk and yield characteristic of the main categories of investment from the Manager.

**Prospectus of the  
Cash Fund  
Eastspring Investments Funds  
Eastspring Investments Unit Trusts**

Signed

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Guy Robert Strapp  
Director

Signed

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Michele Mi-Kyung Bang  
Director

Signed

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Gwee Siew Ping  
Director

Signed

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Virginie M Maisonneuve  
Director

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Julian Christopher Vivian Pull  
Director

Signed

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Philip James Stockwell  
Director

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