



# United Global Healthcare Fund

**Manager:** UOB Asset Management Ltd  
(Company Registration No. 198600120Z)  
**Trustee:** State Street Trust (SG) Limited  
(Company Registration No. 201315491W)

This Prospectus is dated 6 August 2020 and expires on 5 August 2021.

The date of constitution of the United Global Healthcare Fund is 21 August 2000.

The United Global Healthcare Fund ("Fund") is authorised and regulated by the Monetary Authority of Singapore ("Authority") in Singapore. The Managers of the Fund is regulated by the Authority. The Fund is governed under the Securities and Futures Act (Cap. 289) of Singapore and the legal and regulatory environment in Singapore may differ from that prevailing in Malaysia.

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 12.**

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## IMPORTANT INFORMATION

The collective investment scheme offered in this Prospectus, the United Global Healthcare Fund ("Fund"), is constituted in Singapore and is an authorised scheme under the SFA. The Fund has been assessed by the Authority as suitable to apply to the Securities Commission Malaysia to be offered to the public in Malaysia pursuant to the ASEAN CIS Framework.

UOBAM may at any time establish new Classes within the Fund or re-designate the Units in any existing Class so long as there is no prejudice to the existing Holders of such Class as a whole. As at the date of this Prospectus, the Fund comprises six Classes of Units, namely Class SGD Acc, Class A SGD Acc (Hedged), Class A USD Acc, Class USD Dist, Class A MYR Acc and Class A MYR Acc (Hedged). This Prospectus describes and offers for subscription the Class A SGD Acc (Hedged), Class A USD Acc, Class A MYR Acc and Class A MYR Acc (Hedged) in Malaysia.

### RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of the Managers and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading.

### STATEMENTS OF DISCLAIMER

The Fund is established in a foreign jurisdiction and is regulated by the regulator in the foreign jurisdiction. As such, the Fund is not subjected to the requirements of the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia.

The Securities Commission Malaysia has recognised the Fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

The recognition of the Fund, and registration of this Prospectus, should not be taken to indicate that Securities Commission Malaysia recommends the said Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of UOBAM, the management company responsible for the said Fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

### ADDITIONAL STATEMENTS

No units will be issued or sold based on this Prospectus after the date of expiry of this Prospectus.

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the Fund.

You should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the applicable legal requirements and (c) any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of the country of your citizenship, residence or domicile and which may be relevant to your subscription, holding or disposal of Units. The Managers

make no representation as to the tax status of the Fund. You should keep yourself informed of, and observe, all applicable laws and regulations of any relevant jurisdiction that may be applicable to you.

Before investing, you should consider the usual risks of investing and participating in collective investment schemes, and the risks of investing in the Fund which are set out in this Prospectus. Your investments can be volatile and there is no assurance that the Fund will be able to attain its objectives. The prices of Units as well as the income from the Fund may go up as well as down to reflect changes in the value of the Fund. You should only invest if you can sustain losses on your investment. You should satisfy yourself that investing in the Fund is suitable based on your personal circumstances.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and may only be used in connection with the offering of the Units as contemplated herein.

Units are offered on the basis of the information contained in this Prospectus and the documents referred to in this Prospectus. No person is authorised to give any information or make any representations concerning the Fund other than as contained in this Prospectus. Any investment made on the basis of information or representations not contained in or inconsistent with the information or representations in this Prospectus will be solely at your risk. This Prospectus may be updated from time to time to reflect material changes and you should check if you have the latest updated Prospectus or if any supplement is available.

Units are not listed and you may only deal with Units through the registered distributors of the Managers, subject to the terms of the Deed.

Units are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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

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

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

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

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

FATCA was enacted in 2010 by the United States Congress as part of the U.S. Hiring Incentives to Restore Employment (HIRE) Act to target non-compliance with tax laws by U.S. Taxpayers using

overseas accounts. Under FATCA, financial institutions outside of the U.S. are required to regularly submit information on financial accounts held by U.S. Taxpayers to the U.S. tax authorities. Failure to comply with FATCA may, amongst other things, subject the Fund to U.S. withholding tax on certain types of payments made to the Fund. Accordingly, it is intended that the Fund comply with FATCA.

For the purpose of complying with FATCA, the Managers, the Trustee, and/or other service providers of the Fund may be required to report and disclose information on certain investors in the Fund to the U.S. tax authorities and/or such Singapore authority as may be required under Singapore laws and regulations to be implemented as part of any IGA entered into between the U.S. and Singapore<sup>1</sup> in connection with FATCA and/or withhold certain payments to such investors.

You are required to:

- (a) provide such information, documents and assistance in connection with the above as the Managers and/or the Trustee may require from time to time; and
- (b) notify the Managers or any of their registered distributors in writing immediately if you are or become a U.S. Taxpayer, or are holding Units for the account of or benefit of a U.S. Taxpayer.

You are also deemed to have consented to the Managers, the Trustee and/or other service providers of the Fund carrying out their obligations in reporting and disclosing information on you and your investments to the relevant authorities as described above.

The Managers may compulsorily realise all or any of your Units in any of the circumstances set out under Section 3.9 of this Prospectus.

You may direct your enquiries in relation to the Fund to the Managers through their registered distributors.

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<sup>1</sup> Pursuant to the IGA entered into between Singapore and the U.S. on 9 December 2014, Singapore-based financial institutions (such as us) will report information on financial accounts held by U.S. Taxpayers to the Inland Revenue Authority of Singapore (IRAS), which will in turn provide the information to the U.S. tax authorities.



## DEFINITIONS

Unless the context otherwise requires, terms defined in the Deed has the same meaning when used in this Prospectus and the following expressions have the following meanings, subject to the definitions in the Deed.

Accounting Date	31st day of December in each year or (in the case of the final Accounting Period) the date on which the moneys required for the distribution in respect of that period shall have been transferred to the Distribution Account, provided that the Managers may, with the prior consent of the Trustee, change the Accounting Date to any other date approved by the Trustee upon giving not less than 30 days' notice to the Trustee and the Holders.
Accounting Period	A period ending on and including an Accounting Date and commencing from the end of the initial subscription period or from the end of the preceding Accounting Period (as the case may require).
Accumulation Class or Acc	Denotes a Class for which distributions are not declared and paid to the Holders (e.g. Class SGD Acc). Hence, all investment gains, income and interest attributable to an Accumulation Class will not be distributed but will be accumulated and reflected in the NAV of the relevant Accumulation Class.
ACMF	The ASEAN Capital Markets Forum.
ACMF Member	The securities regulator of the respective ASEAN jurisdiction, and collectively, the " <b>ACMF Members</b> ".
Approved Valuer	A person for the time being approved by the Trustee as qualified to value any particular Investment constituting part of the Deposited Property and appointed by the Managers for such purpose.
ASEAN CIS Framework	The streamlined authorisation framework for the cross-border offer of ASEAN collective investment schemes developed pursuant to the ACMF's Implementation Plan endorsed at the 13 <sup>th</sup> ASEAN Finance Ministers' Meeting.
Authorised Investments	See Section 1.11 of this Prospectus.
Authority	Monetary Authority of Singapore.
Business Day	Any day (other than a Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore or any other day as the Managers and the Trustee may agree in writing.
Class	Any class of Units in the Fund.
Code	Code on Collective Investment Schemes issued by the Authority, as amended from time to time.
CPF	Central Provident Fund.
CPF Investment Guidelines	The investment guidelines for CPFIS Included Funds issued by the CPF Board, as amended from time to time.
CPFIS	Central Provident Fund Investment Scheme.
CPFIS Included Fund	A unit trust included by the CPF Board under the CPFIS.
CPFIS Regulations	The Central Provident Fund (Investment Schemes) Regulations and the terms and conditions for fund management companies included under the CPFIS from time to time issued by the CPF Board or other relevant

	competent authority thereunder, as the same may be modified, amended, supplemented, re-enacted or reconstituted from time to time.
custodian	Includes any person or persons for the time being appointed as a custodian of the Fund or any of its assets.
Dealing Day	In connection with the issuance, cancellation, valuation and realisation of Units means every Business Day or such other day as provided in the Deed.
Dealing Deadline	3 p.m. (Singapore time) on any Dealing Day.
Deed	See Section 10.3 of this Prospectus.
Deposited Property	All the assets, including Cash (as defined in the Deed), for the time being held or deemed to be held upon the trusts of the Deed excluding any amount for the time being standing to the credit of the Distribution Account (as defined in the Deed).
Distribution Class or Dist	A Class for which distributions are declared and paid to the Holders in accordance with the applicable distribution policies of that Class (e.g. Class USD Dist).
Extraordinary Resolution	A resolution proposed and passed as such by a majority consisting of seventy-five per cent. or more of the total number of votes cast for and against such resolution.
FATCA	The U.S. Foreign Account Tax Compliance Act, as amended from time to time.
FDIs or derivatives	Financial derivative instruments.
Fund	United Global Healthcare Fund.
Gross Investment Amount	The amount paid by an investor for the purpose of investing in Units, before deduction of the applicable subscription fee.
Gross Realisation Proceeds	The amount payable to a Holder upon the realisation of its Units, before deduction of the applicable realisation fee.
Hedged Class or (Hedged)	Denotes a Class to which a currency hedging strategy is applied (e.g. Class A SGD Acc (Hedged)).
Holder	A unitholder of the Fund.
IGA	Intergovernmental agreement.
Investment	Any share, stock, bond, note, debenture, debenture stock, loan, loan stock, certificates of deposit, commercial paper, promissory note, treasury bill, fixed or floating rate instrument, unit or sub-unit in any unit trust scheme, participation in a mutual fund, warrant, option, or other stock purchase right, futures, or any other security (as defined in the Securities and Futures Act) (all of the foregoing denominated in any currency) or any money market instrument or any other derivative which may be selected by the Managers for the purpose of investment of the Deposited Property or which may for the time being form part thereof;
Malaysian Ringgit or MYR or RM	The lawful currency of Malaysia.
Managers	UOB Asset Management Ltd or any other person for the time being duly appointed as managers of the Fund.
NAV	Net asset value.

Net Investment Amount	The amount paid by an investor for the purpose of investing in Units, after deduction of the applicable subscription fee.
Net Realisation Proceeds	The amount payable to a Holder upon the realisation of its Units, after deduction of the applicable realisation fee.
OTC Market	Any over-the-counter market or over-the-telephone market in any country in any part of the world and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect.
Qualifying CIS	A collective investment scheme constituted or established in its home jurisdiction which has been approved by its home regulator for offer to the public in the home jurisdiction, and assessed by its home regulator as suitable to apply to a host regulator for its units to be offered to the public cross-border in the host jurisdiction pursuant to the ASEAN CIS Framework.
Quoted Investments	Any Investments which is listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.
Recognised Stock Exchange	Any stock exchange, futures exchange and organised securities exchange on which securities are regularly invested in any country in any part of the world and in relation to any particular Authorised Investment shall be deemed to include any responsible firm, corporation or association in any part of the world dealing in the Authorised Investment which the Managers may from time to time elect.
Register	The register of Holders.
SFA	Securities and Futures Act (Chapter 289) of Singapore, as amended from time to time.
Singapore dollars or S\$ or SGD	The lawful currency of the Republic of Singapore.
Standards of Qualifying CIS	A set of rules and regulations as agreed (and as may be amended from time to time) amongst the ACMF Members, which governs the operation of the ASEAN CIS Framework, and published at <a href="http://www.theacmf.org/">http://www.theacmf.org/</a> .
Sub-Manager	Wellington Management Singapore Pte Ltd or any other person for the time being duly appointed as sub-manager of the Fund.
Trustee	State Street Trust (SG) Limited or any other person for the time being duly appointed as trustee of the Fund.
U.S.	United States of America.
United States dollars or US\$ or USD	The lawful currency of the United States of America.
Units	Units of a Class or all Classes (as the context requires).
Unquoted Investment	Any Investment which is not listed, quoted or dealt with on any Recognised Stock Exchange or OTC Market.
Valuation Point	The close of business of the last relevant market in relation to the relevant Dealing Day on which the value of the Deposited Property of the Fund or a Class of the Fund is to be determined or such other time as the Managers may with the prior approval of the Trustee determine and the Trustee shall determine if Holders should be informed of such change.
WMC	Wellington Management Company LLP

## DIRECTORY

### MANAGERS

Name: UOB Asset Management Ltd  
(Company Registration No. 198600120Z)

Registered Office: 80 Raffles Place  
UOB Plaza  
Singapore 048624

Business Address: 80 Raffles Place  
3<sup>rd</sup> Storey, UOB Plaza 2  
Singapore 048624

Telephone number: 1800 22 22 228  
Facsimile number: 65-6532 3868  
Email Address: uobam@uobgroup.com  
Website: www.uobam.com.sg

### TRUSTEE

Name: State Street Trust (SG) Limited  
(Company Registration No. 201315491W)

Registered Office and Business Address: 168 Robinson Road  
#33-01 Capital Tower  
Singapore 068912

Telephone number: 65-6826 7176  
Facsimile number: 65-6826 7377  
Email Address: TrusteeSingapore@StateStreet.com

### MALAYSIAN REPRESENTATIVE

Name: UOB Asset Management (Malaysia) Berhad  
Company No. 199101009166 (219478-X)

Registered Office and Business Address: Level 22, Vista Tower  
The Intermark  
348, Jalan Tun Razak  
50400 Kuala Lumpur  
Malaysia

Telephone number: 03-2732 1181  
Facsimile number: 03-2164 8188  
Email Address: UOBAMCustomerCareMY@UOBgroup.com  
Website: www.uobam.com.my

### SUB-MANAGER

Wellington Management Singapore Pte. Ltd.

### CUSTODIAN / ADMINISTRATOR / REGISTRAR

State Street Bank and Trust Company, acting through its Singapore Branch

### AUDITORS

PricewaterhouseCoopers LLP

### TAX ADVISERS

PricewaterhouseCoopers Singapore Pte. Ltd.

### MALAYSIAN SOLICITORS TO THE MANAGERS

Soon Gan Dion & Partners

### SOLICITORS TO THE TRUSTEE

Shook Lin & Bok LLP

## CHAPTER 1: THE FUND

### 1.1 NAME OF THE FUND

United Global Healthcare Fund

### 1.2 FUND CATEGORY

Equity

### 1.3 FUND TYPE

Growth

### 1.4 BASE CURRENCY

SGD

### 1.5 CLASS(ES) OF UNITS

The Managers may at any time determine that different Classes of Units or new Classes be established within the Fund. Where a new Class is established, the Managers may at their discretion re-designate any existing Class as long as there is no prejudice to the existing Holders of such Class as a whole. Different Classes within the Fund have different features.

The Classes may differ in terms of their currency of denomination, minimum threshold amounts for subscription, holding and realisation, distribution policy, mode of investment, whether they are each a Distribution Class or an Accumulation Class and where applicable, whether the relevant Class is a Hedged Class. You should note that the assets of the Fund are pooled and invested as a single fund and are not segregated in respect of each Class thereof. A separate NAV per Unit (in the currency of denomination of the relevant Class) which may differ between Classes as a consequence of amongst others, any of the above differences, will be calculated for each Class. Save for the above differences between the Classes, Holders of each Class have materially the same rights and obligations under the Deed. Currently, the following Classes of Units are available for sale:

- Class A MYR Acc;
- Class A MYR Acc (Hedged);
- Class A SGD Acc (Hedged); and
- Class A USD Acc.

**Note:**

*The Class A MYR Acc and Class A MYR Acc (Hedged) are only available for sale in Malaysia.*

### 1.6 INVESTMENT OBJECTIVE

The investment objective of the Fund is to achieve long term capital growth by investing in securities issued by companies principally involved in the development, production or distribution of products, equipment and/or services related to healthcare, in any part of the world. Such investments would include investing in sub-sectors of the healthcare industry such as medical products, health services, major pharmaceuticals, specialty major pharmaceuticals, and specialty pharmaceuticals (e.g. non-prescription drugs, biotech, animal).

The Fund will have an orientation towards fundamental analysis and maintain a long-term investment horizon. Capital appreciation will be emphasised.

***Any material change to the investment objective of the Fund would require Unit Holders' approval.***

## **1.7 INVESTMENT POLICY AND STRATEGY**

The focus of the Fund's investment process is stock selection through in-depth fundamental analysis. The Fund takes a broad approach to investments in the health care sector, and may include companies from a wide range of sectors including biotechnology, pharmaceuticals, health care equipment supplies, health care providers and services industries.

The Fund seeks investment opportunities created by new product development, the continuing trend towards consolidation, and the continuing changes in the health care market created by regulatory and political changes. Achieving an earlier – and more accurate – assessment of companies' new product pipelines requires an in-depth understanding of the science involved. The Managers' and WMC's seasoned, disciplined investment professionals with strong scientific and industry expertise seek to add value by applying their informational expertise to security selection decisions.

Key factors for the Fund's bottom-up security analysis are a company's business prospects, new product outlook, corporate strategy, and competitive position. Stocks purchased typically may share one or more of the following attributes:

- Low valuation relative to historical range.
- Anticipated above-average earnings growth not yet reflected in stock price.
- Unrecognised or undervalued assets.
- Strong existing and expected new product flow.

Stocks are considered for sale when:

- Price objective is met.
- Positive change is widely recognised, and reflected in the price.
- Unforeseen events negatively affect financial prospects.
- Better investment idea is discovered.

The Fund's industry weightings are primarily a result of the stock selection process. Portfolio assets may be shifted opportunistically into those health care industries that have better potential for future performance.

The Fund generally will not initiate new positions in the smallest market capitalisation companies in the health care sector. The market cap floor will typically be in the range of US\$1 billion to US\$1.5 billion but may fluctuate outside this range as market conditions shift over time.

### **Predictions, Projections or Forecasts Not Indicative of Performance**

**You should note that the predictions, projections or forecasts above are not necessarily indicative of the future or likely performance of the Fund. Past performance figures are also not necessarily indicative of future performance. The value of Units and the income from them may go down as well as up. Investments in the Fund are not guaranteed by, or obligations of, us, the United Overseas Bank Group, or any of our distributors or affiliates and the investments are subject to investment risks including the possible loss of the principal amount invested.**

In the event of extreme market conditions or severe market stress or disruptions, or if there are no suitable investment opportunities for the Fund at any time, up to 100% of the Fund's assets may be temporarily held in cash and/or placed in cash deposits and/or invested in money market instruments.

### **Usage of financial derivative instruments**

The Fund may use or invest in FDIs for the purposes of hedging existing positions, for efficient portfolio management or a combination of both purposes. The Managers will ensure that the global exposure of the Fund to FDIs or embedded FDIs will not exceed 20% of the NAV of the Fund at all times. Such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of, the Code and the Appendix to the Standards of Qualifying CIS.

The Fund may net its over-the-counter derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code and the Standards of Qualifying CIS.

Where the Fund uses or invests in FDIs on commodities, all such transactions shall be settled in cash at all times.

The Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and have been implemented and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. The Managers may modify the risk management and compliance procedures and controls as they deem fit and in the interests of the Fund, but subject always to the requirements under the Code and the Standards of Qualifying CIS.

## **1.8 PERFORMANCE BENCHMARK**

Morgan Stanley Capital International All Countries World Index Healthcare

The performance benchmark is available at [www.msci.com](http://www.msci.com).

## **1.9 INVESTORS' PROFILE**

The Fund is suitable for investors who:

- seek long term capital growth;
- are looking for exposure to the healthcare industry; and
- are comfortable with the volatility and risk of a global equity fund which invests in this industry.

## **1.10 DISTRIBUTION POLICY**

The Managers currently do not intend to make any distributions in respect of the Units.

## **1.11 AUTHORISED INVESTMENTS**

The authorised investments of the Fund ("Authorised Investments") are as follows:

- any Investment in or of companies involved principally in the development, production or distribution of products, equipment and/or services related to healthcare in any part of the world;
- any Quoted Investment;
- any Unquoted Investment;
- for the duration that the Fund shall be a CPFIS Included Fund, any investment for the time being approved by the relevant authorities for the purposes of unit trust schemes approved as CPFIS Included Funds under the CPFIS Regulations; and
- any other Investment not covered by paragraphs (ii), (iii) and (iv) of this definition but approved by the Trustee such approval to be confirmed in writing,

provided that any Authorised Investment shall be a permissible investment under Appendix 1 of the Code and an eligible asset under Part II of the Standards of Qualifying CIS.

## 1.12 INVESTMENT RESTRICTIONS AND LIMITS

Subject to Appendix 1 of the Code, the CPF Investment Guidelines and Section 1, 2, 3 and 4 of Part II of the Standards of Qualifying CIS, the purchase of Authorised Investments stated above shall not contravene the following limits, among others:

1. The aggregate value of the Fund's investments in transferable securities or money market instruments issued by a single body must not exceed 10% of the Fund's NAV.
2. The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits and OTC financial derivatives issued by any single business group, must not exceed 20% of the Fund's NAV. For the purpose of this clause, a business group refers to a body, its subsidiaries, fellow subsidiaries, holding body, and ultimate holding body.
3. The value of the Fund's placement in deposits with a single body must not exceed 20% of the Fund's NAV. This limit does not apply to placements of deposits arising from subscription monies received at any point in time pending the commencement of investment by the Fund or liquidation of investments prior to the termination or maturity of the Fund, where the placing of these monies with various bodies would not be in the interests of participants.
4. Where the Fund and its reference benchmark comply with clause 5(c) of Section 2 of Part II of the Standards of Qualifying CIS, the Fund may invest in a transferable security that is a constituent of the reference benchmark, up to a single body limit as specified in clause (1) above or two percentage points above the benchmark weight, whichever is higher. Where the foregoing single body limit is in excess of the limit in clause (1) above, the 20% limit in clause (2) above will be raised to 25% of the Fund's NAV.
5. The single body limit of 10% in clause (1) above may be increased to a maximum of 35% of the Fund's NAV if the issuing body or the guarantor is a government or sovereign or central bank with an international long-term issuer rating of investment grade. For the avoidance of doubt, government or sovereign or central bank debt securities with an international long-term issuer rating that is of non-investment grade will be subject to a limit of 5% as set out in clause (6) below.
6. In the case where the Fund invests in the following assets, the limit in clause (1) and clause (3) above is lowered to 5%:
  - (a) deposits placed with unrated or non-investment grade deposit-taking institution;
  - (b) debt securities or money market instruments not dealt in an organised market or issued by an unrated or non-investment grade issuing body; and
  - (c) unlisted shares.Notwithstanding clause 6(b), the Managers may rely on the rating of an unrated or non-investment grade issuer's parent company or guarantor provided that an explicit guarantee by the parent company or the guarantor for the issuer is in place.
7. The aggregate value of the Fund's investment in deposits placed with unrated or non-investment grade deposit-taking institution, debt securities or money market instruments not dealt in an organised market or issued by an unrated or non-investment grade issuing body, unlisted shares and OTC financial derivatives with non-investment grade or unrated counterparty must not exceed 15% of the Fund's NAV. For the avoidance of doubt, the exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults subject to the calculation method set out under clause 17 of Section 3 of Part II of the Standards of Qualifying CIS.
8. The aggregate limit of 15% in clause 7 above does not apply to deposits, debt securities or money market instruments or OTC financial derivatives where the:
  - (a) deposit-taking institution, issuing body or counterparty is rated investment grade only with a national rating scale; and
  - (b) the jurisdiction in which the issuing body or counterparty is domiciled has a sovereign credit rating that is at least investment grade.
9. In the case of investments in units of other CIS, the Fund must be subject to the following limits:



- (a) The value of the Fund's investments in units of each Qualifying CIS or non-qualifying CIS must not exceed 10% of the Fund's NAV.
- (b) The value of the Fund's investment in units of all non-qualifying CIS (excluding investment in units of non-qualifying CIS that satisfy clause 4(b)(3)(B) of Section 2 of Part II of the Standards of Qualifying CIS must not exceed 30% of the Fund's NAV.

For the avoidance of doubt, a Qualifying CIS that has a feeder structure subject to Section 6 of Part II of the Standards of Qualifying CIS is not subject to this clause.

10. The aggregate borrowings of the Fund, on a temporary basis, for the purpose of meeting redemptions and bridging requirements, should not exceed 10% of the Fund's NAV. The borrowing period should not exceed one month.
11. The Fund may acquire no more than:
  - (a) 10% of the shares or securities equivalent to shares of any single issuing body;
  - (b) 10% of the debt securities of any single issuing body; and
  - (c) 10% of the money market instrument of a single issuing body.
12. The Fund may invest in financial derivative instruments provided that among others the global exposure, calculated based on the commitment approach set out in the Appendix of the Standards of Qualifying CIS, to financial derivatives or embedded financial derivatives must not exceed 20% of the Fund's NAV.
13. The maximum exposure of the Fund to the counterparty of an OTC financial derivative must not exceed:
  - (a) in the case of a counterparty with a minimum long-term rating of investment grade, 10% of the Fund's NAV, or
  - (b) in any other case, 5% of the Fund's NAV.
 Notwithstanding clause 13(a), the minimum credit rating requirement may be met if the scheme has the benefit of a guarantee by an entity which has a long-term rating of investment grade.

Currently, the Fund does not intend to carry out securities lending or repurchase transactions but may do so in the future, in accordance with the applicable provisions of the Code and/or the CPF Investment Guidelines. Accordingly, the Fund may at such time in the future become subject to the provisions on securities lending and repurchase transactions as set out in the Code and/or the CPF Investment Guidelines. For so long as the Fund is a Qualifying CIS, it will not carry out securities lending or repurchase transactions.

## **1.13 RISK FACTORS**

### **1.13.1. General Risks of Investing in the Fund**

An investment in the Fund is meant to produce returns over the long-term and you should not expect to obtain short-term gains from such investment.

You should be aware that the price of Units and the income accruing from the Units, may fall or rise and that you may not get back your original investment.

You should consider and satisfy yourself as to the risks of investing in the Fund. Generally, below are some of the risk factors which you should be aware of when investing in a unit trust fund:

#### **Market risk**

You should consider and satisfy yourself as to the usual risks of investing and participating in publicly traded securities. Prices of securities may go up or down in response to changes in economic conditions, interest rates and the market's perception of securities which in turn may cause the value of Units to rise or fall.

#### **Interest rate risk**

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macroeconomic factors, speculation and central bank and government intervention. Fluctuations in interest rates of the currencies in which investments of the Fund is denominated or

fluctuations in interest rates of the currencies in which the underlying assets comprised in the investments of the Fund is denominated may affect the value of the Fund.

#### **Credit risks of issuers**

The Fund is exposed to the risk that a counterparty/issuer may default on its obligations to perform under a particular contract. If a counterparty/issuer becomes bankrupt or insolvent, the Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the Fund seeks to enforce its rights. The Fund may also be unable to realise any gains on the investment during such period and may incur fees and expenses to enforce its rights. There is also a risk that counterparty contracts may be terminated earlier due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

#### **Foreign exchange risk**

Where the Fund makes investments which are denominated in a currency (the “**Portfolio Currency**”) that is different from the Fund currency or the relevant Class currency, fluctuations of the exchange rates between the Fund currency or Class currency and the Portfolio Currency may affect the value of the relevant Units.

In the management of the Fund, the Managers may hedge the foreign currency exposure of the Fund or any Class of the Fund and may adopt an active or passive currency management approach. However, the foreign currency exposure of a Fund or Class may not be fully hedged depending on the circumstances of each case. Such circumstances include but are not limited to the outlook, hedging costs and market liquidity of the relevant currency.

#### **Repatriation risk**

Investments in some countries could be adversely affected by delays in, or refusal to grant, relevant approvals for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Consents granted prior to investment being made in any particular country may be varied or revoked, and new restrictions may be imposed.

#### **Political risk**

The value and price of the Fund’s investments may be adversely affected by international political developments, changes in exchange controls, taxation policies, monetary and fiscal policies, foreign investment policies, government policies, restrictions on repatriation of investments and other changes in the laws, regulations, restrictions and controls in the relevant countries.

#### **Liquidity risk**

Investments by the Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and lack of liquidity which are inherent characteristics of these markets.

#### **Derivatives risk**

The Fund which uses or invests in FDIs will be subject to risks associated with such FDIs. FDIs include, but are not limited to, foreign exchange forward contracts. An investment in a FDI may require the deposit of an initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that investments in FDIs are monitored closely. The Managers have controls for investments in FDIs and have in place systems to monitor the FDI positions of the Fund. Please refer to Section 1.15.3 for more information on the Managers’ risk management and compliance procedures and controls adopted by them.

### **1.13.2. Specific Risks associated with the investment portfolio of the Fund**

Below are some of the **specific risks** when investing in the Fund; these may include but are not limited to:

#### **Market risk**

You should consider and satisfy yourself as to the usual risks of investing and participating in publicly traded securities. Prices of securities may go up or down in response to changes in economic conditions,

interest rates and the market's perception of securities which in turn may cause the value of Units to rise or fall.

### **Foreign exchange and currency risk**

The Fund currency is SGD and the Classes are each denominated in the relevant Class currency. Where the Fund makes investments which are denominated in a currency (the "Portfolio Currency") that is different from the Fund currency or the relevant Class currency, fluctuations of the exchange rates between the Fund currency or Class currency and the Portfolio Currency may affect the value of the relevant Units. In managing the Fund, the Managers may hedge the foreign currency exposure of the Fund or any Class and may adopt an active currency management approach. However, the foreign currency exposure of the Fund or Class may not be fully hedged depending on the circumstances of each case. Such considerations shall include but are not limited to the outlook, hedging costs and market liquidity of the relevant currency.

Additionally, where a Class currency is different from the Fund currency, changes in the exchange rate between the Class currency and the Fund currency may adversely affect the value of the Units of such Class, as expressed in the Class currency. Subject to the same considerations in the sub-paragraph above, the Managers may or may not mitigate the exchange rate risks to the extent of the value of the assets of the Fund attributed to such Class by hedging such exchange rate risks, and to the extent that the Managers do not do so, investors will be exposed to exchange rate risks.

Although a financial instrument used to mitigate the exchange rate risks of a Class may not be used in relation to the other Classes of Units within the Fund, the financial instrument will comprise the assets (or liabilities) of the Fund as a whole. The gains (or losses) on and the costs of the relevant financial instruments will, however, accrue solely to the relevant Class of Units of the Fund.

Malaysian Ringgit may be subject to foreign exchange control policies or other local governmental laws or restrictions. In particular, conversions between the Malaysian Ringgit and other currencies are subject to policy restrictions relating to the Malaysian Ringgit and other regulatory requirements which may impact the applicable exchange rate, conversion costs and the ability of the Malaysian Ringgit to convert with other currencies, and in turn adversely affect the Fund and the Holders.

For Hedged Classes, the Managers currently adopt a passive hedging policy to hedge the currency in which the relevant Hedged Class is denominated (the "**Hedged Currency**") against the Portfolio Currency. Notwithstanding the foregoing, the Managers retain the discretion to adopt any other hedging policy as they may determine from time to time.

A Hedged Class allows the Managers to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the Portfolio Currency and the Hedged Currency. The effects of hedging will be reflected in the value of the Hedged Class. The aim is that the Hedged Class should reflect the actual return of the Portfolio Currency within the Fund, as applicable, plus or minus the interest rate differential between the Hedged Currency and the Portfolio Currency. However, other factors may impact the return of the Hedged Class which means that the Hedged Class may not perfectly achieve this aim. These factors include but are not limited to:

- (i) any unrealised profit/loss on the currency forward remaining un-invested until the hedge is rolled over and any profit or loss is crystallised;
- (ii) transaction costs;
- (iii) short-term interest rate changes;
- (iv) the timing of the market value hedge adjustments relative to the Fund's Valuation Point; and
- (v) intra-day volatility of the value of the Portfolio Currency in relation to the existing hedge.

The costs and expenses associated with the hedging transactions in respect of a Hedged Class and any benefits of the hedging transactions will accrue to Holders in that Hedged Class only.

Subject to the provisions of the Code, the Managers will aim to hedge not more than 100% of the proportion of the NAV attributable to the relevant Hedged Class. When assessing the hedging transactions in respect of a Hedged Class, the Managers will take both the capital and income values of the Hedged Class into account.

The Managers will review the relevant hedging positions daily and, if appropriate, adjust the hedge to reflect investor inflows and outflows.

Please note that hedging transactions may be entered into whether or not the Hedged Currency is declining or increasing in value relative to the Portfolio Currency; consequently, where such hedging is undertaken, it may protect investors in the relevant Hedged Class against a decrease in the value of the currency being hedged but it may also preclude investors from benefiting from an increase in the value of such currency. Investors in a Hedged Class will still be exposed to the market risks that relate to the underlying investments in the Fund and any exchange rate risks that arise from the policy of the Fund that is not fully hedged.

There can be no guarantee that the hedging strategy applied in a Hedged Class will entirely eliminate the adverse effects of changes in exchange rates between the Portfolio Currency and the Hedged Currency.

#### **Political risk**

The Fund's investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries.

#### **Derivatives risk**

As the Fund may use or invest in FDIs, it will be subject to risks associated with such FDIs. FDIs include, but are not limited to, foreign exchange forward contracts and equity index future contracts. An investment in a FDI may require the deposit of an initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that investments in FDIs are monitored closely.

#### **Liquidity risk**

Investments by the Fund in some Asian and/or emerging markets often involve a greater degree of risk due to the nature of such markets which do not have fully developed services such as custodian and settlement services often taken for granted in more developed markets. There may be a greater degree of volatility in such markets because of the speculative element, significant retail participation and lack of liquidity which are inherent characteristics of these markets.

#### **Small capitalisation companies risk**

Investments in small capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies. Examples of such risks are less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity. This may result in greater volatility in the share prices of such companies.

#### **Sectoral risk**

Investments in single sector funds may present greater opportunities and potential for capital appreciation, but may be subject to higher risks as they may be less diversified than investments in multi-sector funds.

#### **Broker risk**

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

It is possible that the brokers or dealers engaged for the Fund may encounter financial difficulties that may impair the Fund's operational capabilities. If a broker or dealer fails or becomes insolvent, there is a risk that the Fund's orders may not be transmitted or executed and its outstanding trades made through the broker or dealer may not settle.

#### **Counterparty risk**

Where the Fund enters into over-the-counter transactions, the Fund is exposed to the risk that a counterparty may default on its obligations to perform under the relevant contract. If a counterparty becomes bankrupt or insolvent, the Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the Fund seeks to enforce its rights. The Fund may also be unable to realise

any gains on the investment during such period and may incur fees and expenses to enforce its rights. There is also a risk that counterparty contracts may be terminated earlier due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

#### **Risk of investments in healthcare securities**

Equity shares of global healthcare companies will fluctuate in value due to market conditions, currency values, economic, political and other factors. Such fluctuations may be substantial, particularly for companies located in countries with less developed economies and securities markets. The NAV of the investments held by the Fund will fluctuate, and may be worth more or less than the acquisition price when redeemed or sold. Such fluctuations may be greater than the fluctuation in values of shares of portfolios with broader industry diversification.

#### **Investment management risk**

Investment performance depends on the portfolio management team and the team's investment strategies. If the investment strategies do not perform as expected, if opportunities to implement those strategies do not arise, or if the team does not implement its investment strategies successfully, an investment portfolio may underperform or suffer significant losses.

#### **Risk of using rating agencies and other third parties**

Credit ratings of instruments invested into by the Fund represent the Managers' and/or rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent changes in circumstances may take time. When a debt security is rated, the downgrading of such debt security could decrease the value and liquidity of the security.

Where the Managers rely on ratings issued by credit rating agencies, they have established a set of internal credit assessment standards and have put in place a credit assessment process to ensure that the Fund's investments are in line with these standards. Information on the Managers' credit assessment process will be made available to investors upon request.

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

### **1.13.3. Risk Management**

Below is a description of risk management and compliance procedures and controls adopted by the Managers:

- (a) The Managers will implement various procedures and controls to manage the risk of the Fund's assets. The Managers' decision to invest in any particular security or instrument on behalf of the Fund will be based on their judgment of the benefit of such transactions to the Fund and will be consistent with the Fund's investment objective in terms of risk and return.
- (b) *Execution of trades.* Prior to each trade, the Managers will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions (if any) of the Fund, and that best execution and fair allocation of trades are done. The Managers' governance department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of the Fund. If there is any non-compliance, their governance department is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
- (c) *Liquidity.* If there are any unexpectedly large realisations of Units, it is possible that the assets of the Fund may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. Also, under certain market conditions such as during volatile markets, crisis situations or trading disruptions, it may be difficult or impossible to liquidate or rebalance positions. The Managers will ensure that a sufficient portion of the Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions. The Managers may in certain situations employ liquidity management tools

such as limiting or suspending realisations in accordance with section 3.3 and 3.8. If such tools are employed, you may not be able to realise your Units during any suspension period or the realisation of your Units may be delayed.

- (d) *Counterparty exposure.* The Fund may have credit exposure to counterparties by virtue of positions in FDIs and other financial instruments held by the Fund. To the extent that a counterparty defaults on its obligations and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets and in its income stream and incur extra costs associated with the exercise of its financial rights. Subject to the provisions of the Code, the Managers will restrict their dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's Corporation, U.S.A., an individual rating of above C or viability ratings of above bbb by Fitch Inc., a baseline credit assessment of above a3 by Moody's Investors Service, Inc., U.S.A. or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, the Managers will take steps to unwind the Fund's position with that counterparty as soon as practicable.
- (e) *Volatility.* To the extent that a Fund has exposure to FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case where the investment is made directly into the underlying security, the value of the Fund's assets will have a higher degree of volatility. The Fund may use FDIs for hedging purposes to reduce the overall volatility of the value of its assets. At the same time, the Managers will ensure that the global exposure of the Fund to FDIs and embedded FDIs will not exceed 20% of the NAV of the Fund at all times. Such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of, the Code and the Appendix to the Standards of Qualifying CIS.
- (f) *Valuation.* The Fund may have exposure to over-the-counter FDIs that are difficult to value accurately, particularly if there are complex positions involved. The Managers will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.

**THE ABOVE IS NOT AN EXHAUSTIVE LIST OF THE RISKS WHICH YOU SHOULD CONSIDER BEFORE INVESTING IN THE FUND. AN INVESTMENT IN THE FUND MAY BE EXPOSED TO OTHER RISKS OF AN EXCEPTIONAL NATURE FROM TIME TO TIME.**

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF AN INVESTMENT. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS AND, IF NECESSARY, CONSULT YOUR ADVISER(S) BEFORE MAKING AN INVESTMENT DECISION.**

## CHAPTER 2: FEES, CHARGES AND EXPENSES

**Fees and charges directly incurred when you purchase or realise Units of the Fund.**

### 2.1 SUBSCRIPTION FEE

The current subscription fee is 5.00% of the gross investment amount. The maximum subscription fee is 5% of the gross investment amount.

**Note:**

*The subscription fee is applicable to all Classes.*

*Investors should note that the Managers may at any time differentiate between investors as to the amount of the subscription fee payable to them upon the issue or apply such discounts or waivers as they think fit (provided that such discounts will be borne by the Managers and not by the Fund).*

*Please refer to Section 3.1, Pricing of Units for information on how the subscription fee is calculated.*

### 2.2 REALISATION CHARGE

There is currently no realisation charge imposed on the realisation of Units requested by Holders. Under the provision of the Deed, the Managers may impose a realisation charge of up to 2.00% of the realisation price per Unit. The Managers shall give a written notice of any increase in the realisation charge to the affected Holders not less than one month prior to the effective date.

### 2.3 TRANSFER FEE

Class A SGD Acc (Hedged)	Class A USD Acc	Class A MYR Acc	Class A MYR Acc (Hedged)
SGD 15.00	USD 15.00	RM 15.00	RM 15.00
per transfer, subject to the Managers' or registered distributors' discretion.			

### 2.4 SWITCHING FEE

The current switching fee is 1.00% of the gross investment amount.

**Note:**

*The switching fee is applicable to all Classes.*

*If you switch your Units to units of any other Qualifying CIS managed by the Managers that offered for sale in Malaysia ("New Qualifying CIS"), the Managers will charge you the switching fee instead of the subscription fee for the New Qualifying CIS. If the subscription fee for the New Qualifying CIS is more than the switching fee, you are effectively receiving a discount on the New Qualifying CIS's subscription fee.*

*Investors should note that the Managers may at any time differentiate between investors as to the amount of the switching fee payable to them upon the switch of Units or apply such discounts or waivers as they think fit (provided that such discounts will be borne by the Managers and not by the Fund).*

## **Fees and expenses indirectly incurred when you invest in the Fund.**

### **2.5 MANAGEMENT FEE**

The management fee is currently 1.75% per annum of the value of the Deposited Property of the Fund. Under the provision of the Deed, the maximum management fee is 2.00% per annum of the value of the Deposited Property of the Fund.

The management fee shall accrue on each day of each calendar quarter in respect of the period up to and including the last day of that calendar quarter. The management fee in respect of a Class accruing on each day of each calendar quarter shall be a sum equal to the appropriate percentage of the value of the Deposited Property of the relevant Class calculated on the preceding Dealing Day divided by 365. The "appropriate percentage" shall be the rate of the management fee applicable on the relevant day.

### **2.6 TRUSTEE FEE**

The trustee fee is currently up to 0.05% per annum of the value of the Deposited Property, subject always to a minimum of S\$5,000 per annum. Under the provision of the Deed, the maximum trustee fee is 0.20% per annum of the value of the Deposited Property.

The trustee fee shall accrue on each day of each calendar quarter in respect of the period up to and including the last day of the calendar quarter. The amount accruing on each day of each calendar quarter shall be a sum equal to the appropriate percentage of the value of the Deposited Property calculated on the preceding Dealing Day divided by 365. The "appropriate percentage" shall be the rate of the trustee fee applicable on the relevant day.

### **2.7 OTHER EXPENSES**

These include the following:

- a) the fees for providing registrar and transfer agent services. The registrar and transfer agent fee is currently 0.125% per annum of the value of the Deposited Property, subject to a minimum of S\$15,000 per annum and a maximum of S\$25,000 per annum;
- b) the fees for the provisions of fund valuation and accounting service. The fund valuation and accounting fee is 0.20% per annum of the value of the Deposited Property;
- c) all transaction and other costs including all stamp and other duties, taxes, governmental charges, brokerage, commissions, bank charges, transfer fees, registration fees and other duties and charges incurred in connection with the purchase and sale of Authorised Investments of the Fund;
- d) all fees and charges paid to custodian, joint-custodians and/or sub-custodians;
- e) all taxation payable in respect of Income or the holding of or dealings with the Deposited Property;
- f) any interest on borrowings;
- g) all costs and expenses incurred in the holding of a meeting of Holders;
- h) all fees and expenses of the Auditors in connection with the Fund;
- i) all fees and expenses of any legal advisers, tax advisers, computer experts or other professional advisers employed or engaged by the Managers or the Trustee in the establishment of the Fund or any Class; and
- j) other fees or expenses permitted in the Deed.

Based on the audited accounts and the average NAV of the Fund for the financial year ended 31 December 2019, the Fund has incurred the following fees and charges:

- Audit fee: less than 0.10%
- Custodian fee: less than 0.10%
- Transaction costs: less than 0.10%
- Other fees and charges: 0.10%

The Managers will pay the fees of the Sub-Manager and these fees will not be charged to the Fund.

As required by the Code, all marketing, promotional and advertising expenses in relation to the Fund will not be paid from the Deposited Property of the Fund. In accordance with the Standards of Qualifying CIS, the Managers shall not make payments out of the assets of the Fund for the purpose of marketing the Fund.



In accordance with the Standards of Qualifying CIS, no performance fee will be charged in respect of the Fund.

## **2.8 SOFT DOLLAR COMMISSIONS/ARRANGEMENTS**

### **The Managers' soft dollar disclosures**

Subject to the provisions of the Code, the Managers may from time to time receive or enter into soft dollar commissions/arrangements in the management of the Fund. The Managers will comply with applicable regulatory and industry standards on soft dollars. The soft dollar commissions/arrangements may include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

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

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

### **Sub-Manager's and WMC's soft dollar disclosures**

Wellington Management utilises external research from broker/dealers and independent or "third party" research firms ("Research Services") in its investment decision-making process. The Research Services Wellington Management obtains include written research material and access to company management and experts in a variety of fields. These Research Services assist Wellington Management in its efforts to maximize investment returns in client accounts. In some cases, Wellington Management pays directly for Research Services. In most cases, however, it obtains Research Services using client commissions. When Wellington Management obtains Research Services using client commissions, it does so in a manner designed to comply with applicable securities regulations, which differ significantly by jurisdiction. In some instances, a portion of that research is bundled with trade execution services provided by broker/dealers. The commissions our clients pay on these trades are higher than the lowest available rates. In other instances, broker/dealers provide Wellington Management with research from independent firms as a result of trade executions it places with them. While the commissions on those trades are paid by Wellington Management's clients' accounts, these commissions pay for Research Services provided to Wellington Management.

Wellington Management places orders with broker/dealers that provide Research Services to Wellington Management, but only when Wellington Management's global trading department judges that the broker/dealer is capable of providing best execution for that transaction.

Research Services paid for through client commissions are not linked directly to particular transactions. Some Research Services may benefit Wellington Management's clients as a whole, while others may benefit a specific segment of clients. Where permitted by applicable law, Research Services received through client commissions can be used by all of Wellington Management's investment personnel, including those who have no direct involvement with the client account whose trading activity generated the commissions.

<p><b>THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.</b></p>
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## CHAPTER 3: TRANSACTION INFORMATION

### 3.1 PRICING OF UNITS

The price of the Units are calculated based on forward pricing i.e. the daily NAV per Unit is valued at the next valuation point after a purchase request or a realisation request is received by the Managers. The NAV per Unit of the Fund or a Class is determined by dividing the value of the Deposited Property of the Fund or, if relevant, the Deposited Property of a Class, as at the Valuation Point in relation to the Dealing Day by the number of Units of the Fund or the relevant Class and calculating and truncating the resulting amount to 3 decimal places.

#### **Example:**

#### **Making an investment**

Assuming the NAV per Unit on 3 December 2020 for Class A MYR Acc is RM1.101 and the amount of subscription fee that is imposed by the Manager is 5.00%; if a Holder intends to invest a sum of RM10,000.00 in the Class A MYR Acc, the amount that a Holder will have to pay as subscription fee will therefore be:

$$\begin{aligned}\text{Subscription fee} &= 5.00\% \times (\text{amount to be paid}) \\ &= 5\% \times \text{RM}10,000 \\ &= \text{RM}500\end{aligned}$$

The total amount that will have to be paid to the Managers will therefore be:

$$\begin{aligned}\text{Total to be paid} &= \text{amount to be invested} + \text{subscription fee} \\ &= \text{RM}10,000 + \text{RM}500 \\ &= \underline{\text{RM}10,500}\end{aligned}$$

The number of Units that will be allocated to the Holder will therefore be:

$$\begin{aligned}\text{Units allocated to the Holder} &= \frac{\text{amount to be invested}}{\text{NAV per Unit}} \\ &= \frac{\text{RM}10,000}{\text{RM}1.101} \\ &= \underline{9,082.65 \text{ Units}}\end{aligned}$$

*Please note that the calculation set out above is for illustration purposes only.*

#### **Realising an investment**

Assuming the NAV per Unit on 17 December 2020 for Class A MYR Acc is RM1.109 and there is no realisation charge for this Fund; if a Holder intends to realise 10,000 Units from the Class A MYR Acc, the amount that the Managers will have to pay to Holder will therefore be:

$$\begin{aligned}\text{Units realised by Holder} &= 10,000 \text{ Units} \\ \text{Amount payable to Holder} &= \text{Units realised} \times \text{NAV per Unit} - \text{realisation charge} \\ &= 10,000 \text{ units} \times \text{RM}1.109 - 0\% \\ &= \underline{\text{RM}11,090.00}\end{aligned}$$

*Please note that the calculation set out above is for illustration purposes only.*

## Policy on rounding adjustment

In calculating an issue price or realisation price, the NAV per Unit will be truncated to three (3) decimal places. The Managers may use another method of determination or adjustment or number of decimal places with the approval of the Trustee. Any adjustments shall be retained by the Fund.

The number of Units to be issued will be rounded down to two (2) decimal places.

## 3.2 SUBSCRIPTION OF UNITS

Class(es) of Units	Class A MYR Acc	Class A MYR Acc (Hedged)	Class A SGD Acc (Hedged)	Class A USD Acc
Minimum Initial Subscription	RM1,000	RM1,000	S\$1,000	US\$1,000
	or such other amount as the Managers or registered distributors may from time to time accept.			
Minimum Subsequent Subscription	RM100	RM100	S\$500	US\$500
	or such other amount as the Managers or registered distributors may from time to time accept.			

The Dealing Deadline for the Fund is 3 p.m. Singapore time on any Dealing Day.

For applications received and accepted by the Managers through their registered distributors by the Dealing Deadline of a Dealing Day, Units will be issued at the issue price applicable to that Dealing Day.

For applications received and accepted by the Managers through their registered distributors after the Dealing Deadline or on a day which is not a Dealing Day, Units will be issued at the issue price applicable to the next Dealing Day.

You are required to complete application forms, which are available at the offices of the registered distributors listed in Chapter 12, List of Registered Distributors. For the convenience of applicants, all registered distributors are authorized to accept the application forms accompanied by the necessary remittance for onward transmission to the Managers. You should check with the Malaysian Representative for the latest list of registered distributors and their offices.

Every successful applicant will be sent a confirmation of your purchase within 5 Business Days from the date of issue of Units. If you are resident outside Singapore, the Managers will deduct from your Gross Investment Amount any expenses actually incurred by them over the amount of expenses which the Managers would have incurred if you had been resident in Singapore.

***Note: The Managers may accept or reject any application for Units at their absolute discretion without assigning any reason.***

***All applicants intending to invest in a Class other than Class A MYR Acc and Class A MYR Acc (Hedged) are required to have a foreign currency account with any financial institutions as all transactions relating to the particular foreign currency will ONLY be made via telegraphic transfers.***

<b>INVESTORS ARE ADVISED NOT TO MAKE ANY PAYMENTS IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF A FUND.</b>
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**AS AN INVESTOR CAN ONLY INVEST IN UNITS THROUGH THE REGISTERED DISTRIBUTORS WHICH ADOPTS THE NOMINEE SYSTEM OF OWNERSHIP, THE INVESTOR'S NAME WILL NOT APPEAR IN THE REGISTER OF UNIT HOLDERS. HENCE, THE INVESTOR WOULD NOT BE CONSIDERED TO BE A UNIT HOLDER UNDER THE DEED. THE INVESTOR MAY CONSEQUENTLY NOT HAVE ALL THE RIGHTS ORDINARILY EXERCISABLE BY A UNIT HOLDER (FOR EXAMPLE, THE RIGHT TO CALL FOR A UNIT HOLDERS' MEETING AND TO VOTE THEREAT).**

### **Conditions to the launch of any new Class**

The Managers reserve the right not to proceed with the launch of any new Class if they are of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the relevant new Class.

In such event, the Managers may at their discretion declare the relevant new Class to be deemed not to have commenced, and shall notify the relevant investors of the same and return the subscription monies received (without interest) to the relevant investors no later than 30 Business Days after the close of the relevant initial offer period.

### **3.3 REALISATION OF UNITS**

Unit Holders may realise their investments in the Fund on any Dealing Day by completing the prescribed realisation request form or such other manner as the Managers may accept and returning it to the Managers through the registered distributors from whom you purchased the Units from on any Dealing Day; the realisation request form is available at the offices of the registered distributors listed in Chapter 12, List of Registered Distributors.

The Dealing Deadline for the Fund is 3 p.m. Singapore time on any Dealing Day.

For realisation requests received and accepted by the Managers through their registered distributors by the Dealing Deadline of a Dealing Day, Units will be realised at the realisation price applicable to that Dealing Day.

For realisation requests received and accepted by the Managers through their registered distributors after the Dealing Deadline or on a day that is not a Dealing Day, Units will be realised at the realisation price applicable to the next Dealing Day.

The minimum realisation amount is 100 Units or such other lesser Units as the Managers or registered distributors may from time to time decide.

However, if the realisation request leaves a Holder with less than 1,000 Units (minimum holdings) remaining in the account, the Holder may not realise part of your holding of Units.

Net Realisation Proceeds will be paid within seven (7) Business Days after the relevant Dealing Day on which the complete realisation request form is received, or such other period as may be permitted by the relevant authorities. You will bear all bank charges incurred for any telegraphic transfer of realisation proceeds to your designated bank account. If you are resident outside Singapore, the Managers will deduct from your Gross Realisation Proceeds any expenses actually incurred by them over the amount of expenses which the Managers would have incurred if you had been resident in Singapore. There may be delays in cases where the realisation of Units has been limited or suspended in accordance with sub-Section below or Section 3.8.

#### **Limitation on realisation**

The Managers may, with the approval of the Trustee and subject to the provisions of the Deed, limit the total number of Units in the Fund or any Class to be realised by the Holders or cancelled by the Managers on any Dealing Day to ten per cent (10%) of the total number of Units in the Fund or the relevant Class then in issue. Such limitation will be applied pro rata to the Managers and all Holders who have validly requested realisations on such Dealing Day.

Any Units of the Fund or the relevant Class which are not realised or cancelled will be realised or cancelled on the next Dealing Day, subject to the same limitation and provided that any Units of the Fund or the relevant Class which have been so carried forward shall on any such succeeding Dealing Day be realised or cancelled in priority to any new Units of the Fund or the relevant Class due to be realised or cancelled on that Dealing Day. If realisation requests are so carried forward, we will notify the affected Holders within seven (7) days.

### **3.4 COOLING-OFF POLICY**

A cooling-off right refers to the right of the Holder to obtain a refund of his investment if he so requests within the cooling-off period (within six (6) Business Days from the date of receipt of application to purchase Units or such longer period as the Managers and the Trustee may agree or such other period as the Authority may prescribe). This is to provide the Holder with the opportunity to reverse his investment decision that could have been unduly influenced by certain external elements or factors. The cooling-off right is only given to an individual investor, other than those listed below, who is investing for the first time in any unit trust funds distributed by the registered distributors:

- (i) our staff; and
- (ii) persons registered with a body approved by the Securities Commission Malaysia to deal in unit trusts.

Within the cooling-off period, the refund to the Holders for every Unit held by the Holders shall be the sum of:

- (a) the price of the Units on the day the Units were purchased; and
- (b) the subscription fee originally imposed on the day the Units were purchased.

In other words, the Holders shall be refunded with their original investment proceeds within seven (7) Business Days of the date of receipt of the cooling-off notice from the Holders.

### **3.5 MINIMUM HOLDINGS**

The minimum holding is 1,000 Units or such other lesser Units as the Managers or registered distributors may from time to time decide.

### **3.6 TRANSFER OF UNITS**

Units in the Fund are transferable subject to a minimum of 1,000 Units or such other lesser Units as the Managers or registered distributors may from time to time decide, and any other terms and conditions as may be imposed by the Managers or registered distributors. However, if the transfer request leaves a Holder with less than 1,000 Units (minimum holdings) remaining in the account, the Holder may not transfer part of your holding of Units.

A copy of the "Transfer Form" can be obtained from the offices of the registered distributors listed in Chapter 12, List of Registered Distributors.

Requests for a transfer of Units will not be processed if the transfer is requested within the fourteen (14) Business Days prior to an income distribution declaration date.

### **3.7 SWITCHING FACILITY**

You are allowed to switch your Units of any Class to Units of another Class or units of any other Qualifying CIS managed by the Managers that offered for sale in Malaysia, which should be denominated in the same currency ("new Class/ Qualifying CIS") and subject to the Managers' discretion. You may request to switch your Units by giving a switching request in the prescribed form to the Managers through the registered distributors from whom you purchased the Units from on any Dealing Day.

Switches will only be made on a day ("Common Dealing Day") which is both a Dealing Day for your Units and a dealing day for the units of the new Class/ Qualifying CIS.

For requests received and accepted by the Managers through their registered distributors by the Dealing Deadline of a Common Dealing Day, Units will be switched on that Dealing Day.

For requests received and accepted by the Managers through their registered distributors after the Dealing Deadline or on a day that is not a Common Dealing Day, Units will be switched on the next Common Dealing Day.

### **3.8 SUSPENSION OF DEALINGS**

Subject to the provisions of the Code and the Standards of Qualifying CIS, the Managers may suspend the issue, realisation, cancellation and valuation of Units in the Fund or any Class when:

- (a) dealings in a material portion of the assets of the Fund or the relevant Class are restricted or suspended, provided that the Trustee is consulted;
- (b) it is not in the best interests of the Holders of the Fund or the relevant Class to liquidate a material portion of the assets of the Fund, provided that the Trustee's approval is obtained;
- (c) the market value or fair value of a material portion of the assets of the Fund or the relevant Class cannot be determined, provided that the Trustee's approval is obtained;
- (d) instructed by the Authority in the interest of protecting the rights of Holders of the Fund or the relevant Class;
- (e) under exceptional circumstances set out in the Deed, the Managers have determined that dealings in Units of the Fund or the relevant Class is not in the best interests of the Holders of the Fund or the relevant Class, provided that the Trustee's approval is obtained; or
- (f) such circumstances as may be required under the provisions of the Code and the Standards of Qualifying CIS.

Such suspension shall take effect upon our providing a written declaration to the Trustee or vice versa (as the case may be) and subject to the provisions of the Code and the Standards of Qualifying CIS, shall end as soon as practicable when the condition giving rise to the suspension no longer exists and no other condition under which suspension is authorised under this Section exist upon our (or, as the case may be, the Trustee's) providing a written declaration of the same and in any event, within such period as may be prescribed by the Code and the Standards of Qualifying CIS (including any extension of the period of suspension in accordance with the provisions of the Code and the Standards of Qualifying CIS).

### **3.9 COMPULSORY REALISATIONS**

The Managers have the right (in consultation with the Trustee) to compulsorily realise any holdings of Units in a Fund held by:

- (a) any Holder:
  - (i) whose subscription for or holding of Units, in the opinion of the Managers, is or may be in breach of any applicable law or regulation in any jurisdiction; or
  - (ii) where such realisation is, in the opinion of the Managers, necessary or desirable for the compliance of the Managers or the Fund with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions); or
- (b) any Holder whose holdings, in the opinion of the Managers:
  - (i) may cause the Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or
  - (ii) may cause the offer of the Units of the Fund, the Fund, this Prospectus, the Deed, the Managers or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or
- (c) any Holder whose holdings, in the opinion of the Managers:
  - (i) may cause a detrimental effect on the tax status of the Fund in any jurisdiction or on

the tax status of the Holders of the Fund; or

- (ii) may result in the Fund or other Holders of the Fund suffering any other legal or pecuniary or administrative disadvantage which the Fund or Holders might not otherwise have incurred or suffered; or
- (d) any Holder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or where information and/or documentary evidence requested by the Managers and/or the Trustee for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks cannot be obtained from the Holder (or the Holder has failed to provide the same) in a timely manner; or
- (e) any Holder, where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as may be requested by the Managers and/or the Trustee pursuant to laws, regulations, guidelines, directives or contractual obligations with other jurisdictions' authorities (including, without limitation, the FATCA and/or any Singapore laws, regulations, guidelines and directives implemented as part of any IGA entered into between the U.S. and Singapore in connection with FATCA) cannot be obtained from the Holder, or the Holder has failed to provide the same, in a timely manner; or
- (f) any Holder who does not consent, or withdraws his consent, for the Managers or the Trustee to collect, use and/or disclose information or data relating to the Holder, where (in the opinion of the Managers or the Trustee) such information or data is necessary or desirable for the Managers, the Trustee, their respective related corporations and/or other service providers to perform their respective services and/or duties to or in respect of the Fund and/or the Holder.

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

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

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

### **3.10 VALUATION OF THE FUND AND BASES OF VALUATION OF THE ASSETS OF THE FUND**

#### **3.10.1 Valuation of the Fund**

The valuation of the Fund will be carried out at the Valuation Point on every Business Day.

#### **3.10.2 Valuation of Assets**

Except where otherwise expressly stated in the Deed and subject always to the requirements of the Code and the Standards of Qualifying CIS, the value with reference to any Authorised Investment which is:

- (a) a quoted investment, shall be valued based on the official closing price or last known transacted price on the organised market (as defined in the Standards of Qualifying CIS) on which the quoted investment is quoted; and
- (b) an unquoted investment, or a quoted investment where the transacted price is not

representative or not available to the market, shall be valued based on the fair value of the unquoted investment or the quoted investment determined with due care and in good faith and in accordance with the Code and the Standards of Qualifying CIS, by the Managers in consultation with a Stockbroker or an Approved Valuer and with the approval of the Trustee and the Managers shall document the basis and approach for determining the fair value of the unquoted investment or the quoted investment.

In exercising in good faith the discretion given by the provisions above, the Managers shall not, subject to the provisions of the Code and the Standards of Qualifying CIS, assume any liability towards the Fund, and the Trustee shall not be under any liability in accepting the opinion of the Managers, notwithstanding that the facts may subsequently be shown to have been different from those assumed by the Managers.

In calculating the Value of the Deposited Property or any proportion thereof:

- (i) every Unit agreed to be issued by the Managers shall be deemed to be in issue and the Deposited Property shall be deemed to include not only cash or other assets in the hands of the Trustee but also the value of any cash, accrued interest on bonds or interest-bearing instruments or other assets to be received in respect of Units agreed to be issued after deducting therefrom or providing thereout the Subscription Fee and (in the case of Units issued against the vesting of Authorised Investments) any moneys payable out of the Deposited Property pursuant to Clause 10 of the Deed;
- (ii) where Authorised Investments have been agreed to be purchased or otherwise acquired or sold but such purchase, acquisition or sale has not been completed, such Authorised Investments shall be included or excluded and the gross purchase, acquisition or net sale consideration excluded or included as the case may require as if such purchase, acquisition or sale had been duly completed;
- (iii) where in consequence of any notice or request in writing given pursuant to Clause 12, 12A or 13 of the Deed a reduction of the Fund by the cancellation of Units is to be effected but such reduction has not been completed the Units in question shall not be deemed to be in issue and any amount payable in cash and the value of any Authorised Investments to be transferred out of the Deposited Property after deducting therefrom or providing thereout the realisation charge (if any) in pursuance of such reduction shall be deducted from the Value of the Deposited Property;
- (iv) there shall be deducted on a proportionate basis any amounts not provided for above which are payable out of the Deposited Property including:
  - (a) any amount of the management fee (which shall be deducted in accordance with the provisions below if the management fee differs between the Classes), the setting-up fee, the remuneration of the Trustee and any other expenses accrued but remaining unpaid;
  - (b) the amount of tax, if any, on capital gains (including any provision made for unrealised capital gains) accrued up to the end of the last Accounting Period (as defined in the Deed) and remaining unpaid;
  - (c) the amount in respect of tax, if any, on net capital gains realised during a current Accounting Period prior to the valuation being made as in the estimate of the Managers will become payable;
  - (d) the aggregate amount for the time being outstanding of any borrowings effected under Clause 16(C) of the Deed together with the amount of any interest and expenses thereon accrued pursuant to Clause 16(C)(v) of the Deed and remaining unpaid; and
  - (e) all such costs, charges, fees and expenses as the Managers may have determined pursuant to the provisions of the Deed;



- (v) there shall be taken into account such sum as in the estimate of the Managers will fall to be paid or reclaimed in respect of taxation related to income up to the time of calculation of the Value of the Deposited Property;
- (vi) there shall be added the amount of any tax, if any, on capital gains estimated to be recoverable and not received;
- (vii) any Value (whether of an Authorised Investment, cash or a liability) otherwise than in Singapore dollars and any non-Singapore dollar borrowing shall be converted into Singapore dollars at the rate (whether official or otherwise) which the Managers shall after consulting with or in accordance with a method approved by the Trustee deem appropriate to the circumstances having regard inter alia to any premium or discount which may be relevant and to the costs of exchange;
- (viii) where the current price of an Authorised Investment is quoted "ex" dividend, interest or other payment but such dividend, interest or other payment has not been received the amount of such dividend, interest or other payment shall be taken into account; and
- (ix) there shall be taken into account such estimated sum approved by the Trustee as in the opinion of the Managers represents provision for any nationalisation, expropriation, sequestration or other restriction relating to the Deposited Property;

Provided that the Managers may, subject to the prior approval of the Trustee, and to the extent permitted by the Authority, change the method of valuation provided in this definition and the Trustee shall determine if the Holders shall be informed of such change.

The Value of the proportion of the Deposited Property attributable to each Class shall be calculated by apportioning the Value of the Deposited Property (obtained in accordance with the provisions above provided that no deduction or addition shall be made in respect of expenses, charges or other amounts which are not common to all the Classes) between the Classes and then deducting from or adding to the Value of the proportion of the Deposited Property for each Class any expense, charge or other amount attributable to such Class (including, but not limited to, the management fee if it differs between Classes). For the avoidance of doubt, where any expense, charge or amount payable out of or payable into the Deposited Property pursuant to the Deed is attributable only to a particular Class such amount shall only be deducted from or added to the Value of the Deposited Property which is attributable to that Class and shall not affect the calculation of the Value of the Deposited Property attributable to other Classes.

### **3.11 MODE OF DISTRIBUTION**

Currently, the Classes available for sale in Malaysia are Accumulation Class. Hence, all investment gains, income and interest attributable to an Accumulation Class will not be distributed but will be accumulated and reflected in the NAV of the relevant Accumulation Class.

**UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP.**

## CHAPTER 4: THE MANAGERS

### 4.1 BACKGROUND INFORMATION

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited ("UOB"). Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Authority. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Indonesia, Taiwan and Japan. UOBAM has a joint venture with Ping An Fund Management Company Limited and strategic alliance with Wellington Management and UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 31 May 2020, UOBAM manages 51 unit trusts in Singapore with a total fund size of SGD17.9 billion. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM's investments team conducts independent and rigorous fundamental research within a proven investment process and framework. In equities, UOBAM's team has acquired specialist skills in investment in global markets and major global sectors. It combines a disciplined research effort that aims to identify and invest in high performing businesses at the right price, with a systematic model portfolio construction process, to diversify sources of alpha to achieve more consistent performance over time. In fixed income, UOBAM's coverage spans a wide spectrum comprising G10 government bonds, developed market corporate bonds, Asia sovereigns and corporates, emerging market bonds and Singapore fixed income. In addition to independent research to uncover relative value opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

UOBAM may delegate certain or all of their duties. Currently, UOBAM have delegated certain administration and valuation functions and certain transfer agency functions, in respect of the Fund, to the administrator, whose details are set out in Section 4.10 below.

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

### 4.2 ROLE, DUTIES AND RESPONSIBILITIES OF THE MANAGERS

The Managers will fulfil their role, responsibilities and legal liabilities in accordance with the Deed and the Standards of Qualifying CIS. The Managers are subject themselves to ongoing supervision by the Authority.

### 4.3 FINANCIAL POSITION

The audited financial results of the Managers for the last 3 years are as follows:

	Year Ended 31 December		
	2019 SGD	2018 SGD	2017 SGD
Paid-up share capital;	63m	63m	63m
Shareholders' funds;	258.5m	232.6m	120.1m
Revenue	107.8m	133.3m	111.9m
Profit or loss before tax	12.3m	111.7m	(5.1m)
Profit or loss after tax	10.8m	109.8m	(5.3m)

#### 4.4 DIRECTORS OF THE MANAGERS

##### **Mr Lee Wai Fai, Non-Independent Director and Chairman**

Mr Lee joined UOB in 1989 and is presently Group Chief Financial Officer with UOB. Mr Lee has previously held senior positions in the UOB group, including being head of international branches and regional banking subsidiaries, Deputy Chief Executive Officer of UOB Radanasin Bank Public Company Limited, Head of Finance as well as Head of Policy and Planning of UOB.

Mr Lee holds a Bachelor of Accountancy (Honours) degree from the National University of Singapore and a Master of Business Administration degree in Banking and Finance from the Nanyang Business School, Nanyang Technological University, and has more than 25 years of experience in the banking sector.

##### **Mr Thio Boon Kiat, Non-Independent Director and Chief Executive Officer**

Mr Thio has close to 30 years of investment management experience, and has served as the Group CEO of UOB Asset Management (UOBAM) since 2011. Under his leadership, UOBAM has established itself as a leading regional player in the asset management industry, receiving significant industry recognition in Singapore and the region.

In 2020, UOBAM was awarded double honours, winning the regional marquee award - the prestigious “Best Asia Fund House” at both Asia Asset Management Best of Best Awards and *AsianInvestor* Asset Management Awards (second consecutive year). UOBAM’s advance in harnessing technology was recognised with the “Best in Fintech in Asset Management (Singapore)” award from *Asia Asset Management* Best of Best Awards 2020 and “Best Wealth Management Platform (Thailand)” the previous year.

Over the years, UOBAM has won over 200 top awards from prestigious organisations and publications such as Morningstar, Refinitive and *The Asset Benchmark Research* across the region.

For his contributions to UOBAM, Mr Thio was recognised as “CEO of the Year in Asia” for two consecutive years by *Asia Asset Management* Best of Best Awards 2015 and 2014. He was also conferred the “IBF Fellow” title by the Institute of Banking and Finance in 2015.

A passionate advocate of digitalisation, Mr Thio has been spearheading UOBAM’s digital transformation initiative, driving the adoption of emerging technology, enhancement of infrastructure and establishment of strategic partnerships across the organisation with a view to solidifying UOBAM’s position as a digital leader in asset management in Asia.

He strongly believes that there is an optimal balance and point of convergence between man and machine in many areas, including asset management; that AI should be more “Augmented Intelligence” than “Artificial Intelligence”. This philosophy has already borne tangible fruit in the form of UOBAM Invest, Singapore’s first robo-advisory app launched by an established asset manager in 2020. UOBAM was also the first in Singapore to pioneer a corporate platform version in 2018 and subsequently rolled out to corporate clients in Malaysia a year later.

Mr Thio has also championed the cause for sustainable investing in Asia. A firm believer in “Investing for Purpose and Profit”, he has led UOBAM to become one of the first regional asset managers in Singapore to sign on the United Nations-supported Principles for Responsible Investment. This is on top of also being a signatory to the Singapore Stewardship Principles for Responsible Investors, underlining the firm’s commitment to making sustainable investing a key tenet.

##### **Mr Eric Tham Kah Jin, Non-Independent Director**

Mr Tham joined UOB in 2004 and heads Group Commercial Banking which oversees the medium enterprise business. He is responsible for driving UOB group’s expansion in the medium enterprise business in Singapore as well as Malaysia, Thailand, Indonesia, China, Hong Kong, Myanmar, Taiwan and Vietnam.

Mr Tham holds a Master of Business Administration degree in Accounting from Nanyang Technological University. He was conferred the title “Distinguished Financial Industry Certified Practitioner” by The Institute of Banking & Finance of Singapore in 2010 and recognised as a Fellow Chartered Accountant of Singapore by the Institute of Singapore Chartered Accountants (ISCA) in 2015. Mr Tham has more than 30 years of experience in the financial sector.

**Mr Peh Kian Heng, Non-Independent Director**

Mr Peh joined the UOB group in 2008 and is presently the Head of the Corporate Investment Unit. Prior to joining UOB, he was an investment strategist at OCBC and spent the most part of his career with the Monetary Authority of Singapore, where his last appointment was Head of Financial Sector Surveillance. He graduated with MA (Distinction) from the University of Warwick and BSocSci (2nd Upper Honours) from the National University of Singapore.

**4.5 THE MANAGEMENT TEAM**

The key personnel of the management team are as follows:

**Mr Thio Boon Kiat, Non-Independent Director and Chief Executive Officer**

*(His profile is as set out in Section 4.4 above)*

**Mr Chong Jiun Yeh, Chief Investment Officer**

As Chief Investment Officer of UOB Asset Management, Mr Chong leads the investment team in developing the firm's long-term investment strategy and in managing asset allocation with the objective to maximise the value of investments in assets for our investors. He has oversight for the teams managing Equities, Fixed Income, Multi-Asset, including spearheading the firm's strategic thrusts in sustainable investing and investment technology. Prior to joining UOBAM in 2008, Mr Chong was the Managing Director (Fund Management) and Co-Head of Portfolio Management for ST Asset Management (STAM), a wholly owned subsidiary of Temasek Holdings. Before that, he was Head of Fixed Income and Currencies at OUB Asset Management. He has vast experience in managing equities, fixed income and structured investment portfolios, including emerging market local currencies debts, G7 FX overlays as well as Asia-Pacific equities.

Mr Chong graduated with a Bachelor of Science (Estate Management) (Second Upper Honours) degree from the National University of Singapore.

**Mr Wijaya Elham, Chief Operating Officer**

As Chief Operating Officer, Wijaya is responsible for the overall functions of Middle Office and Governance, System and Data Management as well as the Operations of UOBAM.

He joined UOBAM in August 2015 and has more than 21 years of extensive operational experience, principally in investment custody operations, fund accounting and new business consulting. Prior to joining UOBAM, he was Head of Operations with Northern Trust Company.

Wijaya was educated at Indiana University Kelley School of Business.

**Mr Faizal Gaffoor, Chief Marketing Officer**

Mr Faizal joined UOBAM in 1996, assisting the Head of Business Development. In January 2007, he was promoted to the rank of Senior Director, Head of Regional Business Development. His responsibilities then include the creation of products and services that meet the needs of retail and institutional investors in the region. Over the last few years he initiated and strategised further the expansion of UOBAM into the regional markets in Asia with the establishment of UOBAM (Brunei), UOBAM (Japan), OSK/UOB Islamic Fund Management Berhad JV in Malaysia and the formation of strategic alliances with major regional third-party fund managers. In Malaysia, Mr Faizal represented UOBAM as the alternate director to UOBAM Managing Director on the board of OSK/UOB Islamic Fund Management Berhad. From July 2008 to February 2010 he was also appointed as the board director of UOB Philippines. In January 2011, he assumed the role of Head of Business Development and in January 2015 he assumed the role of Chief Marketing Officer for UOBAM.

He currently is one of the directors of UOBAM (Japan) as well as sits on the board of UOBAM (Brunei), UOB Islamic Asset Management, UOB Alternative Investment Management and is appointed a Commissioner for PT PG Asset Management in Indonesia. Currently, in Singapore he is a member of UOBAM Management Committee. In addition, he is also a voting member of UOB Regional Investment, Risk and Product Committees.

Prior to joining UOBAM, Mr Faizal was with Citibank in the Singapore and regional office, which oversees the Singapore, Hong Kong and Taiwan markets, contributing in the areas of client service and product development for the unit trusts/mutual funds business.

He graduated with a degree in Mathematics and Economics from National University of Singapore.

#### **4.6 DESIGNATED PERSON RESPONSIBLE FOR COMPLIANCE MATTERS**

The day-to-day compliance monitoring of UOBAM rests with Middle Office & Governance ("MO&G") who reports directly to Head of MO&G, who in turn reports to UOBAM COO.

##### **Ms Sandra Cheang-Tan, Head of Middle Office & Governance, Senior Director**

Ms Sandra Cheang-Tan came on board in September 2005 as a Team Lead for Documentation Control in Middle Office, UOBAM. In June 2011, she was appointed as Head of Middle Office which oversees the implementation of corporate governance, good practice and operations to comply with the relevant procedures and regulations. In June 2015, Sandra assumes two more departments, Overseas Governance (on UOBAM Group of subsidiaries) and AML Governance, as the Head of Middle Office & Governance. Prior to joining UOBAM, Sandra was with Banca Monte dei Paschi di Siena S.p.A., Singapore Branch for 8 years whose responsibilities include credit analysis and credit documentation.

#### **4.7 INVESTMENT COMMITTEE**

The purpose of Investment Committee ("IC") is mainly in providing the necessary oversight and governance of investment management matters over UOBAM Singapore investment management team. The IC is setup to perform functions set out as below:

- Governance of investment policies
- Endorsing new investment capabilities and reviewing existing investment capabilities
- Reviewing of investment procedures adopted by the investment team
- Review the selection and rating criteria for brokers and counterparties
- Monitoring of investment risk and investment performance

The IC meets on a monthly basis.

The members of IC are:

- Mr. Faizal Gaffoor (Chairman) (non-independent)
- Mr. Wijaya Elham (Alternate Chairman) (non-independent)
- Mr. Chong Jiun Yeh (non-independent)
- Ms. Feng Fang (non-independent)

*(The profiles of Mr Faizal Gaffoor, Mr Wijaya Elham and Mr Chong Jiun Yeh are as set out in Section 4.5 above)*

##### **Ms Feng Fang, Head of Risk and Performance Unit, Senior Director**

Feng Fang has 18 years of experience in capital markets. Feng Fang started her career in APS Asset Management as an analyst. Following her employment with APS Asset Management, she assumed a performance analyst role under the Risk Management function with Temasek Holdings, and then was transferred internally to Fullerton Fund Management. She joined JL Capital in 2008 as a Risk Manager providing oversight of risk controls, developing risk policies/procedures and initiating risk infrastructures. Subsequently, she took on the role of Portfolio Manager managing an equity long-short portfolio, focusing on off-shore listed Chinese companies.

Feng Fang joined UOB Asset Management Singapore in 2013 as a Director and is in charge of the risk management function. In 2015, she was promoted to Senior Director. She led the Risk and Performance team to establish and improve the Company's risk management framework, guidelines and policies. In addition, she is a Committee Member of UOB Asset Management's Regional Product Committee, Regional Investment Committee and Regional Risk Committee, and Regional Technology Committee

and Pricing Committee. She is also a director in the Supervisory Board of Ping An – UOB Fund Management Company in China and a member of UOBAM Taiwan's Risk Management Committee.

Feng Fang has a Bachelor of Engineering from Shanghai Jiao Tong University, and a Master of Finance from the University of Western Australia, and Master of Business from Nanyang Technological University.

#### **4.8 DESIGNATED PERSON RESPONSIBLE FOR FUND MANAGEMENT FUNCTION**

##### **Mr Chong Jiun Yeh, Chief Investment Officer, UOBAM**

(His profile is as set out in Section 4.5 above)

#### **4.9 MATERIAL LITIGATION**

As at 31 May 2020, the Manager is not engaged in any litigation or arbitration proceedings, either as plaintiff or defendant which has a material effect on the financial position of the Manager or any of its delegates, and the board of directors are not aware of any proceedings pending or threatened, or of any fact likely to give rise to any such proceedings which might materially and adversely affect the position or business of the Manager or any of its delegates.

#### **4.10 THE MANAGERS' DELEGATE**

##### **The Sub-Manager**

The Sub-Manager is Wellington Management Singapore Pte Ltd. The Sub-Manager is domiciled in Singapore and holds a capital markets services licence issued by the Authority. The Sub-Manager has subcontracted all of its investment sub-management function for the Fund to its affiliate, Wellington Management Company LLP ("**WMC**"). WMC is a Delaware-incorporated limited liability partnership domiciled and headquartered in Boston, Massachusetts (United States of America). WMC is registered with the U.S. Securities and Exchange Commission as an investment adviser. The Sub-Manager, through WMC, will sub-manage the Fund on a global basis. The Sub-Manager and WMC are wholly owned subsidiaries of Wellington Management Group LLP (collectively, the Sub-Manager, WMC, along with the other subsidiaries of Wellington Management Group LLP are referred to as "**Wellington Management**"). Tracing its roots to 1928, Wellington Management has been managing collective investment schemes and discretionary funds for over 80 years, and serves as investment manager to clients in more than 50 countries.

The Sub-Manager will manage the assets of the Fund in accordance with the investment objective of the Fund, and will follow the policies of and within the limits set forth in the investment policy and investment restrictions of the Fund as provided in the Deed. The Sub-Manager is responsible with respect to the investment and reinvestment of the cash, securities and other assets comprising the asset of the Fund from time to time allocated by the Manager.

The designated fund managers responsible for the management of the Fund are Ann Gallo and Jean M. Hynes. Their profiles are as set out below:

##### **Ann Gallo,**

##### **Senior Managing Director, Partner, and Global Industry Analyst**

Ann is a global industry analyst on Wellington Management's Health Care Team, specializing in the health care services and medical technology industries. She manages two global health care hedge funds and several global health care sector portfolios. She also co-manages a multisector private company investment fund. In her role as a global industry analyst, Ann conducts fundamental research on public and private companies and makes buy/sell recommendations to portfolio managers based on her findings. She is a member of the firm's Private Equity Oversight Committee, as well as the firm's Hedge Fund Review Group Committee.

Prior to joining Wellington Management in 1998, Ann was a senior health care analyst with BT Alex. Brown (1995 – 1998). From 1992 – 1995, Ann worked at Piper Jaffray in Minneapolis, first as an

investment banker and subsequently as a health care research analyst. Previously, she was a financial analyst with Citibank N.A. (1991 – 1992) and an accountant with Coopers & Lybrand (1987 – 1989).

Ann received her MS in finance and applied economics from the Massachusetts Institute of Technology (Sloan, 1991) and her BS in accounting from Boston College (1987).

**Jean M. Hynes, CFA**

**Managing Partner, Senior Managing Director, and Global Industry Analyst**

Jean is the sector team leader for the Health Care Team in Investment Research. She manages the Vanguard Healthcare Fund, three global health care hedge funds, and global health care sector portfolios. Jean has spent a large part of her career specializing in the pharmaceutical and biotechnology industries. She is also one of the firm's three Managing Partners, a group responsible for the governance of the Wellington Management partnership. She serves as the chair of the Executive Committee and as a committee member for Equity Review Group I. Additionally, she is the sponsor for the Wellington Women's Network.

Jean joined Wellington Management upon her graduation from Wellesley College (1991), where she was awarded a BA in economics. Additionally, she holds the Chartered Financial Analyst designation and is a member of the CFA Institute and the CFA Society Boston.

As at 31 May 2020, the Sub-Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Sub-Manager.

**The Administrator**

The administrator of the Fund is State Street Bank and Trust Company, acting through its Singapore Branch, which has been appointed by the Managers to provide (i) certain administration and valuation services including accounting and net asset value calculation pursuant to an Administrative Services Agreement, and (ii) certain transfer agency services pursuant to a Transfer Agency and Services Agreement, to the Fund.

**The Registrar**

State Street Bank and Trust Company, acting through its Singapore Branch, has been appointed by the Trustee as registrar of the Fund and will be responsible for keeping the Register. Any Holder may inspect the Register at 168 Robinson Road, #33-01, Capital Tower, Singapore 068912 during normal business hours subject to such reasonable restrictions as the registrar may impose.

The Register is conclusive evidence of the number of Units held by each Holder. If there is any discrepancy between the entries in the Register and the details appearing on any statement of holdings, the entries in the Register will prevail unless the Holder proves to the Trustee's and our satisfaction that the Register is incorrect.

## CHAPTER 5: TRUSTEE

### 5.1 ABOUT STATE STREET TRUST (SG) LIMITED

The Trustee of the Fund is State Street Trust (SG) Limited, a trust company approved by the Authority under Section 289(1) of the SFA to act as a trustee for collective investment schemes which are authorised under Section 286 of the SFA and constituted as unit trusts. The Trustee is regulated in Singapore by the Authority.

### 5.2 EXPERIENCE IN TRUSTEE BUSINESS

State Street Trust (SG) Limited was incorporated since 2013 and approved to act as Trustee for Collective Investment Schemes by the Monetary Authority of Singapore since 2015.

### 5.3 ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee will fulfil their role, responsibilities and legal liabilities in accordance with the Deed and the Standards of Qualifying CIS.

### 5.4 TRUSTEE'S DELEGATE (CUSTODIAN)

The Trustee has appointed State Street Bank and Trust Company ("SSBT"), a trust company organised under the laws of the Commonwealth of Massachusetts and, in respect of such appointment, acting through its Singapore Branch, as the global master custodian of the Fund.

SSBT was founded in 1792 and is a wholly owned subsidiary of State Street Corporation. It is licensed and regulated by the Federal Reserve Bank of Boston. State Street Bank and Trust Company, Singapore Branch, holds a wholesale bank license issued by the Authority and is regulated by the Authority.

SSBT provides custodian services in over 100 markets by utilising its local market custody operations and through its network of sub-custodian banks. SSBT will appoint sub-custodians in those markets where the Fund invests where SSBT does not itself act as the local custodian. SSBT has processes for the initial selection, and ongoing monitoring of its sub-custodians, each of which is chosen based upon a range of factors including securities processing and local market expertise, and must satisfy specific operating requirements in terms of structure, communications, asset servicing and reporting capabilities. All sub-custodians appointed by SSBT must be licensed and regulated under applicable law to provide custodian and related asset administration services, and carry out relevant related or ancillary financial activities, in the relevant market jurisdiction. SSBT will typically seek to select local branches or affiliates of major global financial institutions that provide sub-custodian services in multiple markets, although unique market service requirements may result in the selection of an entity as sub-custodian that is more local in scope.

Other custodians may be appointed from time to time in respect of the Fund or any of their assets.

### 5.5 TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION AND ARBITRATION

In the ordinary course of business, State Street is involved in disputes, litigation, and governmental or regulatory inquiries and investigations, both pending and threatened. These matters, if resolved adversely against State Street, may result in monetary damages, fines and penalties or require changes in State Street's business practices. The resolution of these proceedings is inherently difficult to predict. State Street does not believe that the amount of any judgment, settlement or other action arising from any pending proceeding is likely to have a material adverse effect on State Street's consolidated financial condition. However, an adverse outcome in certain of the matters described below could have a material adverse effect on State Street's consolidated results of operations for the period in which



such matter is resolved or a reserve is determined to be required, or on State Street's reputation. References to "State Street" in this section mean State Street Corporation and its subsidiaries on a consolidated basis.

In January 2017, State Street Corporation (SSC) entered into a settlement agreement with the U.S. Department of Justice ("DOJ") to resolve an investigation concerning six clients outside the U.S. that were overcharged for transition management services in 2010 and 2011. Under the terms of the agreement, State Street paid a fine of \$32.3 million, entered into a deferred prosecution agreement, and agreed to retain an independent compliance and ethics monitor for a term of three years. In September 2017, State Street also entered into a settlement with the Securities and Exchange Commission ("SEC") and paid a penalty of \$32.3 million (equal to the fine paid to the DOJ). The SEC settlement also required us to retain an independent ethics and compliance consultant. The monitor appointed in connection with the previously announced DOJ settlement will fulfill that role.

In June 2015, SSC and State Street Bank and Trust Company (SSBT) entered into a written agreement with the Federal Reserve and the Massachusetts Division of Banks relating to the requirements of the Bank Secrecy Act, anti-money laundering (AML) regulations and US economic sanctions regulations promulgated by the Office of Foreign Assets Control (OFAC). The agreement requires State Street to, among other things, implement improvements to State Street's compliance programs.

In December 2015, SSBT announced a review of the manner in which State Street invoiced certain expenses to some of our Investment Servicing clients, primarily in the United States, during an 18-year period going back to 1998 and State Street's determination that State Street had incorrectly invoiced clients for certain expenses. In connection with that review, which is ongoing, State Street is evaluating other billing practices relating to our Investment Servicing clients, including calculation of asset-based fees. State Street is also responding to requests for information from, and is cooperating with investigations by, governmental and regulatory authorities about these matters, including the civil and criminal divisions of the DOJ, the SEC, the Department of Labor, and the Massachusetts Attorney General. State Street has received a purported class action demand letter alleging that State Street's invoicing practices were unfair and deceptive under Massachusetts law. In addition, in March 2017, a purported class action was commenced against State Street alleging that State Street's invoicing practices violated duties owed to retirement plan customers under Employee Retirement Income Security Act. State Street denies the alleged claims, and is proceeding with its defense of these matters.

A State Street shareholder has filed a purported class action complaint against SSC alleging that SSC's financial statements in its annual reports for the 2011-2014 period were misleading due to the inclusion of revenues associated with the Transition Management and Invoicing matters. State Street has agreed in principle to settle this matter on a class basis for \$4.9 million, subject to final approval by the Court. In addition, another State Street shareholder has filed a derivative complaint against the SSC's past and present officers and directors, and against SSC as a nominal defendant, to recover alleged losses incurred by the SSC relating to the Invoicing Matter and to SSC's January 2016 settlement with the SEC concerning certain Ohio public retirement plans.

For additional information, please refer to State Street's most recent report on Forms 10-Q or 10-K, and any current reports on Form 8-K, on file with the SEC.

The Trustee is an indirect subsidiary of SSBT and SSC. The Trustee's ultimate holding company is SSC.

As at 31 May 2020, the Trustee is not engaged in any material litigation or arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Trustee.

## CHAPTER 6: SALIENT TERMS OF THE DEED

### 6.1 RIGHTS AND LIABILITIES OF THE UNIT HOLDERS

#### Rights of Holders

- I. A meeting of Holders of the Fund (the Managers shall at the request in writing of not less than 50 Holders or one-tenth in number of the Holders of Units in issue of the Fund, whichever is the lesser) duly convened and held in accordance with the provisions of the Schedule to the Deed shall be competent by Extraordinary Resolution:
  - (a) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 37 of the Deed;
  - (b) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee in respect of the Fund under Clause 23(A) of the Deed or the remuneration of the Trustee under Clause 23(B) of the Deed;
  - (c) to terminate the Fund as provided in Clause 34(F) of the Deed;
  - (d) to remove the Auditors as provided in Clause 30(D) of the Deed;
  - (e) to remove the Trustee as provided in Clause 31(C)(iv) of the Deed;
  - (f) to remove the Managers as provided in Clause 32(A)(v) of the Deed;
  - (g) to direct the Trustee to take any action (including the termination of the Fund) pursuant to Section 295 of the SFA; and
  - (h) to sanction any other matter which the Trustee and/or the Managers may consider necessary to lay before a meeting of Holders, but shall not have any further or other powers.
- II. A meeting of Holders of a Class (the Managers shall at the request in writing of not less than 50 Holders or one-tenth in number of the Holders of Units in issue of any Class, whichever is the lesser) duly convened and held in accordance with the provisions of the Schedule to the Deed shall be competent by Extraordinary Resolution:
  - (a) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 37 of the Deed to the extent that such modification, alteration or addition affects the Holders of that Class;
  - (b) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee in respect of that Class under Clause 23(A) of the Deed;
  - (c) to terminate the Class as provided in Clause 34(F) of the Deed; and
  - (d) to sanction any other matter which the Trustee and/or the Managers may consider necessary to lay before a meeting of Holders of that Class, but shall not have any further or other powers.

#### Liabilities of Holders

The liability of a Holder is limited to his investment in Units to the Fund.

### 6.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

#### Subscription fee

5.00% of the gross investment amount.

#### Realisation charge

2% of the realisation price per Unit.

#### Management fee

2.00% per annum of the value of the Deposited Property of the Fund.

### **Trustee fee**

0.20% per annum of the value of the Deposited Property.

### **6.2.1. Procedures to increase the maximum rate of the direct and indirect fees and charges as provided in the Prospectus**

#### **Subscription fee**

The Managers may from time to time fix the subscription fee. This is subject to the maximum rate of 5.00% of the gross investment amount.

#### **Realisation charge**

The Managers may from time to time fix the amount of Realisation charge. This is subject to the maximum rate of 2.00% of the realisation price per Unit.

### **Annual Management Fee**

The Managers shall be entitled to alter the rate of the management fee in respect of any Class by notice to the Trustee in writing provided that the Managers shall give written notice of any increase in the rate of the management fee to the affected Holders and the Trustee not less than three months prior to the date of effect thereof. This is subject to the maximum rate of 2% per annum of the Deposited Property of the relevant Class.

### **Annual Trustee Fee**

The remuneration of the Trustee shall be payable out of the Deposited Property and shall not exceed 0.20% per annum of the Value of the Deposited Property.

### **6.2.2. Procedures to increase the maximum rate of the direct and indirect fees and charge as set out in the Deed**

#### **Subscription fee and Realisation charge**

The Trustee and the Managers shall be entitled by deed supplemental hereto and with the prior approval of the relevant authorities (if applicable), to modify, alter or add to the provisions of the Deed in such manner and to such extent as they may consider expedient for any purpose; Provided That (1) unless the Trustee shall certify in writing that in its opinion such modification, alteration or addition (a) does not materially prejudice the interests of the Holders and does not operate to release to any material extent the Trustee or the Managers from any responsibility to the Holders, (b) is necessary in order to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law) or (c) is made to correct a manifest error; and (2) unless the Trustee shall also certify in writing that in its opinion such modification, alteration or addition is (a) non-material, (b) beneficial to the interests of the Holders or (c) made for compliance with any applicable law and regulation, no such modification, alteration or addition shall be made without the sanction of an Extraordinary Resolution of a meeting of Holders of the Fund or the relevant Class, as the case may be, duly convened and held in accordance with the provisions contained in the Schedule to the Deed. Provided Also That no such modification, alteration or addition shall impose upon any Holder any obligation to make any further payments in respect of his Units or to accept any liability in respect thereof. The Managers shall as soon as reasonably practicable after any modification, alteration or addition to the provisions of the Deed (the "Amendment") give notice of the Amendment to the Holders, unless the Amendment is not in the opinion of the Managers (with the consent of the Trustee) of material significance. All fees, costs and expenses incurred by the Trustee or the Managers in connection with any such document supplemental to the Deed (including expenses incurred in the holding of a meeting of Holders if necessary) shall be charged against the Deposited Property.

## **Annual Management Fee**

The Management Fee may only exceed the rate of 2% per annum of the Deposited Property of the Fund where fixed by an Extraordinary Resolution of a Meeting of Holders of the Fund duly convened and held in accordance with the provisions of the Deed.

## **Annual Trustee Fee**

A percentage higher than the rate of 0.20% per annum of the Value of the Deposited Property may be fixed by an Extraordinary Resolution of a Meeting of Holders of the Fund duly convened and held in accordance with the provisions of the Deed.

### **6.3 PERMITTED EXPENSES PAYABLE OUT OF THE FUND'S PROPERTY**

There shall be payable out of the assets of the Fund (by way of direct payment or reimbursement to the Managers or the Trustee) in addition to any other amounts expressed to be so payable in the Deed. These would include (but are not limited to) the following:

- (a) all stamp duty and other charges and duty payable from time to time on or in respect of the Deed;
- (b) all transaction and other costs including all stamp and other duties, taxes, governmental charges, brokerage, commissions, bank charges, transfer fees, registration fees and other duties and charges incurred in connection with the purchase and sale of Authorised Investments of the Fund;
- (c) all expenses incurred and transaction fees charged in relation to the acquisition, holding, registration and realisation of any Authorised Investments or the holding of any Authorised Investments or the custody of the documents of title thereto (including insurance of documents of title against loss in shipment, transit or otherwise and charges made by agents of the Trustee for retaining documents in safe custody), all fees and expenses of the Custodian, joint-custodians and/or sub-custodians appointed pursuant to Clause 26(A) of the Deed and all transactional fees as may be agreed from time to time between the Managers and the Trustee in relation to all transactions involving the whole or any part of the Deposited Property;
- (d) all expenses incurred in the collection of Income (including expenses incurred in obtaining tax repayments or relief and agreement of tax liabilities) or the determination of taxation;
- (e) all taxation payable in respect of Income or the holding of or dealings with the Deposited Property;
- (f) (without prejudice to the provisions of Clause 18(B)) of the Deed any interest on borrowings effected under Clause 16(C) of the Deed and expenses payable pursuant to the provisions of Clause 16(C)(v) of the Deed;
- (g) all costs and expenses of and incidental to preparing any such supplemental deed as is referred to in Clause 37 of the Deed or any supplemental deeds for the purpose of ensuring that the Fund conforms to legislation coming into force after the date hereof;
- (h) the processing or handling fees levied by any person for rendering services to effect any acquisitions, disposals or any other dealings whatsoever in investments of the Fund and any expenses in relation thereto;
- (i) all expenses by the Managers or the Trustee as a consequence of the due performance by the Managers or the Trustee of their respective duties as a result of (a) the introduction of any change in the interpretation or application of law or (b) compliance by the Managers or the Trustee with any direction of any competent authority;
- (j) all costs and expenses incurred in the holding of a meeting of Holders;
- (k) all fees and expenses of agents, nominees, custodians or sub-custodians appointed pursuant to Clause 26(A) of the Deed and all transaction fees of the Trustee as may be agreed from time to time by the Managers in relation to all transactions involving the whole or part of the assets of the Fund;
- (l) any amounts required to indemnify the Trustee pursuant to the Deed;
- (m) the management fee, the setting-up fee and the remuneration of the Trustee pursuant to Clause 23 of the Deed;
- (n) the fees for providing registrar and transfer agent services and the provisions of fund valuation and accounting service pursuant to Clause 23(C) of the Deed;
- (o) all GST paid or to be paid in respect of services rendered to and by the Managers or the Trustee pursuant to Clause 23(E) of the Deed;
- (p) all fees and expenses of the auditors in connection with the Fund;
- (q) all fees and expenses incurred in connection with the retirement or removal of the Managers, the Trustee or the auditors or the appointment of new managers, a new trustee or new auditors;

- (r) all expenses incurred by the Managers and the Trustee in establishing the Fund or any Class and, to the extent permitted by the Code, the Standards of Qualifying CIS and/or any applicable law or regulations, the initial and subsequent marketing of Units, including fees and expenses of any consultants, marketing and sales agents appointed by the Managers (which expenses shall be amortised against the Deposited Property (or as the case may be, the Deposited Property attributable to such Class) in equal amounts over such number of Accounting Periods as the Managers may after consultation with the Trustee determine);
- (s) all fees and expenses of any legal advisers, tax advisers, computer experts or other professional advisers employed or engaged by the Managers or the Trustee in the establishment of the Fund or any Class and in the performance of their respective obligations and duties under the Deed, including, all fees and expenses of any independent reviewer appointed to conduct compliance review of the operation of the Fund in accordance with the Standards of Qualifying CIS;
- (t) all costs and expenses of and incidental to preparing Statements of Holdings, cheques, warrants, statements and notices and all fees and expenses incurred by the Managers or other agent (which may include an associate of the Trustee) on behalf of the Managers in keeping and maintaining the Register;
- (u) all fees and expenses (including those of the Trustee and the Managers) incurred as a result of and incidental to preparing, lodging, registering, printing and issuing any prospectus and supplementary prospectus pursuant to the Securities and Futures Act and the Standards of Qualifying CIS and the relevant laws and regulations of the relevant host jurisdiction and, to the extent permitted by the Code, the Standards of Qualifying CIS and/or any applicable law or regulation, any explanatory memorandum, regular fund factsheet or other sales literature in connection with the Fund or determining and publishing the net asset value per Unit (including the publishing of such information in newspapers), any issue price or any realisation price, advertising and marketing of the Fund and the appointment of custodians and sub-custodians;
- (v) all printing, postage, telex, facsimile and telephone and on-line computer costs and other disbursements properly incurred by the Managers or the Trustee in sending or making available to Holders copies of the semi-annual accounts, the accounts, the report of the auditors on the accounts, the semi-annual report and annual report relating to the Fund or any reports issued by the Managers to the Holders or otherwise in the performance of their respective obligations and duties under the Deed;
- (w) all fees incurred in relation to the calculation of the value of the Deposited Property and/or preparing the financial statements of the Fund;
- (x) all fees levied by settlement agents which may include an associate of the Trustee or the Managers appointed by the Managers for settlement of instructions received by the settlement agents from the Managers in respect of acquisitions, disposals or any dealings whatsoever in the Authorised Investments of the Fund;
- (y) all expenses incurred by the Managers and the Trustee in obtaining and/or maintaining the listing of Units on any stock exchange and/or the authorisation or other official approval or sanction of the Fund under the Securities and Futures Act or any other law or regulation in any part of the world;
- (z) all fees and expenses incurred by the Managers and the Trustee in terminating the Fund or any Class;
- (aa) all costs and expenses payable to the CPF board or its agents for obtaining, maintaining and removing the status of the Fund as a CPFIS Included Fund; and
- (bb) all other expenses, charges or fees properly and reasonably incurred by the Managers or the Trustee as a consequence of the due performance by the Managers or the Trustee of their respective obligations and duties under the Deed, including (without limitation) any expense, charge or fee incurred as a result of (a) the introduction of any change in, or in the interpretation or application of, any law or (b) compliance by the Trustee or the Managers with any directive, agency or state.

#### **6.4 RETIREMENT AND REMOVAL OF MANAGERS**

- (A) The Managers shall be subject to removal by notice in writing given by the Trustee in any of the following events:
  - (i) if the Managers goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver or a judicial manager is appointed in respect of the Managers;

- (ii) if the Managers cease to carry on business;
- (iii) for good and sufficient reason the Trustee is of the opinion, and so states in writing, that a change of Managers is desirable in the interests of the Holders Provided Always That if the Managers within one month after such statement expresses its dissatisfaction in writing with such opinion, the matter shall then forthwith be referred to arbitration in accordance with the provisions of the Arbitration Act, Chapter 10 of Singapore, before three arbitrators, the first of whom shall be appointed by the Managers, the second of whom shall be appointed by the Trustee and third of whom shall be appointed by the President for the time being of the Singapore Exchange Securities Trading Limited (failing which appointment the third arbitrator shall be jointly appointed by the Managers and the Trustee) and any decision made pursuant thereto shall be binding upon the Managers and the Trustee and the Holders;
- (iv) if the Holders by Extraordinary Resolution passed at a meeting of Holders duly convened and held in accordance with the provisions of the Schedule hereto shall so decide; and
- (v) if the Authority directs the Trustee to remove the Managers.

Subject to sub-Clause (D) below, in any of the cases aforesaid the Managers shall upon notice by the Trustee as aforesaid ipso facto cease to be the Managers and the Trustee shall by writing under its seal appoint some other corporation upon and subject to such corporation entering into such deed or deeds as the Trustee may be advised to be necessary or desirable to be entered into by such corporation in order to secure the due performance of its duties as managers which deed shall if so required by the Managers provide that the managers to be appointed thereunder shall purchase from the retiring Managers all Units of which they are the Holder or deemed to be the Holder at the Realisation Price referred to in Clause 13 of the Deed and that the words "United", "UOB" or "United Global Healthcare Fund" or any abbreviation thereof shall not thereafter form part of the name of the Fund Provided That this provision shall not prejudice the right of the Trustee herein contained to terminate the Fund in any of the events in which in accordance with the provisions herein contained the right of terminating the Fund is vested in the Trustee

- (B) The Managers shall have power to retire in favour of a corporation approved by the Trustee upon and subject to such corporation entering into such deed or deeds as mentioned in sub-Clause (A) above. Upon such deed or deeds being entered into and upon payment to the Trustee of all sums due by the retiring Managers to the Trustee under the Deed at the date thereof the retiring Managers shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Trustee or of any Holder, former Holder or other person in respect of any act or omission prior to such retirement.
- (C) Upon any removal or retirement the removed or retiring Managers shall (unless they have exercised their right under sub-Clause (A) above to require the new managers to purchase the same) remain entitled to all Units which they hold or are deemed to hold and they shall be entitled to be registered in the Register in respect thereof and thereafter to have and exercise all rights of a Holder of such Units.
- (D) If pursuant to sub-Clause (A)(iv) above the matter has been referred to arbitration, the removal of the Managers shall only take effect when a decision that the Managers shall be removed is made pursuant to such arbitration.
- (E) The new managers shall, as soon as practicable after their appointment, give notice to the Holders specifying the name and address of the office of the new managers.
- (F) Any costs and expenses incurred in connection with the removal or retirement of the Managers under this Clause shall be payable out of the Deposited Property.

## **6.5 RETIREMENT AND REMOVAL OF TRUSTEE**

- (A) The Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee. In the event of the Trustee desiring to retire it shall give notice in writing to that effect to the

Managers and the Managers shall use their best endeavours to appoint another person (duly approved as may be required by the law for the time being applicable to the Deed and which complies with the relevant requirements under the Standards of Qualifying CIS) as the new trustee for the Holders in the place of the retiring Trustee upon and subject to such corporation entering into a deed supplemental hereto providing for such appointment. If no new trustee is appointed by the Managers as aforesaid within a period of three months after the date of receipt by the Managers of the Trustee's notice of retirement, the Trustee shall be entitled to appoint such person selected by it (duly approved as aforesaid and which complies with the relevant requirements under the Standards of Qualifying CIS) as the new trustee on the same basis as aforesaid.

- (B) The Trustee may be removed by notice in writing given by the Managers in any of the following events:-
- (i) if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Trustee;
  - (ii) if the Trustee ceases to carry on business;
  - (iii) if the Trustee fails or neglects after reasonable written notice from the Managers to carry out or satisfy any duty imposed on the Trustee by the Deed; and
  - (iv) if the Holders by Extraordinary Resolution duly passed at a meeting of Holders held in accordance with the provisions contained in the Schedule hereto and of which not less than twenty-one days' written notice has been given to the Trustee and the Managers shall so decide.

In any of such events the Managers shall appoint another person (duly approved as may be required by the law for the time being applicable to the Deed and which complies with the relevant requirements under the Standards of Qualifying CIS) as the new trustee of the Fund and the Trustee shall upon receipt of notice by the Managers execute such deed as the Managers shall require under the common seal of the Trustee appointing the new trustee to be trustee of the Fund and shall thereafter ipso facto cease to be the trustee.

- (C) Any costs and expenses in connection with the removal or retirement of the Trustee under this Clause shall be payable out of the Deposited Property.
- (D) The new trustee shall as reasonably practicable after its appointment give notice to the Holders specifying the name and the address of the new trustee.

## **6.6 TERMINATION OF THE FUND OR A CLASS**

Below is a summary of the circumstances on which the Fund may be terminated:

- (A) Either the Trustee or the Managers may in their absolute discretion terminate the Fund by not less than six months' notice in writing to the other given so as to expire at the end of the Accounting Period current at the end of the fifth year after the date of the Deed or any year thereafter. Either the Trustee or the Managers shall be entitled by notice in writing as aforesaid to make the continuation of the Fund beyond any such date conditional on the revision to its or their satisfaction at least three months before the relevant date of its or their remuneration hereunder. In the event that the Fund shall fall to be terminated or discontinued the Managers shall give notice thereof to all Holders not less than three months in advance. Subject as aforesaid the Fund shall continue until terminated in the manner hereinafter provided.
- (B) Subject to Section 295 of the Securities and Futures Act, the Fund or the relevant Class may be terminated by the Trustee by notice in writing as hereinafter provided in any of the following events, namely:-
- (i) if the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a Receiver is appointed over any of their assets or if a judicial manager is appointed in respect of the Managers or if any encumbrancer shall take possession of any of their assets or if they shall cease business;
  - (ii) if any law shall be passed, any authorisation revoked or the Authority issues any direction which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund or the relevant Class;

- (iii) if within the period of three months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of Clause 31 of the Deed; and
- (iv) if within the period of three months from the date of the Trustee removing the Managers, the Trustee has failed to appoint new managers within the terms of Clause 32 of the Deed.

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

- (C) The Fund or any Class may be terminated by the Managers in their absolute discretion by notice in writing as hereinafter provided (i) on the third anniversary of the date of the Deed or on any date thereafter if on such date the aggregate Value of the Deposited Property of the Fund or the relevant Class shall be less than \$5,000,000 or (ii) if any law shall be passed, any authorisation revoked or the Authority issues any direction which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Fund or the relevant Class.
- (D) The party terminating the Fund or the relevant Class shall give notice thereof to the affected Holders fixing the date at which such termination is to take effect which date shall not be less than three months after the service of such notice and in the case of termination of the Fund, the Managers shall give notice thereof to the Authority not less than seven days before such termination.
- (E) The Fund or any Class may at any time after five years from the date hereof be terminated by Extraordinary Resolution of a meeting of the Holders of the Fund or the relevant Class, as the case may be, duly convened and held in accordance with the provisions contained in the Schedule hereto and such termination shall take effect from the date on which the said Extraordinary Resolution is passed or such later date (if any) as the said Extraordinary Resolution may provide.
- (F) The Trustee may (with the consent of the Managers) remove the Fund to the jurisdiction of a country other than Singapore, if it appears to the Trustee to be beneficial to the Fund and in the interests of the Holders to do so. The circumstances in which the Trustee may exercise its discretion hereunder are limited to the outbreak of war or grave civil unrest threatening the safe maintenance of the banking system or securities market in Singapore.

## **6.7 MEETING OF HOLDERS**

### **Quorum**

The quorum shall be not less than 2 Holders present in person or by proxy representing one tenth in number of the Units for the time being in issue of the Fund or the relevant Class. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

### **Meeting of Holders convened by Holders, Trustee or Managers**

1. The Trustee or the Managers may (and the Managers shall at the request in writing of not less than 50 Holders or one-tenth in number of the Holders of Units in issue of the Fund or any Class, as the case may be, whichever is the lesser) at any time convene a meeting of Holders of the Fund or the relevant Class at such time and place (subject as hereinafter provided) as may be thought fit and the following provisions of the Schedule to the Deed shall apply thereto. The Managers or (being a Holder) any Associate thereof shall be entitled to receive notice of and attend at any such meeting but shall not be entitled to vote or be counted in the quorum thereof and accordingly for the purposes of the provisions of the Schedule Units to the Deed held or deemed to be held by the Managers or any Associate thereof shall not be regarded as being in issue. Any director, the secretary and the solicitor of the Managers, the Trustee and directors and any authorised official and the solicitor of the Trustee shall be entitled to attend and be heard at any such meeting. Any such meeting shall be held in Singapore.



2. (A) Subject to paragraph (B) below, fourteen days' notice at the least (inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Holders of the Fund or the relevant Class in manner provided in the Deed. The notice shall specify the place, day and hour of meeting and the terms of the resolutions to be proposed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. The accidental omission to give notice to or the non-receipt of notice by any of the Holders of the Fund or the relevant Class shall not invalidate the proceedings at any meeting.  
  
(B) Notwithstanding the provisions of paragraph (A) above, a meeting of Holders convened by the Trustee under Section 295 of the Securities and Futures Act shall be summoned (i) by twenty-one days' notice at least (inclusive of the day on which the notice is given) of such meeting given to the Holders in the manner provided in the Deed and (ii) by publishing, at least twenty-one days before the proposed meeting, an advertisement giving notice of the meeting in at least four local daily newspapers, one each published in the English, Malay, Chinese and Tamil languages.
3. The Managers will within twenty-one days after an application is delivered to them at their registered office, being an application by not less than fifty Holders of the Fund or one-tenth in number of the Holders of the Fund, whichever is the lesser:-
  - (i) by sending notice by post of the proposed meeting at least seven days before the proposed meeting to each of those Holders in accordance with Clause 36 of the Deed; and
  - (ii) by publishing at least fourteen days before the proposed meeting an advertisement giving notice of the meeting in a newspaper circulating generally in Singapore,

summon a meeting of Holders of the Fund for the purpose of laying before the meeting the accounts and balance sheet which were laid before the last preceding Annual General Meeting of the Managers or the last audited statement of accounts of the Trustee and for the purpose of giving to the Trustee such directions as the meeting thinks proper.

## **CHAPTER 7: APPROVALS AND CONDITIONS**

There is no exemption and/or variation to the Code and the Standards of Qualifying CIS for this Fund.

## CHAPTER 8: RELATED-PARTY TRANSACTIONS OR CONFLICT OF INTEREST

### Policies and Procedures on Dealing with Conflict of Interest

#### Managers

The Managers are of the view that there is no conflict of interest in their management of other funds and the Fund because of the following structures in place:

- (a) Investment decisions for each fund are made impartially. There are no preferred customers or funds and all accounts are treated equally.
- (b) All investment ideas are shared equally among fund managers.
- (c) The Managers subscribe to the Code of Ethics and the Standards of Professional Conduct as prescribed by the Chartered Financial Analyst Institute ("CFA Institute") in the United States of America. The CFA Institute is the primary professional organisation for security analysts, investment managers and others who are involved in the investment decision-making process. All charter holders of the CFA Institute and candidates who are in pursuit of the charter, including those from Singapore, are expected to comply with CFA Institute standards. The Code of Ethics and the Standards of Professional Conduct are in place to ensure high ethical and professional standards of investment professionals as well as fair treatment of the investing public.
- (d) Despite the possible overlap in the scope of investments, none of the funds are identical to one another and investment decisions are made according to the individual risk-return characteristic of the relevant fund.
- (e) Most importantly, the Managers' usual fair and unbiased practice is to allocate investments proportionately between various funds which place the same orders simultaneously. However, if there are any potential conflicts of interests due to competing orders for the same securities, the Managers will adopt an average pricing policy whereby orders that are partially fulfilled on a particular day will be allotted proportionately among the funds based on their respective initial order size and such quantity allotted will be at the average price of such investments on that particular day.

The Managers shall conduct all transactions with or for the Fund on an arm's length basis.

Save as provided in the Deed, the Managers' associates may be engaged to provide banking, brokerage, financial or other services to the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee or the Managers and make profits or derive benefits from these activities. Such services to the Fund, where provided, and such activities with the Trustee or the Managers, where entered into, will be on an arm's length basis.

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

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

Subject to the provisions of the Code and the Standards of Qualifying CIS, the Managers may from time to time:

- (i) invest monies of the Fund in the securities of any of their related corporations (as defined in Section 4 of the Companies Act, Chapter 50 of Singapore) (each, a "related corporation");
- (ii) invest monies of the Fund in other collective investment schemes managed by them or their related corporations; and
- (iii) deposit monies of the Fund in the ordinary course of business of the Fund with their related corporations which are banks licensed under the Banking Act, Chapter 19 of Singapore, finance companies licensed under the Finance Companies Act, Chapter 108 of Singapore, merchant banks approved as financial institutions under Section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

The Managers will endeavour to ensure that such investments and deposits are made on normal commercial terms and are consistent with the investment objective, focus and approach of the Fund.

Any measures taken by the Managers to minimise or deal with conflicts of interest in respect of the Fund will also be subject to the provisions of the Standards of Qualifying CIS.

As at 30 April 2020, none of our directors or substantial shareholder has any direct or indirect interest in any other corporations carrying on a similar business as the Managers, except as otherwise disclosed below:

Name	Company(ies)	Nature and extent of interest
Lee Wai Fai	UOBAM Thailand	Director
Thio Boon Kiat	UOBAM Malaysia UOBAM Taiwan UOBAM Thailand	Non-Executive Director (Alternate Director) Chairman/Non-Executive Director Non-Executive Director

## Trustee

The Trustee shall conduct all transactions with or for the Fund on an arm's length basis.

The Trustee, the registrar and the custodian may from time to time act as trustee, administrator, registrar or custodian or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly and taking into account Holders' interests.

The services of the Trustee provided to the Fund are not deemed to be exclusive and the Trustee shall be free to render similar services to others (including those that may compete with (or have a similar objective to) the business of the Fund) so long as its services hereunder are not impaired thereby and to retain for its own use and benefit all appropriate fees and benefits. Conflicts of interest will likely arise from the fact that State Street is engaged in a wide variety of businesses and will provide services to many clients with the same or different objectives. The Trustee and its related parties shall not be deemed to be affected with notice of or to be under any duty to disclose to the Fund any fact or information which comes to the notice of the Trustee in the course of the Trustee rendering similar services to other parties or in the course of its business in any other capacity, otherwise than in the course of carrying out its duties under the Deed or as required by any applicable laws and regulations for the time being in force.

Save as provided in the Deed, the associates of the Trustee may be engaged to provide banking, brokerage, financial or other services to the Fund or buy, hold and deal in any investments, enter into contracts or other arrangements with the Trustee or the Managers and make profits or derive benefits from these activities. Such services to the Fund, where provided, and such activities with the Trustee or the Managers, where entered into, will be on an arm's length basis. In particular:

- (a) State Street Bank and Trust Company, acting through its Singapore Branch, a party related to the Trustee, has been appointed as custodian of the Fund. The custodian may also appoint related parties as sub-custodians. Cash will be placed with the custodian as banker or may, at the

discretion of the Managers, be invested in certificates of deposit or banking instruments issued by a related party of the Trustee, including the custodian. Money may also be borrowed by the Fund from a State Street entity. In its capacities as custodian and banker, State Street will earn fees/interest for such services and may receive other benefits in connection with such services; and

- (b) Where foreign exchange transactions, including but not limited to spot, forward or swap transactions (collectively “foreign exchange transactions”), are entered into for or on behalf of the Fund with an affiliate of the Trustee (a “State Street counterparty”), the State Street counterparty will enter into such transaction as principal counterparty and not as agent or fiduciary for the Trustee, the Managers or the Fund and such State Street counterparty shall be entitled to retain for its own use and benefit any benefit which it may derive from any such foreign exchange transactions or the holding of any cash in connection with such transactions. Foreign exchange transactions may also be entered into for or on behalf of the Fund with counterparties other than a State Street counterparty.

### **Sub-Manager and WMC**

Conflicts may arise in the ordinary course of business conducted by the Sub-Manager and WMC. The Sub-Manager and WMC will seek to avoid or minimise these conflicts where reasonably possible. Conflicts are managed through policies and procedures the Sub-Manager and WMC each believe are sufficient to protect the interests of their respective clients, including the Fund while providing high quality investment services to all of their clients.

The Sub-Manager and WMC have adopted and implemented policies and procedures, including brokerage and trade allocation policies and procedures, which they believe address the conflicts associated with managing multiple accounts for multiple clients. In addition, the Sub-Manager, WMC and Wellington Management monitor a variety of areas, including compliance with primary account guidelines, the allocation of Initial Public Offers, and compliance with their Code of Ethics, and place additional investment restrictions on investment professionals who manage hedge funds and certain other accounts. Furthermore, senior investment and business personnel of the Sub-Manager, WMC and Wellington Management conduct periodic reviews of the performance of investment professionals.

### **Adviser**

The adviser has confirmed that there is no existing or potential conflict of interest with the Managers and/or the Fund.

## CHAPTER 9: TAX ADVISER'S LETTER

UOB Asset Management Ltd  
80 Raffles Place, UOB Plaza  
Singapore 048624

8 July 2020

### UNITED GLOBAL HEALTHCARE FUND TAXATION OF THE FUND AND UNIT-HOLDERS

Dear Sirs,

This letter has been prepared for inclusion in the Malaysia Prospectus (the "**Prospectus**") of United Global Healthcare Fund. The purpose of this letter is to provide prospective unit holders (the "**Unit-holders**") with an overview of the impact of taxation on the Fund and the Unit-holders.

Whilst PricewaterhouseCoopers Singapore Pte. Ltd. ("**PwC**") understands that this summary will be made available to Unit-holders, prospective investors and other parties (collectively "third parties" or each a "third party"), no duty of care or contractual relationship is established between PwC and a third party. Accordingly, PwC does not accept any liability to any third party who relies on this summary. Unit-holders and prospective investors (particularly those subject to special tax rules such as banks, insurance companies and tax-exempt entities) should consult their own tax advisers regarding the tax consequences of the purchase, ownership and disposal/ redemption of units of the fund (the "**Units**") in light of their own particular circumstances.

It is emphasised that neither the Trustee nor the Manager or any persons involved in the issuance of the Units accept responsibility for any tax effects or liabilities resulting from the acquisition, holding or disposal/redemption of the Units.

#### I. SINGAPORE

The following is a summary of certain Singapore tax consequences of the purchase, ownership and disposal / redemption of Units in the Fund. This summary is of a general nature only and is based on the existing provisions of relevant tax law and the regulations thereunder, the circulars issued by the Monetary Authority of Singapore (MAS) and practices in effect as at the date hereof, all of which are subject to change and differing interpretations, either on a prospective or retroactive basis. PwC has no obligation to update the contents as law and practice change unless specifically requested to do so.

The summary is not intended to constitute a complete analysis of all the tax consequences relating to a participation in the Fund. It does not purport to be comprehensive and does not constitute tax or legal advice. Prospective investors and Unit-holders should consult their own tax advisers concerning the tax consequences of their particular situations, including the tax consequences arising under the laws of any other tax jurisdiction, which may be applicable to their particular circumstances.

The summary is based on the circumstance that the Fund is relying on the Designated Unit Trust (DUT) status under section 35(14) of the Income Tax Act (Cap 134) ("**ITA**"). PwC has not assessed if the DUT status is the most appropriate tax concession available for the Fund nor have we assessed if the Fund is able to meet all the conditions under the DUT status. It remains the responsibility of the Manager to conduct the affairs of the Fund such that the Fund will qualify for the DUT status or inform the investors accordingly if the Fund cannot qualify for the DUT status for any year of assessment ("**YA**").

#### Taxation of the Fund and Unit-holders in Singapore

With effect from 1 September 2014, the DUT scheme is administered on a self-assessment basis. The Trustee may elect to claim the DUT tax deferral benefits for the Fund for a YA by submitting the annual declaration form together with the tax return (Form UT) by the statutory deadline or within such extended time granted by the IRAS, provided that the Fund meets all of the DUT conditions throughout the basis period, including the following:

- (a) the Fund is a collective investment scheme that is authorised under section 286 of the Securities and Futures Act (Cap 289) ("**SFA**") and the units are open to the public for subscription;
- (b) the Fund is not a real estate investment trust or a property trust that invests directly in immovable properties in Singapore;
- (c) the Trustee of the Fund is tax resident in Singapore; and
- (d) the Manager holds a capital markets services licence for fund management under the SFA or is exempt from the requirement to hold such a licence under that Act, and the Fund is managed by that fund manager in Singapore.

As may be applicable to each of them respectively, the Manager and the Trustee expect to be able to fulfil all of the DUT conditions for the Fund. The Trustee expects to complete and submit the annual declaration form together with the Fund's tax return for each relevant YA by the statutory deadline or within such extended time granted by the IRAS.

Currently, the Fund can continue to enjoy the DUT tax deferral benefits, if it:

- (a) meets all the DUT conditions in the basis period immediately preceding the basis period in which 1 April 2019 falls and the Trustee elects for the DUT tax deferral benefits to apply to the Fund in the first-mentioned basis period; and
- (b) continues to meet all the DUT conditions and elects for the DUT tax deferral benefits for subsequent YAs.

The DUT scheme has expired on 1 April 2019.<sup>2</sup> Existing DUT funds will continue to receive the tax deferral benefits under the DUT scheme on or after 1 April 2019 if they continue to meet all the requisite conditions.

The Fund will not enjoy the DUT tax deferral benefits for any YA if it fails to meet any of the DUT conditions in the basis period beginning on or after 1 April 2019, or if the Trustee did not make an election for the DUT tax deferral benefits for any basis period beginning on or after that date. In this case, the DUT tax deferral benefits will not apply to the Fund for the YA to which that basis period relates and for all subsequent YAs.

The key aspects relating to the taxation of a DUT are summarised below.

#### **A. Fund Level**

Income of a trust is generally taxable in the hands of its trustee. If the trust is eligible for the DUT tax deferral benefits and has so elected, the following income ("**Specified Income**") derived on or after 1 September 2014 does not form part of the statutory income of the Fund and is thus not taxable at the Fund's level:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under Section 45 of the ITA);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from:-
  - (i) foreign exchange transactions;
  - (ii) transactions in futures contracts;
  - (iii) transactions in interest rate or currency forwards, swaps or option contracts; and

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<sup>2</sup> As announced in the Singapore Budget 2019 in February 2019.

- (iv) transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) distributions from foreign unit trusts derived from outside Singapore and received in Singapore;
- (f) fees and compensatory payments (other than fees and compensatory payments for which tax has been deducted under section 45A of the ITA) from securities lending or repurchase arrangements with certain specified persons;
- (g) rents and any other income derived from any immovable property situated outside Singapore and received in Singapore;
- (h) discount derived from outside Singapore and received in Singapore;
- (i) discount from qualifying debt securities issued during the period from 17 February 2006 to 31 December 2023 (both dates inclusive);
- (j) gains or profits from the disposal of debentures, stocks, shares, bonds or notes issued by supranational bodies;
- (k) prepayment fee, redemption premium and break cost from qualifying debt securities issued during the period from 15 February 2007 to 31 December 2023 (both dates inclusive); and
- (l) such other income directly attributable to qualifying debt securities issued on or after a prescribed date, as may be prescribed by regulations.

Unless otherwise exempt from tax, any income or gains that do not fall within the above list of Specified Income (i.e. non-Specified Income) will generally be subject to tax in the hands of the Trustee at the prevailing corporate tax rate (currently, 17%).

Distributions made by the Fund to all Unit-holders will not attract Singapore withholding tax.

## **B. Unit-holders' Level – Distributions**

The tax treatment of distributions out of a DUT in the hands of the Unit-holders is as follows:

- (a) Any distribution received by an individual (whether resident in Singapore or not) is exempt from Singapore income tax. The tax exemption does not apply to distributions derived by individuals through a partnership in Singapore or from the carrying on of a trade, business or profession.
- (b) Any distribution received by a foreign investor which has been made out of Specified Income (Part A above refers) is exempt from Singapore income tax.

A foreign investor is:-

- (i) in relation to an individual, an individual who is not resident in Singapore;
- (ii) in relation to a company, a company which is neither resident in Singapore nor carrying on business through a permanent establishment in Singapore, and not less than 80% of the total number of the issued shares are beneficially owned, directly or indirectly, by persons who are not citizens of Singapore and not resident in Singapore; and
- (iii) in relation to a trust fund, a trust fund where at least 80% of the value of the fund is beneficially held, directly or indirectly, by foreign investors referred to in paragraph (i) or (ii) above and unless waived by the Minister or such person as he may appoint, where:-
  - (A) the trust fund is created outside Singapore; and



- (B) the trustees of the trust fund are neither citizens of Singapore nor resident in Singapore, nor do they carry out duties as such trustees through a permanent establishment in Singapore.
- (c) Distributions (made out of Specified Income listed in Part A above) to other Unit-holders (who are neither individuals nor foreign investors as described above) are deemed to be income of the Unit-holders and generally subject to tax in their hands.
- (d) Distributions from any non-Specified Income that are subject to tax at the trust level will not be subject to further Singapore income tax in the hands of the Unit-holders.
- (e) Distributions paid by the Fund out of non-Specified Income that is exempt from Singapore income tax (e.g. Singapore one-tier dividend) may be tax-exempt in the hands of the Unit-holders.

### C. Unit-holders' Level – Holding of Units

If the Specified Income of the Fund did not form part of the Trustee's statutory income for one or more past YAs by reason of the DUT tax deferral benefits ("**tax deferred Specified Income**") and any of the events set out in the first column of the following table occurs, then certain Unit-holders (including those referred to in item (c) of Section B above) shall be treated as having derived, on the corresponding date, an amount of income that is equal to the prescribed amount of tax deferred Specified Income that has yet to be distributed to any Unit-holders by the corresponding date.

The prescribed amount refers to the amount that would have been distributed to the relevant investors based on the distribution policy in the trust deed. In the scenario where it is not possible to ascertain that amount under the trust deed (e.g. there is no distribution policy, or where the distribution policy was unclear or allowed variations to the distribution policy), the prescribed amount would be based on the number of units held by the relevant investors in proportion to the total number of units of the unit trust on the relevant date.

<b>Event</b>	<b>Corresponding date</b>
The Fund does not meet one or more conditions of the DUT scheme for any YA	Last day of the basis period <sup>3</sup> for the immediately preceding YA
The Trustee fails to elect for the DUT tax deferral benefits to apply to his income for any YA	Last day of the basis period for the immediately preceding YA
The Trustee elects for DUT tax deferral benefits to apply to his income derived in only a part of the basis period for any YA (e.g. the Fund relinquishes its DUT tax status to transit to another tax incentive)	Last day of that part of the basis period <sup>2</sup>

The Trustee will give notice of the occurrence of the above events to such Unit-holders within 21 days of the occurrence of the event.

### D. Unit-holders' Level – Disposal of Units or Dissolution of Fund

Gains on disposal of Units by a Unit-holder should not be subject to Singapore taxation, unless:

- (a) the gains are derived in the course of a trade or business carried on in Singapore, or
- (b) the gains are derived in the course of a trade or business carried on outside Singapore and received or construed to be received in Singapore (i.e. foreign income).

<sup>3</sup> "**Basis period**" for any YA means the period on the profits of which tax for that year falls to be assessed, i.e. financial year ended 31 December in this case. For example, financial year ended 31 December 2019 is the basis period for YA 2020.

As the tax treatment depends on the particular situation of the Unit-holders, the Unit-holders should consult their own tax advisers with regard to the tax consequences arising from distribution made by the Fund and gains arising from disposal of the Units.

If the Specified Income of the Fund did not form part of the Trustee's statutory income for one or more past YAs by reason of the DUT tax deferral benefits and the Fund is dissolved on or after 1 June 2015 and meets all applicable conditions of the DUT scheme for the basis period in which the dissolution occurred, then certain Unit-holders shall be treated as having derived, on the Fund's dissolution date, an amount of income that is equal to the prescribed amount of tax deferred Specified Income that has yet to be distributed to any Unit-holders by the Fund's dissolution date.

## **E. Fund Level – Goods and Services Tax**

The Fund may incur Singapore Goods and Services Tax (“**GST**”) (currently 7%) on services consisting of fund management, brokerage or distribution. Should there be GST incurred, the Fund may be allowed to claim the amount of GST if it meets the qualifying conditions through a GST remission which has been extended to 31 December 2024.<sup>4</sup> The amount of GST to be claimed is based on a fixed percentage which is revised annually. The fixed percentage for 2019 is 87% and for the period 1 January 2020 to 31 December 2020 is 88%. However, should the Fund not meet the qualifying conditions, the GST incurred (if any) will become an additional cost to the Fund. The Manager and the Trustee expect to be able to fulfil all of the DUT conditions for the Fund to qualify for the GST remission.

### GST registration liability arising from the implementation of reverse charge

Reverse charge has been implemented for business to business (B2B) services with effect from 1 January 2020.

The reverse charge affects businesses that are unable to claim input tax in full. In general, a fund is usually not able to fully claim its GST and hence, will need to consider the reverse charge requirements including the requirement to be registered for GST if the value of imported services exceeded the GST registration threshold. If the fund is registered for GST due to the requirements under the reverse charge regime, it will need to account for GST on its imported services (i.e. services procured from overseas service providers) to the tax authority.

In such a case, the GST accounted on imported services would be claimable as input tax at the fixed percentage under the GST remission if the fund meets the qualifying conditions. However, as the input tax is not claimable in full, a portion of the GST accounted as reverse charge will become an additional cost.

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<sup>4</sup> The extension of the GST remission was announced in the Singapore Budget 2019 in February 2019.

## II. MALAYSIA

The taxation of income of the Unit-holders are subject to the provisions of the Malaysian Income Tax Act 1967 ("MITA").

We hereby confirm that the statements made in this report correctly reflect our understanding of the tax position under current Malaysian tax legislation. Our comments are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Fund.

### General

Distributions derived from the Fund (which is constituted outside Malaysia, discretionarily managed outside Malaysia and has a trustee tax resident outside Malaysia) and received in Malaysia are generally foreign-sourced income from overseas investments that are exempted from Malaysian income tax.

Income from foreign investments may be subject to foreign taxes or withholding taxes. Any foreign tax suffered on the income in respect of overseas investment is generally not available as a foreign tax credit to the Unit-holders who are exempted from Malaysian income tax.

### Financial institutions or investment dealers

However, certain Unit-holders who are financial institutions or investment dealers will continue to be subject to Malaysian income tax on income received from foreign investments since such income will not be considered to be foreign-sourced. This is also provided for under Paragraph 28 of Schedule 6 – (Section 127) Exemptions from Tax, of the MITA:

*28.(1) Income of any person, other than a resident company carrying on the business of banking, insurance or sea or air transport, for the basis year for a year of assessment derived from sources outside Malaysia and received in Malaysia.*

Hence, the tax treatment will depend on the tax profile of the specific Unit-holders. Currently, the corporate income tax rate is at 24% for resident companies. With effect from year of assessment 2020, companies with paid-up capital MYR2.5 million and below and having an annual sales of not more than RM50 million are taxed at the following scaled rates:

Chargeable income	Income tax rate
The first MYR600,000	17%
In excess of MYR600,000	24%

### Income distributions in the form of new units from the Fund

The Unit-holders receiving their income distribution by way of investment in the form of new units from the Fund will be regarded as having purchased the new units out of their income distribution after tax. As such, the Unit-holders will similarly be seen as receiving either foreign sourced income which may be exempted from Malaysian income tax, or taxable income at the prevailing rate in the hands of Malaysia tax resident companies carrying on the business of dealing in securities, insurance companies, and financial institutions.

### Gains on sale of foreign investments

Generally, gains realised by Unit-holders on the sale or redemption of units are treated as capital gains (generally other than those in the business of dealing in securities, insurance companies, financial institutions), and should not be subject to Malaysian income tax. This tax treatment will include cash or residual distribution in the event of the winding up of the Fund.

Malaysian funds which hold investments on a long-term basis would normally treat the gains to be capital in nature and not subject to income tax. In addition, Malaysian unit trust funds are specifically not taxed on gains on sale of investments.

However, Unit-holders who are financial institutions (e.g. banks and insurance companies) and investment dealers would be taxed in Malaysia on such gains on their investments. An entity can be treated as an investment dealer due to their frequency of investment transactions and the manner investments are managed. The corporate tax rate is as noted above.

#### **Other taxes**

Sales and Service tax was introduced on the 1 September 2018 to replace the Goods and Services Tax ("GST"). The rates for sales tax are nil, 5 per cent, 10 per cent or a specific rate whereas the rate for service tax is at 6 per cent.

To ensure a level playing field for local services providers of similar services, effective from 1 January 2019, service tax will apply on any taxable services that is acquired by the Malaysian business from non-Malaysian service providers ("imported taxable services"). As such, where there are any taxable services charged to the Unit-holders by the Fund, Unit-holders need to self-account the service tax at 6 per cent on the payments to the Fund and make the necessary declaration in its service tax returns (registered person) or prescribed declaration form (non-registered person).

With effect from 1 January 2020, service tax on digital services was implemented at the rate of 6 per cent. Under the service tax on digital services, foreign service providers selling digital services to Malaysian consumers are required to register for and charge service tax if the taxable service for a period of twelve months or less is expected to exceed the registration threshold of RM500,000. Digital services are defined as services which are delivered or subscribed over the internet or other electronic network, cannot be delivered without the use of IT and the delivery of the service is substantially automated. In this connection, if there are any digital services to be charged by the Fund to the Unit-holders, it is expected that the Fund is required to register for and charge service tax accordingly.

We trust that the above is sufficient for your purposes.

Yours faithfully,  
For and on behalf of PricewaterhouseCoopers Singapore Pte. Ltd.

Name: Lim Maan Huey  
Title: Partner

## CHAPTER 10: ADDITIONAL INFORMATION

### 10.1 REPORTS AND UP-TO-DATE INFORMATION RELATING TO THE FUND

The reports and accounts of the Fund will be sent or made available to Holders by post or by such electronic means as may be permitted under the Code within the following periods or such other periods as may be permitted by the Authority:

Report/account	Availability
(a) Annual report, annual accounts and the auditors' report on the annual accounts	Within 3 months of the end of the financial year.
(b) Semi-annual report and semi-annual accounts	Within 2 months of the end of the period to which the report and accounts relate.

If such reports and accounts are sent or made available to Holders by electronic means, Holders will be given the option to request for hardcopies of the reports and accounts within one month from the date of the relevant notification and the Trustee will make available or cause to be made available hardcopies of the reports and accounts to any Holder who requests for them within 2 weeks of such request (or such other period as may be permitted by the Authority). Holders may also at any time choose to receive hardcopies of all future accounts and reports at no cost to them by notifying the relevant registered distributor in writing.

Holders may obtain indicative prices of Units:

- from registered distributors of the Managers; or
- by calling the Managers' hotline at 1800 22 22 228 from 8 a.m. to 8 p.m. daily (Singapore time).

The actual prices quoted will generally be published 2 Business Days after the relevant Dealing Day in the currency of denomination of the relevant Class.

Prices may be published in local or foreign publications such as The Straits Times and The Business Times, and on the Managers' website at uobam.com.sg or any other website designated by them. Publication frequency depends on the policies of the relevant publisher. Except for the Managers' publications, the Managers do not accept any responsibility for errors made by any publisher, whether in the published prices or for any non-publication or late publication of prices. The Managers will not be liable in respect of any action taken or loss suffered by you arising from any publication by such publishers.

**Note: The Fund's annual and interim reports are available upon request.**

### 10.2 CUSTOMER SERVICE

Unit Holders can seek the assistance from the marketing personnel on queries relating to the Fund at the Malaysian Representative's business office or at the offices of the registered distributors listed in Chapter 12, List of Registered Distributors, during business hours from 9.00a.m. to 5.30p.m. from Monday to Friday.

### 10.3 DEED(S)

Deed	5 July 2000	
Supplementary Deed(s)	First Supplemental Deed	26 December 2000
	Second Supplemental Deed	24 December 2001
	Amending and Restating Deed	30 December 2002
	Second Amending and Restating Deed	1 July 2003
	Third Amending and Restating Deed	30 December 2003
	Fourth Amending and Restating Deed	29 December 2004

Fifth Amending and Restating Deed	23 December 2005
Sixth Amending and Restating Deed	7 December 2006
Seventh Amending and Restating Deed	27 June 2007
Eighth Amending and Restating Deed	29 May 2009
Ninth Amending and Restating Deed	10 November 2009
Tenth Amending and Restating Deed	9 November 2010
Supplemental Deed of Appointment and Retirement of Trustee	26 January 2011
Eleventh Amending and Restating Deed	6 September 2011
Fourth Supplemental Deed	23 April 2015
Twelfth Amending and Restating Deed	2 June 2015
Fifth Supplemental Deed	21 July 2016
Supplemental Deed of Appointment and Retirement of Trustee	24 February 2017
Seventh Supplemental Deed	3 April 2017
Eighth Supplemental Deed	6 October 2017
Thirteenth Amending and Restating Deed	17 August 2018

#### **10.4 FINANCIAL YEAR END**

31 December

#### **10.5 UNCLAIMED MONEYS POLICY**

Any moneys payable to a Holder which remain unclaimed after a period of 12 months shall be accumulated by the Trustee in a special account (the "Unclaimed Moneys Account") and, subject to provision of the Deed, the Trustee shall cause such sums which represent moneys unclaimed by a Holder for more than 6 years and interest, if any, earned thereon to be paid into court after deducting all fees, costs and expenses incurred in relation to such payment from the sum thereof provided that if the said sum is insufficient to meet all such fees, costs and expenses, the Trustee shall be entitled to have recourse to the assets of the Deposited Property.

#### **10.6 CONSENT**

The Trustee, Sub-Manager, Custodian, Administrator, Registrar and Auditors have given their consent for the inclusion of their names and statements in the form and context in which they appear in this Prospectus and have not withdrawn such consent.

The Tax Adviser has given its consent for the inclusion of its name and tax adviser's letter in the form and context in which they appear in this Prospectus and have not withdrawn such consent.

## **CHAPTER 11: DOCUMENTS AVAILABLE FOR INSPECTION**

Unit Holders may inspect without charge, at the registered office of the Managers' representative, for a period of at least twelve (12) months from the date of this Prospectus, the following documents or copies thereof, where applicable:

- a) The Deed and the supplementary deed(s) of the Fund (if any);
- b) The Prospectus and the supplemental or replacement prospectus (if any);
- c) The latest annual and interim reports of the Fund;
- d) Each material contract disclosed in the Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts (if any);
- e) The audited financial statements of the Managers and the Fund for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- f) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Prospectus (if any);
- g) All consents given by experts disclosed in the Prospectus; and
- h) Writ and relevant cause papers for all material litigation and arbitration disclosed in the Prospectus.

## CHAPTER 12: LIST OF MALAYSIAN REPRESENTATIVE OFFICES

### **UOB Asset Management (Malaysia) Berhad**

#### **Head Office**

Level 22, Vista Tower  
The Intermark  
348, Jalan Tun Razak  
50400 Kuala Lumpur

Telephone number: +603 2732 1181

Facsimile number: +603 2164 8188

Email address: [UOBAMCustomerCareMY@UOBgroup.com](mailto:UOBAMCustomerCareMY@UOBgroup.com)

Website: [www.uobam.com.my](http://www.uobam.com.my)



## CHAPTER 13: LIST OF REGISTERED DISTRIBUTORS

### **UOB Asset Management (Malaysia) Berhad**

#### **Head Office**

Level 22, Vista Tower  
The Intermark  
348, Jalan Tun Razak  
50400 Kuala Lumpur

Telephone number: +603 2732 1181

Facsimile number: +603 2164 8188

Email address: UOBAMCustomerCareMY@UOBgroup.com

Website: [www.uobam.com.my](http://www.uobam.com.my)

**Note:** *The Managers have the discretion in determining the registered distributors, including its appointment and/or termination from time to time. For more details on the latest list of registered distributors and their offices, please contact Malaysian Representative.*

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