

29 December 2021

**PROSPECTUS**  
**LIONGLOBAL PLUS SERIES**  
**- LIONGLOBAL MULTI INCOME FUND**

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# **LIONGLOBAL PLUS SERIES**

## **DIRECTORY**

### **MANAGERS**

Lion Global Investors Limited  
65 Chulia Street, #18-01 OCBC Centre, Singapore 049513

### **DIRECTORS OF THE MANAGERS**

Khor Hock Seng (Chairman)  
Gerard Lee How Cheng (CEO)  
Tan Siew Peng  
Ronnie Tan Yew Chye  
Wee Ai Ning  
Chong Chuan Neo  
Leslie Teo Eng Sipp

### **TRUSTEE/REGISTRAR/ADMINISTRATOR**

HSBC Institutional Trust Services (Singapore) Limited  
10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983

### **CUSTODIAN**

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

### **AUDITORS**

PricewaterhouseCoopers LLP  
7 Straits View, Marina One East Tower, Level 12, Singapore 018936

### **SOLICITORS TO THE MANAGERS**

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

### **SOLICITORS TO THE TRUSTEE**

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

# LIONGLOBAL PLUS SERIES

## IMPORTANT INFORMATION

We, the managers of the LionGlobal Plus Series (the “**Fund**”), Lion Global Investors Limited, accept full responsibility for the accuracy of information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief that this Prospectus contains all information with respect to the Fund which is material in the context of the offer of units of the Fund and the statements contained in this Prospectus are in every material respect true and accurate and not misleading and there are no other material facts the omission of which would make any statement in this Prospectus misleading. Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the deed of trust (as amended) (the “**Deed**”) relating to the Fund.

You should consult the relevant provisions of the Deed and obtain independent professional advice if you have any doubt or ambiguity relating to this Prospectus.

As at the date of registration of this Prospectus, no application has been made for the units (“**Units**”) in the sub-fund constituted under the Fund to be listed on any stock exchange. You may request us to realise all or part of your holding of Units in accordance with and subject to the provisions of the Deed.

Our unit trusts and investment products, except for guaranteed funds, are not obligations of, deposits in, or guaranteed by us or any of our affiliates. An investment in unit trusts and/or other investment products is subject to investment risks, including the possible loss of the principal amount invested. Past performance figures are not necessarily indicative of future performance of any unit trust. You should note that the value of Units and the income from them may fall as well as rise.

You should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of the countries of your citizenship, residence or domicile, or (d) any restrictions or requirements under the Supplementary Retirement Scheme (“**SRS**”) (as the same may be amended, modified or supplemented from time to time), which may be relevant to the subscription, holding or disposal of Units in the Fund and you should be informed of and observe all such laws and regulations in any relevant jurisdiction that may apply to you.

The distribution of this Prospectus and the offering, purchase, sale or transfer of the Units in certain jurisdictions may be restricted by law. You should be informed about and observe any such restrictions at your own expense and without liability to us. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful.

### Restriction on U.S. Persons on subscribing to our funds

You shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information contained in this Prospectus for any purpose whatsoever nor permit or cause the same to occur. In particular, please note that the Units have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the “**U.S. Securities Act**”) or any other applicable law of the United States. The Fund has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended. The Units are being offered and sold outside the United States to persons that are not “**U.S. Persons**” (as defined in Regulation S promulgated under the U.S. Securities Act) in reliance on Regulation S promulgated under the U.S. Securities Act and are not “**United States Persons**” (as defined in Section 7701(a)(30) of the U.S. Internal Revenue Code, as amended, and referred to in this Prospectus as “**U.S. Holders**”). The Units are not being offered or made available to U.S. Persons or U.S. Holders and nothing in this Prospectus is directed to or is intended for U.S. Persons or U.S. Holders.

For the purposes of the U.S. Securities Act, the term “**U.S. Person**” means: (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person (v) any agency or branch of a non-United States entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated,

or (if an individual) resident in the United States; and (viii) any partnership or corporation if (a) organised or incorporated under the laws of any non-United States jurisdiction and (b) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organised or incorporated, and owned, by “**accredited investors**” (as defined in Regulation D promulgated under the U.S. Securities Act) who are not natural persons, estates or trusts.

For the purposes of the U.S. Internal Revenue Code, the term “**U.S. Holder**” includes: a U.S. citizen or resident individual of the United States; a partnership or corporation created or organized in the United States or under the law of the United States or any State of the United States, or the District of Columbia; an estate of a decedent that is a citizen or resident of the United States; or a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more U.S. Holders have the authority to control all substantial decisions of the trust.

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

For the purposes of the U.S. Securities Act, the term “**U.S. Person**” does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by non-United States law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States; (v) an agency or branch of a U.S. Person located outside the United States if (a) the agency or branch operates for valid business reasons and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, any other similar international organisations, and their respective agencies, affiliates and pension plans.

## **Compliance Obligations**

### Onboarding

You consent to our and/or the Trustee’s collection, use and storage of any of your Personal Information and Account Information by any means necessary for us and/or the Trustee to maintain appropriate transaction or account records and for disclosure and compliance with the Compliance Obligations.

You agree to provide Personal Information to us and/or the Trustee in such form and within such time as we and/or the Trustee may require from time to time.

You agree to update us and/or the Trustee promptly (and in any event no later than thirty (30) days from the date of change or addition) when there is a change or addition to the Personal Information.

You acknowledge and agree that you are responsible for your own compliance with the Compliance Obligations.

### Indemnity

You agree to indemnify us, the Trustee, any relevant Sub-Fund or the Fund and its other investors for any losses resulting from your failure to meet your obligations under these Compliance Obligations provisions, including any withholding tax imposed on any Sub-Fund or the Fund.

## Disclosure

You acknowledge and agree that the Personal Information and Account Information provided may be disclosed during the life of the relevant Sub-Fund or the Fund and after its termination by us and/or the Trustee to each other, counterparties, custodians, brokers, distributors and other service providers, the U.S. Internal Revenue Service, the Inland Revenue Authority of Singapore (“IRAS”) or other applicable tax or other regulatory authorities in any jurisdiction for the purpose of compliance with the Compliance Obligations.

You irrevocably waive and agree to procure any Consenting Person to waive irrevocably (where reasonably required by us and/or the Trustee), any applicable restrictions, provision of law and rights in law that would, absent a waiver, prevent disclosure by us and/or the Trustee of the Personal Information and Account Information according to the provisions of this Prospectus.

## Deduct/Close/Block Accounts

You agree that if you fail to provide or to update us and/or the Trustee promptly with the Personal Information or Account Information, or provide to us and/or the Trustee inaccurate, incomplete or false Personal Information or Account Information, or for whatever reason, we and/or the Trustee are prevented (under Singapore law or otherwise) from disclosing the Personal Information or Account Information for the purpose of compliance with the Compliance Obligations, we and/or the Trustee may take one or more of the following actions at any time: deduct from or withhold part of any amounts payable to you by or on behalf of the relevant Sub-Fund or the Fund and/or close the account opened with us, the Trustee, the relevant Sub-Fund and/or the Fund (where such account has already been opened), or determine in our sole discretion not to open an account (where such account has not yet been opened).

## Definitions

“**Account Information**” means any information or documentation relating to your account for the Units, including the account number, withholding certificate (e.g. W-9 or W-8 tax forms), Global Intermediary Identification Number (if applicable) or any other valid evidence of any FATCA registration with the U.S. Internal Revenue Service or a corresponding exemption, account balance or value, gross receipts, withdrawals and payments from your account.

“**Compliance Obligations**” means obligations of the Managers, the Trustee, the Fund and/or a Sub-Fund to comply with:

- (a) FATCA;
- (b) CRS; and
- (c) any legislation, treaty, intergovernmental agreement, foreign financial institution agreement, regulation, instruction or other official guidance of any Relevant Authority in any jurisdiction whether within or outside Singapore, that is associated, similar or analogous to FATCA and/or CRS.

“**Consenting Person**” means any person other than you who is beneficially interested or financially interested in any payment made in relation to a Sub-Fund or the Fund.

“**CRS**” means: (a) the Standard for Automatic Exchange of Financial Account Information in tax matters, developed and published by the Organisation for Economic Co-operation and Development (“**OECD**”), as amended from time to time; and (b) the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 and any official guidance issued by the IRAS or OECD from time to time, to facilitate implementation of the Common Reporting Standard (as each may be amended, modified, and/or supplemented from time to time). Such official guidance shall include, but is not limited to, the IRAS FAQs on the Common Reporting Standard published by the IRAS on 7 December 2016, Commentaries on Common Reporting Standard, Standard for Automatic Exchange of Financial Account Information in Tax Matters: Implementation Handbook and CRS-Related Frequently Asked Questions issued by OECD.

“**FATCA**” means: (a) Sections 1471 to 1474 of the United States Internal Revenue Code of 1986, as amended from time to time; and (b) the Income Tax (International Tax Compliance Agreements)(United States of America) Regulations 2015, the Singapore-US Intergovernmental Agreement on Foreign

Account Tax Compliance Act and the e-Tax Guide on Compliance Requirements of the Singapore-US Intergovernmental Agreement on Foreign Account Tax Compliance Act issued by the IRAS (as each may be amended, modified, and/or supplemented from time to time).

**“Personal Information”** means information relating to you and any Consenting Person, and:

- (i) where you or any Consenting Person are/is an individual, the full name, date and place of birth, residential address, mailing address, contact information (including telephone number) and any identification number, social security number, citizenship(s), residency(ies), tax residency(ies), tax identification number, tax status, FATCA classification; and
- (ii) where you or any Consenting Person are/is a corporate or other entity, your/its date of incorporation or formation, registered address, address of place of business, tax identification number, tax status, FATCA and CRS classification, tax residency and such information as we and/or the Trustee may reasonably require regarding each of your and any Consenting Person’s substantial shareholders and controlling persons.

**“Relevant Authority”** means any nation, any political subdivision thereof, whether state or local, any international organisation, and any agency, authority, instrumentality, judicial or administrative, regulatory body, law enforcement body, securities or futures exchange, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

### **Personal Data Protection Act**

You consent to us and the Trustee (and such Third Party Service Providers as we or the Trustee may engage, and who may be located outside Singapore) collecting, receiving, using, storing, disclosing and processing your Personal Data (as defined in the Singapore Personal Data Protection Act) as set out in your application form, subscription form, account opening documents and/or otherwise provided by you or possessed by us or the Trustee, for one or more of the purposes as stated in the Personal Data Protection Statement (the **“PDPS”**):

- (a) as set out on our website at <http://www.lionglobalinvestors.com>, which in summary includes but is not limited to (i) processing your application for and providing you with our products and services as well as the services of Third Party Service Providers; and (ii) administering and/or managing your relationship and/or account(s) with us; and
- (b) as set out on the relevant website of the Trustee at <https://www.business.hsbc.com.sg/en-sg/sg/generic/privacy-and-security#DPP> for HSBC Institutional Trust Services (Singapore) Limited.

**“Third Party Service Providers”** includes but is not limited to, trustees, registrars, transfer agents, auditors and/or other professional service providers used in the provision of products and services to you and you further consent to them collecting, receiving, using, storing, disclosing and processing your Personal Data in their respective roles and capacities, where applicable.

You should also consider the risks of investing in the Fund which are summarised in Paragraph 10 of this Prospectus.

All enquiries in relation to the Fund should be directed to us, Lion Global Investors Limited, or any of our appointed agents or distributors.

## **OUR POLICY ON MARKET TIMING**

The Fund is designed and managed to support medium to long-term investments. In this regard, we take a serious view of, and strongly discourage the practice of market timing (that is, investors conducting short-term buying or selling of Units to gain from inefficiencies in pricing) as such practices may cause an overall detriment to the long-term interests of other investors. In addition, short-term trading in Units increases the total transaction costs of the Sub-Fund, such as trading commission and other costs which are absorbed by all other investors. Moreover, the widespread practice of market timing may cause large movements of cash in the Sub-Fund which may disrupt the investment strategies to the detriment of long-term investors. For the reasons set out above, we strongly discourage the practice of market timing and may implement internal measures to monitor and control such practice to the extent of our powers available under the Deed. We intend to review our policy on market timing from time to time in a continuous effort to protect your long-term interests in the Fund.

# LIONGLOBAL PLUS SERIES

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## LIONGLOBAL PLUS SERIES

*The sub-fund of the Fund offered in this Prospectus is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (“SFA”). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the “MAS”). The MAS assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the sub-fund of the Fund. The meaning of terms not defined in this Prospectus can be found in the deed of trust (as amended) constituting the Fund.*

### 1. BASIC INFORMATION

#### 1.1 LionGlobal Plus Series

The Fund is an authorised umbrella unit trust constituted in Singapore which will offer a group of separate and distinct portfolios of securities or obligations, each of which is or will be a sub-fund investing in different securities or portfolios of securities. Each sub-fund may comprise separate Classes of Units (each a “Class”).

We are currently offering for subscription Units in the LionGlobal Multi Income Fund (the “Sub-Fund”).

#### 1.2 Date of Registration and Expiry Date of Prospectus

The date of registration of this Prospectus with the MAS is 29 December 2021. This Prospectus shall be valid for 12 months after the date of registration (i.e., up to and including 28 December 2022) and shall expire on 29 December 2022.

#### 1.3 Trust Deed

**1.3.1** The deed of trust relating to the Units being offered to the public for subscription or purchase (the “Principal Deed”) is dated 2 November 2004 and the parties to the Deed are us and (until 31 December 2020) Citicorp Trustee (Singapore) Limited (“Citicorp”). With effect from 1 January 2021, HSBC Institutional Trust Services (Singapore) Limited was appointed as trustee of the Fund.

**1.3.2** The Principal Deed has been amended by the 1<sup>st</sup> Amending and Restating Deed dated 3 March 2006, the 2<sup>nd</sup> Amending and Restating Deed dated 8 December 2006, the 3<sup>rd</sup> Amending and Restating Deed dated 7 December 2007, the 4<sup>th</sup> Amending and Restating Deed dated 5 December 2008, the 5<sup>th</sup> Amending and Restating Deed dated 4 December 2009, the 6<sup>th</sup> Amending and Restating Deed dated 27 September 2011, the 7<sup>th</sup> Amending and Restating Deed dated 27 September 2013, the 8<sup>th</sup> Amending and Restating Deed dated 22 September 2015, the 9<sup>th</sup> Amending and Restating Deed dated 19 January 2017 and the 10<sup>th</sup> Amending and Restating Deed dated 18 January 2018 (the “Amending and Restating Deeds”) entered into between us and Citicorp and the Supplemental Deed of Appointment and Retirement of Trustee dated 4 November 2020 entered into between us, Citicorp and HSBC Institutional Trust Services (Singapore) Limited. The Principal Deed as amended by the Amending and Restating Deeds and the Supplemental Deed of Appointment and Retirement of Trustee shall hereinafter be referred to as the “Deed”.

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

**1.3.4** A copy of the Deed shall be made available for inspection free of charge, at all times during usual business hours (subject to such reasonable restrictions as we may impose) at our registered office at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 and will be supplied by us to any person upon request at a charge of S\$25 per copy of each document (or such other amount as we and the Trustee may from time to time agree in writing), such charge being payable to us.

## 1.4 Accounts and reports

A copy of the latest annual and semi-annual accounts, the Auditor's report on the annual accounts and the annual and semi-annual reports relating to the Fund may be obtained from us upon request. Please refer to paragraph 20 for details of reports relating to the Fund.

## 2. THE MANAGERS

We, the managers of the Fund, are Lion Global Investors Limited (Company Registration Number 198601745D), whose registered office is at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513.

We hold a capital markets services licence for fund management issued by the MAS and are regulated by the MAS.

We are a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group with total assets under management of S\$71.7 billion (US\$52.8 billion) as at 30 September 2021. Established as an Asian asset specialist since 1986, our core competencies are in managing Asian equities and fixed income strategies and funds to both institutional and retail investors. Our large and experienced investment team of more than 40 investment professionals averaging 17 years of financial industry experience is firmly dedicated to Asian and global equities and fixed income markets.

Besides Singapore, we have a regional office in Brunei.

We are 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, both subsidiaries of OCBC Bank.

We have been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996.

For more information about us, please visit [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com).

We have delegated the accounting and valuation function in respect of the Fund to the Administrator whose details are set out in paragraph 6 below.

Please refer to Clause 16 of the Deed for more details on our role and responsibilities as the managers of the Fund.

### **Our Directors and Key Executives**

Our directors are as follows:

(i) **Khor Hock Seng** (Non-Executive Director, Chairman)

Mr Khor is currently the Group Chief Executive Officer of Great Eastern Holdings Limited, The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited. He is also the Non-Executive Director and Chairman of our Board.

Prior to joining Great Eastern, Mr Khor was the Chief Executive Officer of Aviva Asia Pte Ltd and Group Executive of Aviva Group (from March 2013 to October 2015).

In his previous tenure, Mr Khor was Chief Executive Officer and Managing Director (from June 2008 to February 2013), whilst taking on the role of Regional Senior Executive (from April 2009 to August 2010) overseeing Indonesia's operations at American International Assurance Bhd. He was Senior Vice President and Deputy General Manager (from February 2006 to November 2006), and Senior Vice President and General Manager (from December 2006 to June 2008) of American International Assurance Co Ltd.

Mr Khor also held the title of President, Chief Executive Officer and Managing Director of Manulife Insurance (M) Bhd (from June 1997 to December 2005).

Since the start of his career in the finance industry in 1984, Mr Khor has also held senior positions in Hong Leong Assurance Bhd, British American Life & General Insurance Bhd, and Malaysian American Assurance Co., Ltd.

Mr Khor holds a Bachelor of Arts in Actuarial Studies and Statistics from Macquarie University and a Certificate of Actuarial Techniques from the Institute of Actuaries, London.

(ii) **Gerard Lee How Cheng** (Executive Director)

Mr Lee is currently our Chief Executive Officer.

Mr Lee was Chief Investment Officer of Temasek's Fund Management Division (FMD) from 1999 to 2004. He later became Chief Executive Officer of Fullerton Fund Management Company, a wholly owned subsidiary of Temasek Holdings Pte Ltd.

Before joining Temasek, Mr Lee had held positions as Deputy Chief Investment Officer at Deutsche Asset Management Singapore, Head of Fixed Income Sales at SBC Warburg Singapore and Head of Government of Singapore Investment Corporation Pte Ltd's New York Office.

Mr Lee, a CFA Charterholder, graduated from the National University of Singapore with a Bachelor of Science (Honours) in 1984. He has also been recognised by The Institute of Banking & Finance (IBF) as an IBF Fellow.

(iii) **Tan Siew Peng** (Non-Executive Director)

Mr Tan is currently appointed as the Chief Financial Officer of OCBC.

Within OCBC, he was previously the Deputy Chief Financial Officer of OCBC (from May 2011 till November 2011) and was Head of Asset Liability Management, Global Treasury (from March 2007 till April 2011).

Prior to joining OCBC, he was previously with Government of Singapore Investment Corporation Pte Ltd from November 1994 till February 2007 and had taken up positions as Investment Officer, Senior Investment Officer, Investment Manager in Short Term Assets Division, Fixed Income Department and Head of Money Markets, Foreign Exchange Department within the organisation.

Mr Tan holds a Bachelor of Accountancy (1st Class Honours) from Nanyang Technological University and is a CFA Charterholder.

(iv) **Ronnie Tan Yew Chye** (Non-Executive Director)

Mr Tan is currently the Group Chief Financial Officer of Great Eastern Holdings Limited. He is also the Director of Great Eastern Trust Pte Ltd and Great Eastern International Pte Ltd.

He was previously the Group Chief Risk Officer at Great Eastern Holdings Limited (from January 2006 to June 2016), Senior Vice President, Finance & Corporate Affairs at Great Eastern Holdings Limited (from December 2002 to December 2005) and Senior Vice President, Products & Business Strategies at Great Eastern Holdings Limited (from June 2002 to November 2002).

Mr Tan graduated from the University of Nebraska-Lincoln with a Bachelor of Science in Business Administration - Actuarial Science. He is also a CFA Charterholder and is recognised by the Society of Actuaries as a Fellow.

(v) **Wee Ai Ning** (Non-Executive Director)

Ms. Wee Ai Ning joined Great Eastern Holdings Limited as Group Chief Investment Officer on 21 August 2017, overseeing the formulation of Great Eastern Group's investment strategies and managing all investments within the Group.

Prior to joining the Great Eastern Group, she was CEO at Tudor Capital Singapore Pte Ltd. Ms. Wee spent about 21 years with the Government of Singapore Investment Corporation (GIC) where she assumed various roles as Head of Treasury and Currency Management Group, and Head of Strategic Cross Investment Group. She also had a brief stint in the Monetary Authority of Singapore.

Ms. Wee holds a Bachelor of Economics degree from Monash University, Australia, and is also a CFA Charterholder.

(vi) **Chong Chuan Neo** (Non-Executive Director)

Ms Chong Chuan Neo is currently a Non-Executive Director of Graduate Investment Private Limited (GIPL) since 1 February 2019. She is also part of the NUS Graduate Research and Innovation Programme (GRIP) Investment Panel. She is also a Non-Executive Director of our Board.

Prior to these roles, Ms Chong held numerous senior leadership roles in her 30-year career with Accenture Pte Ltd, including Chairman and Country Managing Director for Accenture Greater China, Asia Pacific practice lead (operating unit lead) for Accenture in areas including Travel, Transport and Hospitality, as well as Global Industry Managing Director, among others. She retired as a Senior Managing Director and a member of the Global Leadership Council in September 2018.

Ms Chong holds a Bachelor of Science (Computer Science and Mathematics) from the National University of Singapore, and was recognised as an Outstanding Alumni by the NUS School of Computing in 2008. She also attended other executive programmes at the International Institute for Management Development (IMD) in Lausanne, Switzerland.

(vii) **Leslie Teo Eng Sipp** (Non-Executive Director)

Mr Leslie Teo is a Non-Executive Director of our Board.

Mr Teo is an experienced strategist in applying Artificial Intelligence, Machine Learning and Big Data techniques to solve challenging business and social problems. Currently he is an advisor to the CEO of GrabTaxi Holdings Pte Ltd, a Singapore-based technology company offering ride-hailing transport services, food delivery and payment solutions. He is also currently an advisor to Government of Singapore Investment Corporation Pte Ltd/ Ministry of Finance (Singapore). Before joining Grab, Mr Teo was Chief Economist at GIC. At GIC, he led strategic and tactical asset allocation of the total GIC portfolio and new product development. Mr Teo also held the positions of Economist and Deputy Division Chief at International Monetary Fund and was Head of Special and Financial Studies Division at Monetary Authority of Singapore.

Mr Teo has been recognised and honoured by the National University of Singapore, the Pacific Pension and Investment Institute and the Economic Society of Singapore.

Mr Teo has a PhD in Economics from the University of Rochester, a Masters in Information and Data Science from the University of California-Berkeley, and a Bachelor of Arts from the University of Chicago. He has also attended the Advanced Management Program at The Wharton School.

**Portfolio Manager(s):**

Herbert Wong

Herbert Wong, the Portfolio Manager, is the Head of our multi-asset strategies team. He has 35 years of treasury and fund management experience. He is the lead portfolio manager of a range of multi-asset products including absolute return funds.

Prior to joining us in January 2010, Herbert was a portfolio manager at Lion Fairfield Capital Management, our subsidiary from 2006 to 2009. Herbert was previously a senior fund manager from 1994 to 2005 at OCBC Asset Management (now known as Lion Global Investors) and money market and foreign exchange trader from 1986 to 1993 at OCBC Bank.

Herbert holds a Master of Science in Financial Engineering from the National University of Singapore (2001) and Bachelor of Business Administration from the National University of Singapore (1986). He holds the Chartered Financial Analyst (CFA) designation.

### Ng Kian Ping

Ng Kian Ping is the alternate Portfolio Manager. He is a portfolio manager in our multi-asset strategies team, where he is managing several institutional and retail absolute return portfolios. Kian Ping also plays a support role in the selection and monitoring of external fund managers and portfolio optimisation of absolute return strategies.

Kian Ping has 14 years of financial industry experience, investing across different asset classes including bonds, equities, currencies, derivatives as well as exchange-traded funds.

Kian Ping earned a Master of Applied Finance (Distinction) from the Singapore Management University and a Bachelor of Civil Engineering from the National University of Singapore. He holds the Chartered Financial Analyst (CFA) designation.

**You should note that our past performance and the past performance of our directors and key executives are not necessarily indicative of our/their future performance.**

### **3. THE TRUSTEE AND THE CUSTODIAN**

The Trustee for the Fund is HSBC Institutional Trust Services (Singapore) Limited (Company Registration Number 194900022R) whose registered address is at 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983. The Trustee is regulated in Singapore by the MAS.

The Custodian of the Fund is The Hongkong and Shanghai Banking Corporation Limited, whose registered address is at 1 Queen's Road Central, Hong Kong. The Custodian is regulated by the Hong Kong Monetary Authority and authorised as a registered institution by the Securities and Futures Commission of Hong Kong.

The Trustee has appointed the Custodian as the global custodian to provide custodial services to the Fund globally. The Custodian is entitled to appoint sub-custodians to perform any of the Custodian's duties in specific jurisdictions where the Sub-Fund invests.

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

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

Please refer to Clause 16 of the Deed for more details on the Trustee's role and responsibilities as the trustee of the Fund.

### **4. THE REGISTER OF HOLDERS**

HSBC Institutional Trust Services (Singapore) Limited (Company Registration Number 194900022R) is the registrar for the Fund. The register of Holders (the "**Register**") can be inspected at 20 Pasir Panjang Road (East Lobby), #12-21, Mapletree Business City, Singapore 117439 during usual business hours subject to reasonable conditions and restrictions as we or the Trustee may impose.

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

## 5. THE AUDITORS

The auditors of the accounts relating to the interests under the Deed are PricewaterhouseCoopers LLP of 7 Straits View, Marina One East Tower, Level 12, Singapore 018936 (the “**Auditors**”).

## 6. THE ADMINISTRATOR

The administrator of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the “**Administrator**”), whose registered office is at 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983.

## 7. STRUCTURE OF THE FUND

The Fund is an authorised umbrella unit trust constituted in Singapore and has no fixed maturity.

The LionGlobal Multi Income Fund is organised as a Sub-Fund of the Fund. The Sub-Fund is an authorised unit trust and is denominated in Singapore dollars.

Units in the LionGlobal Multi Income Fund are presently available for subscription.

## 8. INVESTMENT OBJECTIVE, FOCUS, POLICY AND APPROACH

### 8.1 Investment Objective

The investment objective of the LionGlobal Multi Income Fund is to maximise total returns over a medium to long term and to provide sustainable income distributions.

### 8.2 Investment Focus, Policy and Approach

#### 8.2.1 Investment Focus and Policy

(a) LionGlobal Multi Income Fund

- (i) We will manage the Sub-Fund on a total return basis. To achieve capital gains and provide sustainable income distributions while limiting risk for the Sub-Fund, we will invest the assets of the Sub-Fund globally in a diversified portfolio of equities, money market instruments, asset-backed securities, equity-related securities, debt instruments and other debt-related instruments such as collateralised debt obligations. We also intend to employ call writing strategies on equities. Subject to compliance with the Code, a portion of the assets of the Sub-Fund may also be invested in other collective investment schemes that may or may not be managed by us and whose investment objectives are to invest all or substantially all of their assets in equities or equity-related securities or fixed income instruments or bonds.
- (ii) In relation to the equity component of the portfolio, our current investment policy is to invest in equity and equity-related securities (including, but not limited to, preference shares, real estate investment trusts and depository receipts) of companies or institutions incorporated in, operating from, or deriving significant revenue from anywhere in the world. The investments of the Sub-Fund would, however, be principally in companies or institutions incorporated in, operating from, or deriving significant revenue in the Asia Pacific region. There is no target industry or sector. You should note that the Sub-Fund may hold investments in Asia Pacific markets which are emerging markets. Please refer to paragraph 10.2.4 for further details on risks associated with investments in emerging markets.
- (iii) In relation to the fixed income component of the portfolio, our current investment policy is to invest in currency deposits, money market instruments, asset-backed securities, debt instruments (including, but not limited to, convertible and non-convertible corporate debt securities including bonds, debentures, loan stock, notes, certificates of deposit, variable rate certificates of deposit, bankers’ acceptances, commercial paper issued by corporations or government bodies including short term unsecured promissory notes, treasury bills, all other fixed

or floating rate instruments or interest rate futures and options) and other debt-related instruments such as collateralised debt obligations. There is no target industry or sector.

- (iv) The Sub-Fund may employ a strategy of selling covered call options on equities. The option premiums received represent additional earnings, helping to enhance the distributions payable to you and to reduce overall portfolio risk.
- (v) We may invest the assets of the Sub-Fund in financial derivative instruments (“**FDIs**”) including, but not limited to, options on securities, forward contracts, over-the-counter options, credit default swaps, index futures, futures or options of any kind of financial instrument or structured notes such as credit-linked notes, equity-linked notes and index-linked notes. While FDIs will currently be used only for purposes of hedging or efficient portfolio management, we may in future, to the extent permitted by the MAS, also use FDIs for investment purposes.

(b) Investments in Other Collective Investment Schemes

Subject to the provisions of the Code, we may, from time to time, invest the Deposited Property<sup>1</sup> of the Sub-Fund in other collective investment schemes (the “**Underlying Funds**”) that may or may not be managed by us and whose investment objectives are to invest all or substantially all of their assets in equities or equity-related securities or fixed income instruments or bonds.

Names of Underlying Funds

The Sub-Fund may invest more than 30% into each of the Underlying Funds (which percentage may vary from time to time at our discretion) as set out below:

	<b>Underlying Fund Name</b>
1	LionGlobal Singapore Trust Fund
2	LionGlobal Short Duration Bond Fund
3	LionGlobal Asia Bond Fund
4	LionGlobal SGD Money Market Fund
5	LionGlobal Singapore Fixed Income Investment

We are the managers of the LionGlobal Singapore Trust Fund, the LionGlobal Short Duration Bond Fund, the LionGlobal Asia Bond Fund, the LionGlobal SGD Money Market Fund and the LionGlobal Singapore Fixed Income Investment.

Our track record can be found under paragraph 2 of this Prospectus.

**8.2.2 Investment Approach**

(a) LionGlobal Multi Income Fund

While the strategic asset allocation is based on asset class behaviour over the longer term, the valuation of securities and the expected risk and return of assets are affected by short term economic and market conditions. The tactical allocation aims to create value by capturing the short term opportunities arising from changes in expected return, market volatility or risk appetite, by varying the asset allocation around the strategic asset allocation.

The strategic asset allocation determines the allocation among the underlying asset classes intended to achieve the client’s investment objective.

<sup>1</sup> “**Deposited Property**” means all the assets (cash and other property) for the time being held or deemed to be held upon the trusts of the Deed (or if the context so requires, the part thereof attributable to the Sub-Fund).

The tactical asset allocation process combines both the 'top-down' and 'bottom-up' approaches. Top-down approach relates to cyclical fundamentals that generate key investment themes whereas bottom-up approach relates to factors such as asset class fundamentals and market inefficiencies which may lead to assets being mispriced.

Our investment approach to a total return portfolio such as the Sub-Fund is to view the various asset classes as a hierarchy of building blocks. For example, the portfolio will hold equity and equity-related securities for the potential capital growth while fixed income and money market securities act as core stabilizer and/or risk diversifier to the portfolio. The process includes using mean variance analysis to estimate the expected risk and return characteristics of alternative asset allocation combinations in order to achieve an optimal risk return trade-off. We will also make tactical allocations to capture shorter term return opportunities or to reduce risk exposures.

#### *Stock selection*

##### Investment Philosophy

We believe that equity markets are structurally inefficient and that this inefficiency provides the opportunity for investors, such as us, to add value for clients through the application of a disciplined investment process. Our investment process is underwritten by thorough stock analysis, disciplined stock selection and the construction of portfolios which reflect prevailing and anticipated macro/thematic trends. We also believe that portfolio construction disciplines play an essential role in the investment process as they ensure adherence to the clients' investment objectives.

We adopt a neutral approach with respect to style, and therefore any style bias, is a by-product of stock selection approach and macro view at that point in time in the investment cycle.

##### Investment Process

The investment process is essentially split between research and portfolio construction.

Research is a critical component to our investment approach. It focuses on identifying companies that meet the following criteria:

- Sustainable competitive advantage
- Balance sheet strength (taking into factors such as cash flow, leverage and profitability)
- High calibre management
- Strong culture of corporate governance
- Evidence of mispricing
- Identifiable critical factors and associated catalysts that will move the share price.

We construct the portfolio in a manner consistent with the objective of the Sub-Fund as well as taking into account the prevailing macro directions and sector/thematic considerations, while adhering to portfolio construction disciplines of the Sub-Fund.

#### *Bond selection*

##### Investment Philosophy

We aim to deliver consistent outperformance on a risk adjusted basis through market cycles. As an active asset manager, we seek to add value through the effective combination of research driven investment ideas and rigorous portfolio construction disciplines. In addition, we will manage five principal areas of risks, namely, country, duration, interest, currency and credit.

### Investment Process

Our investment process incorporates both the 'top-down' and 'bottom-up' approaches. The top-down approach employs three forms of analysis- fundamental, technical and valuation and leads to macro decisions, on country allocation, duration, yield curve positioning and currency.

Our bottom-up approach involves research into each company's business, financial and credit position and aims to enhance the portfolio's return via active credit selection and on-going credit monitoring.

#### *Covered call option writing strategy*

We intend to adopt the following strategy when writing covered call options:

- Tenure of covered call options to range from 1 to 12 months
- Over-the-counter ("**OTC**") options may be used

#### *What is a covered call option?*

It is an option strategy whereby an investor holds a long position in an asset and writes (sells) call options on that same asset in an attempt to generate increased income from the asset.

We intend to use the covered call option strategy to allow the Sub-Fund to outperform a direct investment in the underlying portfolio of equities in all scenarios, other than in a strong rising market scenario (though this is not guaranteed). In addition to the generation of option income, the Sub-Fund may also benefit from reduced overall portfolio risk (though this is not guaranteed). However, in a strong rising market scenario, such a strategy will cause the Sub-Fund to give up potential appreciation in the value of the equities in its portfolio above the strike price.

#### (b) Investments in Other Collective Investment Schemes

Our investment approach, in our capacity as managers or sub-managers of the Underlying Funds (as the case may be), is as follows:-

	<b>Name of Underlying Funds</b>	<b>Investment Approach</b>
1.	LionGlobal Short Duration Bond Fund	<u>Investment Philosophy</u> We aim to deliver consistent outperformance on a risk adjusted basis through market cycles. As an active asset manager, we seek to add value through the effective combination of research driven investment ideas and rigorous portfolio construction disciplines. In addition, we will manage five principal areas of risks, namely, country, duration, interest, currency and credit.  <u>Investment Process</u> Our investment process incorporates both the 'top-down' and 'bottom-up' approaches.  The top-down approach employs three forms of analysis - fundamental, technical and valuation and leads to macro decisions, on country allocation, duration, yield curve positioning and currency.  The bottom-up approach involves research into each company's business, financial and credit position and aims to enhance the portfolio's return via active credit selection and on-going credit monitoring.
2.	LionGlobal Asia Bond Fund	
3.	LionGlobal SGD Money Market Fund	
4.	LionGlobal Singapore Fixed Income Investment	

	Name of Underlying Funds	Investment Approach
5.	LionGlobal Singapore Trust Fund (“LGSTF”)	<p><u>Investment Philosophy</u></p> <p>We believe that Asian equity markets are structurally inefficient and this inefficiency provides the opportunity for us to add value through a disciplined investment process. We believe that consistent long term returns can be achieved through in-depth fundamental research, a disciplined focus on valuations, understanding what is “priced in” by the market and what the key stock catalysts are.</p> <p><u>Investment Process</u></p> <p>The investment process comprises research and portfolio construction. Research is a critical component to our investment approach. Direct company management contact coupled with industry data and feedback form the backbone of our research effort.</p> <p>Risk reward analysis for each stock combines fundamental bottom up analysis with a rigorous examination of stock drivers. Below are the key areas of our focus:</p> <p>Business</p> <ul style="list-style-type: none"> <li>● Industry outlook</li> <li>● Company’s trend in market share and profitability</li> <li>● Barriers to entry and pricing power dynamics</li> <li>● Business risks</li> </ul> <p>Management</p> <ul style="list-style-type: none"> <li>● Business strategy</li> <li>● Execution track record</li> <li>● Corporate dynamics</li> <li>● Capital management potential, like share buybacks or dividend payout increase</li> </ul> <p>Valuation</p> <ul style="list-style-type: none"> <li>● Varied valuation approach depending on the industry and what point of the cycle the industry is in</li> <li>● Valuation relative to historic range as well as at similar points of the industry cycle</li> <li>● Valuation relative to market average</li> </ul>

	Name of Underlying Funds	Investment Approach
		<p>Catalysts</p> <ul style="list-style-type: none"> <li>● Positive/negative earnings surprises</li> <li>● M&amp;A opportunities</li> <li>● Improving/deteriorating industry cycle</li> <li>● Restructuring/turnaround</li> <li>● Capital management/capital raising risks</li> </ul> <p>We construct the portfolio in a manner consistent with the objective of LGSTF as well as taking into account the prevailing macro directions and sector/thematic considerations.</p> <p>Positions in LGSTF are sized according to several factors:</p> <ul style="list-style-type: none"> <li>● Expected returns based on fundamentals and valuations</li> <li>● Specific risk factors</li> <li>● Conviction on management's ability to deliver</li> <li>● Liquidity and market capitalization</li> </ul>

### 8.2.3 Investment Style and Benchmark Usage

The benchmark of the Sub-Fund is the 1-Month Singapore Interbank Offer Rate + 1.75%. The Sub-Fund uses its benchmark for performance comparison. The Sub-Fund is actively managed and the investment of the Sub-Fund may deviate significantly from components of their respective weightings in the benchmark.

### 8.2.4 Product Suitability

The Sub-Fund is only suitable for investors who:

- seek to receive regular distributions;
- seek to maintain medium to long-term capital stability; and
- are comfortable with volatility of equity, bond or balanced fund.

## 8.3 Distribution Policy

**8.3.1** We may, at the time of establishment of a sub-fund or from time to time, determine a distribution policy for the sub-fund. When determining the distribution policy, we shall have the discretion to decide on the intended amount and frequency of distribution and whether part or all of the distribution is to be made out of income, net capital gains realised or capital of the sub-fund.

**8.3.2** Distribution payments (to the extent permitted under the Deed) shall, at our sole discretion, be made out of either (a) income; or (b) net capital gains<sup>2</sup>; or (c) capital of the Sub-Fund or a combination of (a) and/or (b) and/or (c). The declaration and/or payment of distributions (whether out of income and/or capital) may have the effect of lowering the net asset value of the Sub-Fund. Moreover, distributions out of capital may amount to a reduction of a Holder's original investment.

<sup>2</sup> "Net capital gains" refers to any net gain in the value over the book cost of the Sub-Fund, to the extent that such gain is not considered as income of the Sub-Fund.

**8.3.3** You should note that the distributions of the Sub-Fund are not guaranteed and are not in any way a forecast or projection of the future or likely performance of the Sub-Fund. You should also note that distributions of the Sub-Fund may be made out of capital of the Sub-Fund (see sub-paragraph 8.3.2 above). The making of any distribution shall not be taken to imply that further distributions will be made. While we will endeavour to make the distributions as set out above, certain market or economic conditions prevailing at the time of the intended distributions may render the intended distributions non-viable. In such instances, we may, in consultation with the Trustee, vary the frequency and/or amount of the distributions.

**8.3.4** Unless specifically instructed in writing by the Holders, if the net amount of distributions to be received by the Holders is less than S\$50 (“**Small Distributions**”), Holders shall be deemed to have given an Automatic Distribution Reinvestment Mandate (as defined in the Deed) for the automatic reinvestment of all such Small Distributions to be received by them in the purchase of further Units (including fractions of Units, if any) of the Sub-Fund or Class, subject to our discretion to pay out such distributions in cash. Units will be purchased based on the net asset value of the Sub-Fund or Class on the Dealing Day on or before the distribution is made.

**8.3.5** Unless specifically instructed in writing by the Holders, where a distribution payment has been made to a Holder via cheque and such cheque has expired (i.e. the cheque is not presented within six months of its date of issue or such other period as may be applicable from time to time under applicable laws, regulations, guidelines, rules or directives) (“**Cheque Distribution**”), the Holder shall be deemed to have given an Automatic Distribution Reinvestment Mandate for the automatic reinvestment of all of the Cheque Distribution in the purchase of further Units (including fractions of Units, if any) of the Sub-Fund or Class (“**Cheque Reinvestment Mandate**”). Units will be purchased based on the net asset value of the Sub-Fund or Class on the third Business Day after the expiry date of the cheque.

**8.3.6** In addition, the Holders are deemed to have given a new Automatic Distribution Reinvestment Mandate with effect on and from the same date the Holders are deemed to have given a Cheque Reinvestment Mandate. This is regardless whether the Holders had previously withdrawn the Automatic Distribution Reinvestment Mandate. Accordingly, all subsequent distributions of any amount (including Small Distributions) to be received by the Holders after the Cheque Reinvestment Mandate comes into effect shall, in accordance with the new Automatic Distribution Reinvestment Mandate deemed to be granted at the same time as the Cheque Reinvestment Mandate, be automatically reinvested in the purchase of further Units (including fractions of Units, if any) of the Sub-Fund or Class in accordance with Clause 11(B)(ii) of the Deed.

**8.3.7** Paragraphs 8.3.4 to 8.3.6 will not apply to distributions payable in respect of Units subscribed using cash through any of our agents or distributors or using SRS monies.

## **8.4 Authorised Investments**

The authorised investments of the Sub-Fund (“**Authorised Investments**”) are any of the following investments:

- (i) any Quoted Investment<sup>3</sup> which is selected by us for the purpose of investment of the Deposited Property; or

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<sup>3</sup> “**Quoted Investment**” means any investment which is quoted, dealt with or listed or in respect of which permission to deal is effective on a Recognised Stock Exchange.

- (ii) any investment in respect of which application for listing or for permission to deal has been made to a Recognised Stock Exchange<sup>4</sup> and the subscription for or purchase of which is either conditional upon such listing or permission to deal being granted within a specified period not exceeding 12 weeks (or such other period as may be agreed between us and the Trustee) or in respect of which we are satisfied that the subscription or other transactions will be cancelled if the application is refused; or
- (iii) any Unquoted Investment<sup>5</sup> which is selected by us for the purpose of investment of the Deposited Property; or
- (iv) any investment denominated in any currency; or
- (v) any investment which is a unit in any unit trust scheme or a share or participation in an open-ended mutual fund or other collective investment scheme; or
- (vi) any investment which is a future, option, forward, swap, collar, floor or other derivative or a repurchase agreement; or
- (vii) the currency of any country or any contract for the spot purchase or sale of any such currency or for hedging purposes, any foreign exchange transaction or any forward contract of such currency; or
- (viii) in relation to any Central Provident Fund Investment Scheme (“CPFIS”) Included Fund, any investment for the time being approved by the relevant authority for the purposes of unit trust schemes included as CPFIS Included Funds under the Central Provident Fund (Investment Schemes) Regulations; or
- (ix) any investment which is not covered by paragraphs (i) to (viii) above but is selected by us for the purpose of investment of the Deposited Property and approved by the Trustee,

provided that each of such Authorised Investments falling within paragraphs (i) to (ix) of this definition shall be a Permissible Investment<sup>6</sup> under the Code.

## 9. FEES AND CHARGES

Charges and Fees Payable by You	
Preliminary Charge <sup>^</sup>	Currently 5%. Maximum 5%
Realisation Charge	Currently Nil. Maximum 5%
Switching Fee <sup>*</sup>	Currently up to 1%. Maximum 3%

<sup>^</sup> *The preliminary charge (if any) will be payable by Holders to us or to appointed distributors or will be shared between us and appointed distributors depending on the arrangement between us and the relevant appointed distributors. Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum preliminary charge disclosed above, depending on the specific nature of services provided by the appointed distributor.*

<sup>\*</sup> *In the case of a switch of Units to units of another fund managed by us (referred to as the “New Fund”), the switching fees referred to relate to the preliminary charge imposed by us for investment into the New Fund. Such switching fee which may be up to 1% would, in the case of a New Fund*

<sup>4</sup> “**Recognised Stock Exchange**” means any stock exchange and in relation to any particular investment shall be deemed to include any responsible market maker and authorised dealer in the market in which the investment is traded and any over-the-counter or electronic or telephone market of repute and any responsible firm, corporation or association in any part of the world dealing in the investment and any responsible mutual fund or subsidiary thereof or unit trust scheme issuing and redeeming participations or Units (as the case may be) so as to provide in our opinion with the approval of the Trustee a satisfactory market for the investment and in such a case the investment shall be deemed to be the subject of an effective permission to deal or listing on a Recognised Stock Exchange deemed to be constituted by such person, firm, corporation, association, mutual fund, subsidiary thereof or unit trust scheme.

<sup>5</sup> “**Unquoted Investment**” means any investment which is not quoted, listed or dealt in on any Recognised Stock Exchange.

<sup>6</sup> “**Permissible Investment**” is defined in the Deed to mean such investment as may be permitted to be made by the Sub-Fund under the Code.

which normally imposes a preliminary charge of more than 1%, effectively translate to a discount of the preliminary charge of the New Fund. Currently, no switching fee is charged for a switch of Units to units in a money market fund managed by us.

<b>Fees Payable by the Sub-Fund to us and Trustee</b>	
Management fee (a) Retained by us (b) Paid by us to financial advisers/distributors <sup>7</sup>	Currently: 1.25% p.a. Maximum: 2% p.a. 0% to 60% of the Management fee 40% to 100% of the Management fee
Annual trustee fee	Currently 0.02% p.a. on the first S\$100 million of the Net Asset Value and 0.018% p.a. on the balance above S\$100 million of the Net Asset Value.  Maximum of 0.25% p.a. subject to a minimum of S\$8,000 p.a.
Audit fee	Currently 0.12%**

\*\*With reference to the audited accounts of the Sub-Fund as at 31 December 2020.

It is estimated that the Sub-Fund will pay the following fees and charges to the Underlying Funds:

<b>Fees charged by the Underlying Funds</b>		
(i)	Subscription fee or preliminary charges	Generally ranging from 0% to 5%
(ii)	Realisation fee	Generally ranging from 0% to 5%
(iii)	Management fee	Generally ranging from 0% to 2% p.a.
(iv)	Performance fee	Generally ranging from 0% to 30% p.a. (and in some cases only in excess of a hurdle rate of return)
(v)	Other fees (which may include trustee/custodian fee, legal fees, audit fees and administrative costs)	Generally less than 1% p.a.

Actual fees incurred by the Sub-Fund may be higher or lower than the estimates above.

As the Underlying Funds are managed or sub-managed by us, all or part of the subscription fee, realisation fee, management fee and performance fee may be either waived or rebated to the Sub-Fund, at our discretion.

The fees and charges payable by the Holders and the Sub-Fund may be raised from the current rate to a higher rate, but subject always to the maximum rate, by us upon giving at least one month's written notice to the Trustee and the Holders.

As required by the Code, all marketing, promotional and advertising expenses in relation to the Fund or the Sub-Fund will be borne by us and will not be charged to or borne by the Sub-Fund. Such expenses shall exclude those for the preparation, printing, lodgement and distribution of prospectuses or product highlights sheets.

## 10. RISKS

### 10.1 General risks

You should consider and satisfy yourself as to the risks of investing in the Sub-Fund. Generally, some of the risk factors that should be considered by you are market, derivatives, liquidity, political, repatriation, regulatory, currency and emerging market risks, and risks associated with investments in debt securities which are default and interest rate risks.

<sup>7</sup> Your financial adviser/distributor is required to disclose to you the amount of trailer fee it receives from us.

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

You should note that the value of Units, and the income accruing to the Units, may fall or rise and that you may not get back your original investment.

## **10.2 Specific risks**

### **10.2.1 Market Risks**

The risks of investing and participating in listed and unlisted securities apply. Prices of securities may go up or down in response to changes in economic conditions, interest rates, and the market's perception of securities. These may cause the price of Units in the Sub-Fund to go up or down as the price of Units in the Sub-Fund is based on the current market value of the investments of the Sub-Fund.

There are risks of investing in bonds and other fixed income securities. Bond prices may go up or down in response to interest rates with increases in interest rates leading to falling bond prices.

The market prices of bonds and other fixed income securities are also affected by credit risks, such as risk of default by issuers and liquidity risk.

There are also risks in investments in emerging markets within the Asian region. Some Asian markets may be more volatile than those in the developed countries. The prices of investments in these markets may be influenced by economic and political conditions and interest rates. Some of the investments, which will be made in smaller markets, may be less liquid and the limited liquidity of these markets may therefore affect the ability of the Sub-Fund to acquire or dispose of securities at the price and time it desires. Many of the emerging markets and some of the Asian markets may not have well-developed securities laws and regulatory frameworks and their disclosure and regulatory standards may be less stringent than those in developed markets. Accounting and auditing standards and requirements may not have been established in some respects or may differ significantly from international standards and, as a result, there may be situations where the information on a company's accounts may not be an accurate reflection of its financial strength.

### **10.2.2 Political Risks**

The political situation in the countries may have an effect on the value of the securities of companies in whose securities the Sub-Fund has invested, which may in turn impact on the value of the Units in the Sub-Fund.

### **10.2.3 Currency Risks**

The Net Asset Value per Unit of the Sub-Fund will be computed in the base currency of the Sub-Fund, i.e. Singapore Dollars, whereas the investments acquired or held for the account of the Sub-Fund may be denominated in other currencies. The base currency value of the investments of the Sub-Fund designated in another currency may rise and fall due to exchangeable fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of the Sub-Fund may or may not be fully hedged into its base currency. If we intend to hedge foreign currency risks, we will adopt an active currency management approach. In addition, currency hedging transactions, while potentially reducing the currency risks to which the Sub-Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.

Where the Sub-Fund enters into "cross hedging" transactions (e.g., utilising currency different than the currency in which the security being hedged is denominated), the Sub-Fund will be exposed to the risk that changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the relevant securities.

**10.2.4** Risks associated with investments in countries outside Singapore, particularly in emerging markets:

(i) Political Risks

Countries outside Singapore, especially those with emerging markets, may be subject to higher than usual risks of political changes, government regulations, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries. There is also the risk that nationalisation or other similar action could lead to confiscation of assets under which shareholders in those companies would get little or no compensation.

The emerging economies may be heavily dependent on international trade and accordingly, may be adversely affected by trade barriers, or other protectionist measures and international economic developments generally.

(ii) Liquidity Risks

Trading volume on stock exchanges in emerging markets can be substantially less than on the stock exchanges of the major markets, so that acquisition and disposal of holdings may be time consuming and/or may need to be conducted at unfavourable prices.

(iii) Repatriation Risks

Investments in emerging markets 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.

(iv) Regulatory Risks

Investments in emerging economies are also subject to regulatory risks, for example, the introduction of new laws, the imposition of exchange controls, the adoption of restrictive provisions by individual companies or where a limit on the holding of the Sub-Fund in a particular company, sector or country by non-residents (individually or collectively) has been reached.

**10.2.5** Risks associated with investments in debt securities

(i) Default Risks

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

(ii) Interest-rate Risks

Investments in debt securities are also subject to the risk of interest-rate fluctuations, and the prices of debt securities may go up or down in response to such fluctuations in interest rates.

### 10.2.6 Call Writing Risks

- (i) In a situation where the stock market rallies and we have written a call option on the stocks, there will effectively be a cap to the upside potential and the Sub-Fund may not be able to obtain the appreciation in the value of the stock.
- (ii) Options are sensitive to the volatility of equity markets. Before expiry of the option, the price of the option can change even though the price of the stock remains unchanged due to time decay volatility.
- (iii) These derivatives strategies used by us may be affected by market conditions due to regulatory limits and there is no guarantee that the use of such strategies will achieve the desired outcome.

### 10.2.7 Risks of Investing in Underlying Funds and Collective Investment Schemes

You should be aware of the consequences of investing in the Underlying Funds and collective investment schemes. Although we will seek to monitor investments and trading activities of the Underlying Funds and collective investment schemes to which the Sub-Fund's assets will be allocated, investment decisions are made at the level of such Underlying Funds and collective investment schemes and it is possible that the managers of such Underlying Funds and collective investment schemes will take positions or engage in transactions in the same securities or in issues of the same asset class, industry or country or currency at the same time. Consequently, there is a possibility that one Underlying Fund or collective investment scheme may purchase an asset at about the same time as another Underlying Fund or collective investment scheme may sell it.

There can be no assurance that the selection of the managers of the Underlying Funds or collective investment schemes will result in an effective diversification of investment or investment styles and that positions taken by the Underlying Funds or collective investment schemes will always be consistent.

The selection of the Underlying Funds or collective investment schemes will be made in a manner to secure the opportunity to have the shares or units in such Underlying Funds or collective investment schemes redeemed within a reasonable time frame. There is, however, no assurance that the liquidity of the Underlying Funds or collective investment schemes will always be sufficient to meet redemption requests as and when made.

You should note that any realisation of units or shares in the Underlying Funds or collective investment schemes may be subject to such restrictions or limits (gating) as the Underlying Funds or collective investment schemes may impose.

### 10.2.8 Duplication of Costs When Investing in Underlying Funds

The Sub-Fund incurs costs of its own management and trustee fees. It should be noted that, in addition, the Sub-Fund incurs similar costs in its capacity as an investor in the Underlying Funds and collective investment schemes which in turn pay similar fees to their manager and other service providers. We endeavour to reduce duplication of management charges by negotiating rebates where applicable in favour of the Sub-Fund with the Underlying Funds or their managers. We may, where possible, also invest into institutional share classes of the Underlying Funds to further lower the cost to the Sub-Fund.

Further, the investment strategies and techniques employed by certain Underlying Funds and collective investment schemes may involve frequent changes in positions and a consequent sub-fund turnover. This may result in brokerage commission expenses which significantly exceed those of the Underlying Funds of comparable size.

The Underlying Funds and collective investment schemes may be required to pay performance fees to their managers. Under these arrangements, the managers will benefit from the appreciation, including unrealised appreciation of the investments of such Underlying Funds and collective investment schemes, but they are not similarly penalised for realised or unrealised losses.

As a consequence, the direct and indirect costs borne by the Sub-Fund are likely to represent a higher percentage of the net asset value than would typically be the case with Underlying Funds and collective investment schemes which invest directly in equity and bond markets (and not through other Underlying Funds).

**10.2.9** Risks associated with investments in certain eligible China A-shares through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively, the “**Stock Connect**”)

In order to achieve its investment objective, the Sub-Fund may invest in and have direct access to certain eligible China A-shares through the Stock Connect. Investments through the Stock Connect are subject to additional risks, including but not limited to, daily quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-shares and regulatory risk.

(i) Daily quota limitations

The Stock Connect is subject to daily quota limitations on investments and may be adjusted in light of actual operational performance. Daily quota may restrict the Sub-Fund’s ability to invest in China A-shares through the Stock Connect on a timely basis, and the Sub-Fund may not be able to effectively pursue its investment policy.

(ii) Suspension risk

The Stock Exchange of Hong Kong (“**SEHK**”) and Shanghai Stock Exchange (“**SSE**”) / Shenzhen Stock Exchange (“**SZSE**”) (as the case may be) reserve the right to suspend trading if necessary for ensuring an orderly and fair market and managing risks prudently which could adversely affect the Sub-Fund’s ability to access the Mainland China market.

(iii) Differences in trading day

The Stock Connect only operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but Hong Kong investors (such as the Sub-Fund) cannot carry out any China A-shares trading. The Sub-Fund may be subject to a risk of price fluctuations in China A-shares during the time when the Stock Connect is not trading as a result.

(iv) Restrictions on selling imposed by front-end monitoring

Mainland China regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE / SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

(v) Recalling of eligible stocks

When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategy of the Sub-Fund, for example, when the Sub-Fund wishes to purchase a stock which is recalled from the scope of eligible stocks.

(vi) Foreign shareholding restrictions and forced-sale arrangement

The China Securities Regulatory Commission (“**CSRC**”) stipulates that, when holding China A-Shares, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- shares held by a single foreign investor (such as the Sub-Fund) is not allowed to exceed 10% of the company’s total issued shares; and
- total China A-Shares held by all foreign investors (i.e. all Hong Kong and overseas investors) in a listed company is not allowed to exceed 30% of its total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the rules, the shareholding of the strategic investments is not capped by the above-mentioned percentages.

Should the shareholding of the Sub-Fund in a China A-Share listed company exceed the above restriction, the Sub-Fund may be required to unwind its position on the excessive shareholding within 5 trading days for Northbound Trading (i.e. the trading of SSE securities or SZSE securities by Hong Kong and overseas investors through the Stock Connect), otherwise SEHK participants shall apply the forced-sale arrangement on the Sub-Fund.

As there are limits on the total shares held by all Hong Kong and overseas investors in a listed company in Mainland China, the capacity of the Sub-Fund to make investments in China A-Shares will be affected by the activities of all Hong Kong and overseas investors investing through the Stock Connect or any other permissible ways to obtain China A-Shares investment exposures. If the aggregate foreign shareholding limit is exceeded, SSE / SZSE will notify SEHK the number of shares that are subject to forced sale within 5 trading days for Northbound Trading. On a last-in-first-out basis, SEHK will identify the relevant trades involved and request the relevant SEHK participants to require the Hong Kong and overseas investors concerned to sell the shares within the timeframe as stipulated by SEHK. If the relevant investors fail to sell the shares before the stipulated deadline, SEHK participants will be required to force-sell the shares for the relevant investors (such as the Sub-Fund).

SSE / SZSE (as the case may be) will publish a notice if the percentage of total foreign shareholding in a listed company reaches 26% and the buy orders are not allowed for the related China A-Shares if the aggregate foreign shareholding reaches 28%.

(vii) Clearing, settlement and custody risks

The Hong Kong Securities Clearing Company Limited (“**HKSCC**”), a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited (“**HKEx**”) and China Securities Depository and Clearing Corporation Limited (“**ChinaClear**”) establish the clearing links and each is a participant of the other to facilitate clearing and settlement of cross-boundary trades. As the national central counterparty of the Mainland China’s securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear’s liquidation. In that event, the Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

(viii) Operational risk

The Stock Connect provides new channels for investors from Hong Kong and overseas, such as the Sub-Fund, to access the Mainland China stock market directly. The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the “connectivity” in the Stock Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. new order routing systems (“**China Stock Connect System**”) to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Sub-Fund’s ability to access the China A-share market (and hence to pursue their investment strategy) will be adversely affected.

(ix) Nominee arrangements in holding China A-shares

HKSCC is the “nominee holder” of the SSE securities / SZSE securities (as the case may be) acquired by overseas investors (including the Sub-Fund) through the Stock Connect. The CSRC Stock Connect rules expressly provide that investors such as the Sub-Fund enjoy the rights and benefits of the SSE securities acquired through the Stock Connect in accordance with applicable laws. The CSRC has clarified and restated in Frequently Asked Questions published on 30 September 2016 that (i) the concept of nominee shareholding is recognised in Mainland China, (ii) overseas investors shall hold SSE securities / SZSE securities (as the case may be) through HKSCC and are entitled to proprietary interests in such securities as shareholders, (iii) Mainland China law does not expressly provide for a beneficial owner under the nominee holding structure to bring legal proceedings, nor does it prohibit a beneficial owner from doing so, (iv) as long as certification of holding issued by HKSCC and its participants is treated as lawful proof of a beneficial owner’s holding of SSE securities / SZSE securities (as the case may be) under the Hong Kong Special Administrative Region law, it would be fully respected by CSRC and (v) as long as an overseas investor can provide evidential proof of direct interest as a beneficial owner, the investor may take legal actions in its own name in Mainland China courts.

Under the rules of the Central Clearing and Settlement System (“**CCASS**”) operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE securities / SZSE securities (as the case may be) in Mainland China or elsewhere. Therefore, although the Sub-Fund’s ownership may be ultimately recognised, the Sub-Fund may suffer difficulties or delays in enforcing its rights in China A-shares. Moreover, whether Mainland China courts will accept the legal action independently initiated by the overseas investor with the certification of holding in SSE securities / SZSE securities (as the case may be) issued by HKSCC and its participants has yet to be tested.

(x) Participation in corporate actions

HKSCC will keep CCASS participants informed of the corporate actions of SSE securities / SZSE securities (as the case may be), in particular those that require CCASS participants / investors to take actions. Hong Kong and overseas investors (such as the Sub-Fund) should note and comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants) in order to participate in the corporate actions relating to their SSE securities / SZSE securities (as the case may be). The time for the Sub-Fund to take actions for some types of corporate actions of SSE securities / SZSE securities (as the case may be) may be very short. Therefore, the Sub-Fund may not be able to participate in some corporate actions in a timely manner.

(xi) Investor compensation

Investments of the Sub-Fund through Northbound trading under the Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via the Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore, the Sub-Fund is exposed to the risk of default of the broker(s) it engages in its trading in China A-Shares through the Stock Connect. On the other hand, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not Mainland China brokers, therefore it is not protected by the China Securities Investor Protection Fund in Mainland China.

(xii) Trading costs

In addition to paying trading fees and stamp duties in connection with China A-shares trading, the Sub-Fund may be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

(xiii) Regulatory risk

The CSRC Stock Connect rules are departmental regulations having legal effect in Mainland China. However, the application of such rules is untested, and it is uncertain how the Mainland China courts will apply such rules, e.g. in liquidation proceedings of Mainland China companies.

The Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in Mainland China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect.

The regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The Sub-Fund which may invest in the Mainland China markets through the Stock Connect may be adversely affected as a result of such changes.

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

## 11. SUBSCRIPTION OF UNITS

### 11.1 Subscription procedure

Applications for Units in the Sub-Fund may be made to us on the application form prescribed by us or through any of our appointed agents or distributors or through any other sales channels, if applicable.

You have a choice of paying for Units in the Sub-Fund with cash or SRS monies.

If you are paying with SRS monies, you shall instruct your SRS operator bank to withdraw monies from your SRS account in respect of the Units applied for. You should also indicate on the application form that you wish to use your SRS monies to purchase Units.

If you have purchased Units using your SRS monies, you may not be registered as Joint Holders of the Units.

No transfer is permitted in respect of Units purchased by you with SRS monies unless required or permitted by applicable laws or the relevant authorities.

Notwithstanding receipt of the application forms, we shall retain the absolute discretion to accept or reject any application for Units in accordance with the provisions of the Deed. If an application for Units is rejected by us, the application monies shall, subject to any applicable regulations, be refunded (without interest) to you within a reasonable time in such manner as we or the relevant authorised distributor shall determine. Any resultant bank charges would be borne by you.

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

We will not issue certificates.

### 11.2 Minimum Initial Subscription Amount and Minimum Subsequent Subscription Amount

The minimum initial subscription amount for the Sub-Fund is S\$5,000 and the minimum subsequent subscription amount is S\$200.

### 11.3 Dealing deadline and pricing basis

**11.3.1** All Units are issued on a forward pricing basis. Therefore, the issue price of Units of the Sub-Fund will not be ascertainable at the time of application. In purchasing Units, you pay a fixed amount of money e.g., S\$5,000 and you will get the number of Units (including fractions of Units) to be rounded to the nearest 2 decimal places (or such number of decimal places or such other method of calculation as we may determine after consultation with the Trustee) obtained from dividing S\$5,000 (after deducting the relevant preliminary charge) by the issue price of the Sub-Fund when it has been ascertained later.

**11.3.2** The dealing deadline is 3 p.m. Singapore time on each Dealing Day. Units in respect of applications received and accepted by us before the dealing deadline will be issued at that Dealing Day's issue price calculated in accordance with the Deed.

**11.3.3** Applications received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

**"Business Day"** means any day (other than a Saturday or Sunday or a public holiday) on which banks in the Republic of Singapore or any other place or places as we may determine (with prior written notice to the Trustee) are open for business or any other day as we and the Trustee may agree in writing.

**"Dealing Day"** means every Business Day or such Business Day or Business Days at such intervals as we may from time to time determine with the approval of the Trustee Provided That reasonable notice of such determination shall be given by us to all Holders at such time and in such manner as the Trustee may approve.

#### 11.3.4 Pricing basis

The issue price per Unit applicable on any Dealing Day of the Sub-Fund shall be ascertained by us by:

- (i) determining the value equal to the Net Asset Value per Unit of the Sub-Fund as at the Valuation Point<sup>8</sup> in relation to that Dealing Day on which such issue occurs as provided for in Clause 7(B)(ii) of the Deed; and
- (ii) rounding down such figure to the nearest 3 decimal places (or in such manner as we may from time to time determine after consultation with the Trustee).

The issue price of Units in the Sub-Fund (apart from the initial issue of Units) will vary from day to day in line with the Net Asset Value of the Sub-Fund (calculated in accordance with the Deed).

The preliminary charge shall be retained by us or our appointed distributors and the amount of any adjustment shall be retained by the Sub-Fund.

We may, subject to the prior approval of the Trustee, change the method of determining the issue price of the Sub-Fund, as provided in Clause 7(B)(ii) of the Deed, and the Trustee shall determine if the Holders should be informed of such change.

#### 11.3.5 Numerical example of how Units are allotted

Based on an investment amount of S\$5,000 (assuming a preliminary charge of 5% and a notional issue price of S\$1.000), the number of Units allotted for a subscription made will be calculated as follows:

S\$5,000.00	-	S\$250.00	=	S\$4,750.00	/	S\$1.000*	=	4,750.00 Units
Investment amount		5% Preliminary charge		Net Investment Sum after deducting preliminary charge		Notional issue price (= Net Asset Value per Unit)		No. of Units allotted

\* You should note that the notional issue price is for illustrative purposes only and is not indicative of any future or likely performance of the Sub-Fund.

#### 11.4 Confirmation of purchase

A confirmation note detailing your investment amount and the number of Units of the Sub-Fund allotted to you will be sent to you within ten (10) Business Days from the date of issue of such Units.

#### 11.5 Cancellation of Units

If you are subscribing for Units in the Sub-Fund for the first time, subject to the Deed and to the cancellation terms and conditions contained in the Notice to Cancel form, you have the right to cancel your subscription of Units in the Sub-Fund within 7 calendar days from the date of subscription of Units (or such longer period as may be agreed between us and the Trustee or such other period as may be prescribed by the MAS) by providing notice in writing to us or our authorised distributors in such form as we may prescribe. Subject to the provisions of the Deed, you will be refunded the lower of the market value of the Units held on the day of receipt and acceptance of such form or the original amount paid by you. Where the market value of the Units held is greater than the original amount paid by you, we are not obliged to pay the excess amount to you and the excess amount shall be retained in the Sub-Fund.

<sup>8</sup> "Valuation Point" means the close of business of the relevant market on a Dealing Day or such other time as we, with the approval of the Trustee, may from time to time determine and the Trustee shall decide if a notice to notify Holders of such determination is required.

Any applicable bank and related charges incurred in the cancellation of Units and in returning the application monies would be borne by you.

Full details relating to the cancellation of Units may be found in the cancellation terms and conditions contained in the Notice to Cancel form, which may be obtained from us or our authorised agents or distributors.

## **12. REGULAR SAVINGS PLAN**

Holders of at least 5,000 Units in the Sub-Fund may participate in our regular savings plan by investing a minimum of S\$200 on a fixed day per month through direct debit (or such other amount as we may determine). Holders have a choice of paying for Units with cash or SRS monies.

Units are allotted and payment for Units will be debited from the Holder's bank account or SRS account (as the case may be) on the 25<sup>th</sup> day of each calendar month (or such other date as the distributors may stipulate) commencing on the month following the activation of the Holder's direct debit instructions. Where the 25<sup>th</sup> day of a calendar month (or such other date as the distributors may stipulate) is not a Business Day, the Holder's bank account or SRS account (as the case may be) will be debited on the next Business Day.

A Holder may terminate his participation in the regular savings plan without suffering any penalty upon giving 30 days' prior written notice (or such other period of notice as we may determine provided that such period of notice shall not be longer than the period between the regular subscriptions) to us or our appointed agents or distributors.

If a Holder is in breach of his obligations under the regular savings plan as set out in this Prospectus or fails to maintain sufficient funds in his bank account or SRS account, we may terminate the participation of that Holder in the regular savings plan upon serving a written termination notice to such Holder.

We shall not assume any liability for any losses arising from a Holder's payment for the regular savings plan via direct debit transactions. Any applicable bank and related charges incurred shall be borne by the relevant Holder.

## **13. REALISATION OF UNITS**

### **13.1 Realisation procedure**

Holders may realise their Units on any Dealing Day by submitting realisation forms to us or through our appointed agents or distributors. A copy of the realisation form may be obtained from us upon request or through any of our appointed agents or distributors. Holders may realise their Units in full or partially, subject to paragraph 13.2 below.

You should note that any realisation of Units in the Sub-Fund may be limited by the total number of Units to be realised on any Dealing Day and may not exceed 10% of the total number of Units then in issue, such limitation to be applied proportionately to all Holders of the Units. Any Units not realised shall be realised on the next Dealing Day, subject to the same limitation. You should note that Units cancelled according to paragraph 11.5 of this Prospectus will be included in determining whether this 10% limit is exceeded.

### **13.2 Minimum holding amount and Minimum realisation amount**

The minimum holding amount for the Sub-Fund is 5,000 Units or such other number or value of Units as we may from time to time prescribe upon giving prior notice to the Trustee and relevant notice to the Holders of the Sub-Fund ("**Minimum Holding**"). A Holder shall not be entitled to realise only part of his holding of Units if by so realising his holding would be reduced to less than the Minimum Holding. The minimum realisation amount is 100 Units or such lower amount as we may in any particular case or generally determine.

### 13.3 Dealing deadline and pricing basis

As Units are realised on a forward pricing basis, the realisation price of Units is not ascertainable at the time of realisation.

Units in respect of realisation forms received and accepted by us by the dealing deadline of 3 p.m. Singapore time on each Dealing Day shall be realised at that Dealing Day's realisation price calculated in accordance with the Deed. Realisation forms received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

The realisation price shall be determined by:-

- (i) calculating the Net Asset Value per Unit as at the Valuation Point either (a) in relation to that Dealing Day on which the realisation occurs or (b) in the event that the realisation of Units is suspended pursuant to Clause 5(E) of the Deed, in respect of the Dealing Day immediately following the cessation of such suspension; and
- (ii) rounding the resultant figure downwards to 3 decimal places (or such number of decimal places as we may from time to time determine after consulting with the Trustee).

The realisation charge (if any) shall be retained by us and the amount of any adjustment shall be retained by the Sub-Fund (unless permitted by the MAS to be retained by us).

You should note that if the number of Units in issue or deemed to be in issue immediately after any relevant day, after taking into account the realisations and issues to be made by reference to that relevant day, would be less than such proportion of the number of Units in issue or deemed to be in issue on that relevant day (the "**Threshold**"), we may, with a view to protecting the interests of all Holders, elect that the realisation price in relation to all (but not some only) of the Units falling to be realised by reference to that relevant day shall be the price per Unit which, in our opinion, reflects a fairer value for the Deposited Property having taken into account the necessity of selling a material proportion of the Authorised Investments (as defined in the Deed) at that time constituting part of the Deposited Property ("**Fair Value Adjustment**").

Fair Value Adjustment may be applied by us so that any fiscal and sale charges and dealing spreads incurred in the sale of a material proportion of the Authorised Investments of the Deposited Property are, as far as practicable, passed on to Holders who are realising Units on that relevant day.

The Threshold for the application of the Fair Value Adjustment may be determined by us from time to time but shall not exceed 90%. The Threshold will be set with the objective of protecting the Holders' interest and Holders will not be able to benefit from the application of the Fair Value Adjustment if the Threshold is not met.

We may suspend the realisation of those Units for such reasonable period as may be necessary to effect an orderly realisation of Authorised Investments by giving notice to the affected Holders within two Business Days after the relevant day.

For the purposes of this paragraph, the "**fairer value**" for the Deposited Property shall be determined by us in consultation with an Approved Valuer (as defined in the Deed) and upon notification to the Trustee. The "**material proportion**" of the Authorised Investments means such proportion of the Authorised Investments which when sold will cause the reduction of the net asset value of the Deposited Property. In determining the fairer value for the Deposited Property, we may take into account (i) any fiscal and sale charges incurred in the sale of Authorised Investments constituting the Deposited Property, (ii) the spread between the buying and selling prices of such Investments caused by realisation of Units; (iii) market conditions such as financial turmoil, high market volatility, illiquidity in the markets, disruption of markets or a serious pandemic, and (iv) such other conditions as we shall deem fit. The realisation price of the Units falling to be realised by reference to that relevant day may be adjusted upwards or downwards after taking into account such fairer value for the Deposited Property.

### 13.4 Numerical example of how realisation proceeds are calculated

Based on the realisation of 100 Units at a notional realisation price of S\$1.050 per Unit, the realisation proceeds payable to you will be calculated as follows:

100 Units	x	S\$1.050*	=	S\$105.00
Realisation request		Notional realisation price (= Net Asset Value per Unit)		Gross realisation proceeds
S\$105.00	-	Nil	=	S\$105.00
Gross realisation proceeds		Realisation charge <sup>^</sup>		Net realisation proceeds

<sup>^</sup> No realisation charge is currently being imposed.

*\* You should note that the notional realisation price is for illustrative purposes only and is not indicative of any future or likely performance of the Sub-Fund.*

If as a result of realisations, the number of Units in respect of a Dealing Day falls below 90% of the total number of Units issued (or such other percentage as we may determine from time to time), we may realise all Units at a fairer value determined in accordance with the Fair Value Adjustment set out in Clause 13.3, instead of at the realisation price.

### 13.5 Payment of realisation proceeds

Realisation proceeds shall be paid within 7 Business Days (or within such other period as may be permitted by the MAS) following the receipt and acceptance of the realisation form by us unless the realisation of Units has been suspended in accordance with paragraph 16 below.

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

Any applicable bank and related charges incurred in the payment of realisation proceeds shall be borne by you.

### 13.6 Realisation of Units by Us

We may compulsorily realise your holding of Units in certain circumstances. Please see paragraph 21.10 for further details.

## 14. SWITCHING OF UNITS

We may at our discretion and on such terms and conditions as we may impose, permit each Holder of Units of the Sub-Fund (the “**original Fund**”) from time to time to switch all or any of the Units held by him into units of a New Fund. Any switching shall be effected by way of realisation of Units in the original Fund and followed by issuance of units in the New Fund subject to the terms of the relevant trust deed upon the receipt of cleared funds.

No switching of Units may be made which would result in the relevant Holder holding in respect of either the original Fund or the New Fund (as the case may be), fewer units than the relevant minimum holding of such funds. If the number of units of the New Fund so produced shall include any fraction of more than 2 decimal places, such fraction shall be ignored and any moneys arising from such fraction shall be forfeited and retained as part of the New Fund.

Units purchased with cash or SRS monies may only be switched to units of the New Fund that may be purchased with cash or SRS monies respectively.

Switching shall only be permitted between the same currency of units between the original Fund and the New Fund, unless otherwise permitted by us at our absolute discretion.

An application to switch may be made by a Holder giving to us such application form as we may from time to time require. Such switching request shall not be revocable without our consent.

No Units shall be switched during any period when the right of Holders to require the realisation of Units is suspended according to paragraph 16 of this Prospectus or on any Dealing Day on which the number of Units of the original Fund that can be realised is limited according to paragraph 13.1 of this Prospectus.

## **15. OBTAINING PRICES OF UNITS**

The Sub-Fund will be valued on each Dealing Day. The indicative prices of Units are quoted on a forward pricing basis and will likely be available 2 Business Days in Singapore after each relevant Dealing Day (subject to the publication policies of the relevant publisher). The prices will be published on our website at [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com). The prices may also be published in The Straits Times, The Business Times and selected major wire services or such other sources as we may decide upon.

*You should note that, other than in respect of our publications, we do not accept any responsibility for any errors on the part of the relevant publisher in the prices published in the newspapers and wire services mentioned above, or for any non-publication or late publication of prices by such publisher and shall incur no liability in respect of any action taken or loss suffered by you in reliance upon such publications.*

## **16. SUSPENSION OF DEALING**

**16.1** We or the Trustee, may subject to the provisions of the Code and with the prior written approval of the other, suspend the issue, realisation and valuation of Units during:

- 16.1.1** any period when the Recognised Stock Exchange on which any Authorised Investments forming part of the Deposited Property of the Sub-Fund for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;
- 16.1.2** any period when dealings in any Underlying Fund in which a significant portion of the Sub-Fund is invested is suspended or restricted;
- 16.1.3** the existence of any state of affairs which, in our and the Trustee's opinion constitutes an emergency as a result of which disposition by the Sub-Fund of its investments is not reasonably practicable or might seriously prejudice the interests of the Holders as a whole or of the Deposited Property of the Sub-Fund;
- 16.1.4** any period when, in our opinion, the remittance or transfer of funds which will or may be involved in the realisation of any material proportion of the Authorised Investments or in the payment for such Authorised Investments cannot be effected promptly at normal rates of exchange;
- 16.1.5** any period when in our opinion, there is a breakdown in the means of communication normally employed in determining the value of any of the Authorised Investments or the amount of any cash for the time being comprised in the Deposited Property of the Sub-Fund or the amount of any liability of the Trustee for account of the Sub-Fund or when for any other reason the value of any such Authorised Investments or the amount of any such cash or liability cannot be promptly and accurately ascertained (including any period when the fair value of a material portion of the Authorised Investments cannot be determined);
- 16.1.6** any 48-hour period (or such longer period as may be agreed between us and the Trustee) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- 16.1.7** any period where dealing of Units is suspended according to any order or direction issued by the MAS;
- 16.1.8** any period when our business operations or the business operations of the Trustee in relation to the operation of the Fund or Sub-Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God;
- 16.1.9** any period of suspension of dealings in the Underlying Funds; or

**16.1.10** any period as may be required under the provisions of the Code.

**16.2** Subject to the provisions of the Code, such suspension shall take effect upon the declaration in writing thereof to the Trustee and the MAS by us (or, as the case may be, to us and the MAS by the Trustee) and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this paragraph 16 shall exist upon the declaration in writing thereof by us (or, as the case may be, the Trustee). Subject to the provisions of the Code, we may also suspend the realisation of certain Units for such reasonable period as may be necessary to effect an orderly realisation of Investments in accordance with Clause 9(G) of the Deed.

## **17. PERFORMANCE OF THE SUB-FUND**

### **17.1 Past Performance of the Sub-Fund and Benchmark<sup>9</sup> (as at 30 September 2021)**

#### LionGlobal Multi Income Fund

	Average Annual Compounded Return				
	One year	Three years	Five years	Ten years	Since inception <sup>10</sup>
Sub-Fund (NAV-NAV) <sup>^</sup>	4.2%	5.0%	4.2%	3.7%	1.1%
Sub-Fund (NAV-to-NAV (taking into account the preliminary charge)) <sup>^^</sup>	1.1%	3.2%	3.1%	3.2%	0.7%
Benchmark	2.0%	2.8%	2.8%	2.5%	2.6%

<sup>^</sup> Performance figures are calculated as at 30 September 2021 on a NAV-to-NAV basis, with dividends being reinvested net of all charges payable upon reinvestment and in SGD terms.

<sup>^^</sup> Performance figures are calculated as at 30 September 2021 on a NAV-to-NAV basis, taking into account the preliminary charge with dividends being reinvested net of all charges payable upon reinvestment and in SGD terms.

The current benchmark against which the performance of the Sub-Fund is measured is 1-Month Singapore Interbank Offer Rate + 1.75% with effect from 1 May 2014. Benchmark was 1-Month Singapore Interbank Bid Rate + 2% from inception to 30 April 2014. The benchmark was changed from SIBID to Singapore Interbank Offer Rate as the SIBID has not been published on Bloomberg since January 2014.

*You should note that the past performance of the Sub-Fund is not necessarily indicative of its future performance.*

### **17.2 Expense Ratio and Turnover Ratio**

#### (i) Expense Ratio

The expense ratio<sup>11</sup> based on the LionGlobal Multi Income Fund's latest audited accounts for the financial year ended 31 December 2020 was 2.07%.

<sup>9</sup> Source: Morningstar / Lion Global Investors Limited.

<sup>10</sup> Inception date of the LionGlobal Multi Income Fund is 21 February 2007.

<sup>11</sup> The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on figures in the Sub-Fund's latest audited accounts. The following expenses (where applicable), and such other expenses as may be set out in the IMAS Guidelines (as may be updated from time to time), are excluded from calculation of the expense ratio:-

- (a) brokerage and other transactions costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
- (b) foreign exchange gains and losses of the Sub-Fund, whether realised or unrealised;
- (c) front-end loads, back-end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;
- (d) tax deducted at source or arising on income received, including withholding tax;
- (e) interest expense; and
- (f) dividends and other distributions paid to Holders.

(ii) Turnover Ratio

The turnover ratio<sup>12</sup> of the LionGlobal Multi Income Fund for the financial year ended 31 December 2020 was 36%.

The turnover ratios for the Underlying Funds are as follows:

	<b>Underlying Fund Name</b>	<b>Turnover Ratio (%)</b>
1	LionGlobal Singapore Trust Fund	212 <sup>^</sup>
2	LionGlobal Short Duration Bond Fund	43 <sup>*</sup>
3	LionGlobal Asia Bond Fund	47 <sup>*</sup>
4	LionGlobal SGD Money Market Fund	118 <sup>*</sup>
5	LionGlobal Singapore Fixed Income Investment	28 <sup>*</sup>

\*For the financial year ended 30 June 2021

<sup>^</sup>For the financial year ended 31 December 2020

**18. SOFT DOLLAR COMMISSIONS/ARRANGEMENTS**

We shall be entitled to and currently do receive or enter into soft-dollar commissions/arrangements in respect of the Sub-Fund and in our capacity as manager or sub-manager of the Underlying Funds. We will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions/arrangements which we may receive or enter into include specific advice as to the advisability of dealing in or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for our clients.

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

We will not accept or enter into soft dollar commissions/arrangements unless such soft-dollar commissions/arrangements would reasonably assist us in our management of the Sub-Fund and in our capacity as manager or sub-manager of the Underlying Funds, provided that we shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

**19. CONFLICTS OF INTEREST**

We and the Trustee are not in any positions of conflict in relation to the Sub-Fund. We and the Trustee shall conduct all transactions with or for the Sub-Fund at arm's length. We are of the view that we are not in a position of conflict in managing the Sub-Fund and our other funds as each of the Sub-Fund and other funds has its own investment universe, investment objectives and investment restrictions, separate and distinct from each of the other funds. We are obligated by the provisions of each respective trust deed to observe strictly such separate and distinct investment mandate for each of the funds. If the various funds place orders for the same securities as the Sub-Fund, we shall try as far as possible to allocate such securities among the funds in a fair manner based on a proportionate basis.

<sup>12</sup> The turnover ratios for the Sub-Fund and the Underlying Funds are calculated based on the lesser of purchases or sales of underlying investments of the respective Sub-Fund and the Underlying Funds expressed as a percentage of the daily average net asset value of the respective Sub-Fund and Underlying Funds.

Our affiliates and the Trustee's affiliates are or may be involved in other financial, investment and professional activities, which may sometimes give rise to possible conflict of interest with the management of the Fund. We and the Trustee will each ensure that the performance of our respective duties will not be impaired by any such involvement. If a conflict of interest does arise, we and/or the Trustee will try to ensure that it is resolved fairly and in the interest of the Holders.

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

## **20. REPORTS**

The financial year-end for the Fund is 31 December. We will prepare and send the annual report, annual accounts, and the Auditors' report on the annual accounts to the Holders (whether by post or such electronic means as may be permitted under the Code) within 3 months of the financial year-end (or such other period as may be permitted by the MAS). We will prepare and send the semi-annual report and semi-annual accounts to the Holders (whether by post or such electronic means as may be permitted under the Code) within 2 months of the financial half-year end, i.e. 30 June (or such other period as may be permitted by the MAS). In cases where the accounts and reports are available in electronic form (as permitted under the Code), Holders will receive a hardcopy letter or an email (where email addresses have been provided for correspondence purposes) informing them that the accounts and reports are available and how they may be accessed. Holders may also request for hardcopies of the accounts and reports within 1 month (or such other period as may be permitted by the MAS) from the notification of the availability of the accounts and reports. The Trustee will also make available, or cause to be made available, hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of any request from such Holder (or such other period as may be permitted by the MAS). Holders may also at any time opt for hardcopies for all future reports and accounts at no cost to them.

## **21. OTHER MATERIAL INFORMATION**

### **21.1 Information on investments**

At the end of each quarter, Holders will receive a statement showing the value of their investment, including any transactions during the quarter. However, if there is any transaction within a particular month, Holders will receive an additional statement at the end of that month.

### **21.2 Exemptions from liability**

**21.2.1** We and the Trustee shall incur no liability in respect of any action taken or thing suffered by us/it in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.

**21.2.2** We and the Trustee shall incur no liability to the Holders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either we and/or the Trustee shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither we nor the Trustee shall be under any liability therefor or thereby.

**21.2.3** Neither we nor the Trustee shall be responsible for any authenticity of any signature or of any seal affixed to any transfer or form of application, endorsement or any other document affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or application or other document or for acting upon or giving effect to any such forged or

unauthorised signature or seal. We and the Trustee shall nevertheless be entitled but not bound to require that the signature of any Holder to any document required to be signed by him under or in connection with the Deed shall be verified to our and/or the Trustee's reasonable satisfaction.

- 21.2.4** Any indemnity expressly given to the Trustee and/or us in the Deed is in addition to and without prejudice to any indemnity allowed by law; Provided Nevertheless That any provision of the Deed shall be void insofar as it would have the effect of exempting it/us from or indemnifying it/us against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to it/us in respect of any negligence, default, breach of duty or trust of which it/us may be guilty in relation to its/our duties where it/we fail to show the degrees of diligence and care required of it/us having regard to the provisions of the Deed.
- 21.2.5** Nothing contained in the Deed shall be construed so as to prevent us and the Trustee in conjunction or us or the Trustee separately from acting as managers or trustee of trusts separate and distinct from the Fund.
- 21.2.6** Neither we nor the Trustee shall be responsible for acting upon any resolution purporting to have been passed at any meeting of the Holders in respect whereof minutes shall have been made and signed even though it may be subsequently found that there was some defect in the convening or constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Holders.
- 21.2.7** Notwithstanding anything contained in the Deed:
- (i) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any depository or clearing system with which Authorised Investments may be deposited or any broker, financial institution or other person with whom Authorised Investments are deposited in order to satisfy any margin requirement;
  - (ii) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any nominee, custodian, joint custodian or sub-custodian appointed by the Trustee except where the Trustee has failed to exercise reasonable skill and care in the selection, appointment and monitoring of such appointee (having regard to the market in which the relevant appointee is located) or the Trustee is in wilful default; and
  - (iii) the Trustee shall not incur any liability in respect of or be responsible for losses incurred through the insolvency of or any act or omission of any sub-custodian not appointed by it.
- 21.2.8** The Trustee may act upon any advice of or information obtained from us or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or us and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information provided that it has acted in good faith, without negligence and with due care. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgement, forgetfulness or want of prudence on our part or the part of any such banker, accountant, broker, lawyer, agent or other person as mentioned above provided that the Trustee has acted in good faith and with due care in the appointment thereof. Any such advice or information may be obtained or sent by letter, telegram, telex message, facsimile, electronic mail or cablegram and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, telegram, telex message, facsimile, electronic mail or cablegram although the same contains some error or is not authentic.
- 21.2.9** The Trustee shall not incur any liability for any loss which a Holder may suffer by the reason of any depletion in the value of the Deposited Property of the Sub-Fund which may result from any securities lending transaction effected according to the Deed and shall be indemnified out of and have recourse to the Deposited Property of the Sub-Fund in respect thereof.

**21.2.10** We shall be entitled to exercise all rights of voting conferred by any of the Deposited Property in what we may consider to be the best interests of the Holders unless there would be a conflict of interest in us doing so, in which case we shall cause such votes to be exercised in consultation with the Trustee, but neither we nor the Trustee shall be under any liability or responsibility in respect of the management of the Authorised Investment in question nor in respect of any vote, action or consent given or taken or not given or not taken by us whether in person or by proxy, and neither we nor the Trustee nor any such representative nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted or approval voted or given or withheld by us or the Trustee or by the holder of such proxy or power of attorney under the Deed; and the Trustee shall be under no obligation to anyone with respect to any action taken or caused to be taken or omitted by us or by any such proxy or attorney.

**21.2.11** The Trustee shall not be under any liability on account of anything done or suffered by the Trustee in good faith in accordance with or in pursuance of any of our request or advice.

### **21.3 Investment restrictions**

The Sub-Fund is subject to the investment and borrowing guidelines issued by the MAS under Appendix 1 and Annex 1A of the Code, which guidelines may be amended, restated, supplemented or replaced from time to time.

### **21.4 Holders' right to vote**

**21.4.1** A meeting of Holders of all the sub-funds of the Fund duly convened and held in accordance with the provisions of the Schedule of the Deed shall be competent by Extraordinary Resolution:

- (i) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and us as provided in Clause 29 of the Deed;
- (ii) to sanction a supplemental deed increasing the maximum permitted percentage of the management participation, the performance fee, the administration fee or the Trustee's remuneration as provided in Clause 18 of the Deed in relation to the Fund;
- (iii) to terminate the Fund as provided in Clause 26(F) of the Deed;
- (iv) to remove the Auditors as provided in Clause 13(B) of the Deed;
- (v) to remove the Trustee as provided in Clause 23(C)(ii) of the Deed;
- (vi) to remove us as provided in Clause 24(A)(iii) of the Deed; and
- (vii) to direct the Trustee to take any action (including the termination of the Fund) according to Section 295 of the SFA,

but shall not have any further or other powers.

**21.4.2** A meeting of the Holders of a sub-fund or the Holders of all the Classes of a sub-fund duly convened and held in accordance with the provisions of the Schedule of the Deed shall be competent by Extraordinary Resolution:

- (i) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and us as provided in Clause 29 of the Deed to the extent that such modification, alteration or addition affects the Holders of the relevant sub-fund;
- (ii) to sanction a supplemental deed increasing the maximum permitted percentage of the management participation, the performance fee, the administration fee or the maximum permitted percentage of the Trustee's remuneration in relation to the relevant sub-fund;
- (iii) to terminate the relevant sub-fund as provided in Clause 26(F) of the Deed;

- (iv) to sanction a scheme of reconstruction, whether by way of amalgamation, merger or dissolution of the relevant sub-fund; and
- (v) to direct the Trustee to take any action (including the termination of the relevant sub-fund) according to Section 295 of the SFA,

but shall not have any further or other powers.

**21.4.3 “Extraordinary Resolution”** is defined in the Deed to mean a resolution proposed and passed as such by a majority consisting of not less than three quarters (3/4) of the total number of votes cast for and against such resolution.

## **21.5 Net Asset Value**

The Net Asset Value of the Sub-Fund shall be calculated by valuing the assets of the Sub-Fund and deducting therefrom the liabilities of the Sub-Fund, in accordance with the relevant provisions of the Deed. The resultant sum shall be divided by the number of Units of the Sub-Fund that are in issue or deemed to be in issue immediately prior to the relevant Valuation Day, and the resultant amount (rounded down to the nearest S\$0.001 or such other number of decimal places or any other method or rounding as we may determine with the approval of the Trustee) shall be the Net Asset Value of a Unit of the Sub-Fund on such Valuation Day.

## **21.6 Value of Authorised Investments**

- (i) Except where otherwise expressly stated in the Deed and subject always to the requirements of the Code, the value of the assets comprised or to be comprised in the Sub-Fund with reference to any Authorised Investment which is:-
  - (a) a deposit placed with a bank or other financial institution in Singapore or a bank bill, shall be determined by reference to the face value of such Authorised Investment and the accrued interest thereon for the relevant period;
  - (b) a unit or share in a unit trust or mutual fund or collective investment scheme which shall be valued at the latest published or available net asset value per unit or share, or if no net asset value per unit or share is published or available, then at their latest available realisation price;
  - (c) a Quoted Investment, shall be calculated, as the case may be, by reference to the official closing price, last known transacted price or last transacted price on the Recognised Stock Exchange on which the Quoted Investment is traded at the time of the calculation for the Quoted Investment in question;
  - (d) an Unquoted Investment (other than any deposit or bank bill or unit or share in an open-ended collective investment scheme referred to in paragraphs (a) and (b) above) shall be the net asset value, quoted by such persons, firms or institutions determined by us to be dealing or making a market in that Unquoted Investment, as may be determined by us to represent the fair value of such Authorised Investment. However, if such price quotations are not available, the value shall be determined by reference to the face value of such Unquoted Investment, the prevailing term structure of interest rates and the accrued interest thereon for the relevant period as may be determined by us to represent the fair value of such Authorised Investment; and
  - (e) an Authorised Investment other than as described above, shall be valued by a person approved by the Trustee as qualified to value such an investment at such time as we after consultation with the Trustee shall from time to time determine.

PROVIDED THAT if the quotations referred to in paragraphs (a) to (e) above are not available, or if the value of the Authorised Investment determined in the manner described in paragraphs (a) to (e) above, in our opinion is not representative of the value of such Authorised Investment, then the value shall be such value as we may with due care and in good faith consider in the circumstances to be fair value and is approved by the Trustee and we shall notify the Holders of such change if required by the Trustee. For the purposes of

this proviso, we shall determine the “fair value” in consultation with an Approved Stockbroker (as defined in the Deed) or an Approved Valuer (as defined in the Deed) and with the approval of the Trustee in accordance with the Code.

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

- (ii) Neither we nor the Trustee shall incur any liability by reason of the fact that a price reasonably believed by us/it to be the last known transacted price may be found not to be such PROVIDED THAT we/it have/has acted in good faith without negligence and with due care.

## **21.7 Termination**

### **21.7.1 Duration**

The Fund and the Sub-Fund are of indeterminate duration and may be terminated as provided in this paragraph 21.7.

### **21.7.2 Termination by Notice**

Subject to paragraph 21.7.6 below, either we or the Trustee may in our/its absolute discretion terminate the Fund or any sub-fund by not less than three months' notice in writing to the other given so as to expire on 31 December 2010 or at any time thereafter. Either we or the Trustee shall be entitled by notice in writing as mentioned above to make the continuation of the Fund or relevant sub-fund beyond any such date conditional on the revision to our or its satisfaction at least three months before the relevant date of our or its remuneration. If the Fund or relevant sub-fund shall be terminated or discontinued, we shall give notice thereof to all Holders not less than three months in advance. Subject as aforesaid the Fund or relevant sub-fund shall continue until terminated in the manner hereinafter provided.

### **21.7.3 Termination by Trustee**

Subject to the SFA, in particular Section 295 thereof, and notwithstanding paragraph 21.7.2 above, the Fund and (in the case of paragraphs (ii) and (iii) below) any sub-fund or Class, may be terminated by the Trustee by notice in writing in any of the following events, namely:-

- (i) if we 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 our assets or if a judicial manager is appointed in respect of any of our assets or if any encumbrancer shall take possession of any of our assets or if we shall cease business;
- (ii) if any law shall be passed, any authorisation revoked or the MAS issues any direction which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund or any sub-fund or Class (as the case may be);
- (iii) if within the period of three months from the date of the Trustee expressing in writing to us the desire to retire and we have failed to appoint a new trustee within the terms of the Deed;
- (iv) if within the period of three months from the date of the Trustee removing us as managers, the Trustee shall have failed to appoint new managers within the terms of the Deed; and
- (v) if the MAS so directs pursuant to the SFA.

The decision of the Trustee in any of the events specified above 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 sub-fund or Class (as the case may

be) according to this paragraph or otherwise. We shall accept the decision of the Trustee and relieve the Trustee of any liability to it therefor and hold it harmless from any claims whatsoever on its part for damages or for any other relief.

#### **21.7.4 Termination by Managers**

- (i) Notwithstanding paragraph 21.7.2 above, the Fund may be terminated by us by notice in writing in any of the following events namely:-
  - (a) if it becomes illegal in Singapore to continue the Fund or if in our opinion it becomes impracticable or inadvisable to continue the Fund in the interest of the Holders thereof; or
  - (b) if the MAS so directs pursuant to the SFA.
- (ii) We may terminate any sub-fund or Class by notice in writing in any of the following events namely:-
  - (a) if at any time the Net Asset Value of the sub-fund or Class shall be less than S\$15,000,000 (or the equivalent in other currencies) or such other amount as we may determine at the time of establishment of any sub-fund or Class; or
  - (b) if it becomes illegal in Singapore to continue the sub-fund or Class or if in our opinion it becomes impracticable or inadvisable to continue the sub-fund or Class in the interest of the Holders thereof; or
  - (c) if the MAS so directs pursuant to the SFA.

#### **21.7.5 Notice of Termination and Termination process**

Save in the circumstances of termination of the Fund or relevant sub-fund or Class according to paragraph 21.7.2 above, the party terminating the Fund or relevant sub-fund or Class (as the case may be) shall give notice thereof to the Holders in the manner provided in the Deed and by such notice fix the date at which such termination is to take effect which date shall not be less than 1 month after the service of such notice. We shall give not less than 7 days' prior written notice of such termination to the MAS (or such other notice period as may be permitted by the MAS). Upon the Fund or relevant sub-fund or Class being terminated, the Trustee shall carry out the processes for termination as set out in the Deed.

#### **21.7.6 Extraordinary Resolution**

The Fund may at any time after the date of the Principal Deed be terminated by Extraordinary Resolution of a meeting of the Holders of all the sub-funds under the Fund duly convened and held in accordance with the provisions contained in the Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

Any sub-fund or Class may at any time after the date of the Principal Deed be terminated by Extraordinary Resolution of a meeting of its Holders duly convened and held in accordance with the provisions contained in the Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

### **21.8 FDIs**

#### **21.8.1 Use and Types of FDIs**

The Sub-Fund and/or their Underlying Funds (if applicable) may from time to time invest in FDIs, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

The use and types of FDIs of the Sub-Fund are set out in paragraph 8.2 of this Prospectus.

### 21.8.2 Exposure to FDIs

The use of financial derivatives will not exceed 100% of the net asset value of the Sub-Fund at any time.

We currently use the commitment approach as described in Appendix 1 of the Code to determine the Sub-Fund's exposure to financial derivatives. In determining the Sub-Fund's exposure to FDIs, we will adopt the calculation methods set out under paragraph 4.10 of Appendix 1 of the Code.

### 21.8.3 Risk Management and Compliance procedures

#### (i) Portfolio Risk

Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations and subject the Sub-Fund to potential gains and losses. Where such instruments are used, we will ensure that the risk management and compliance procedures and controls adopted are adequate and that we have the necessary experience to manage the risks relating to the use of these FDIs. Depending on the severity, non-compliance or deviation from established controls or limits will be escalated to senior management and monitored for rectification. We may modify the risk management and compliance procedures from time to time, where appropriate and in the interests of the Sub-Fund. We have a dedicated team which oversees portfolio risk management.

Additionally, all open positions/exposure in derivatives will be marked to market at the frequency of at least equal to the frequency of the net asset value calculation of the Sub-Fund.

#### (ii) Compliance Risk

We have a structured Compliance Monitoring Program ("**CMP**"). There is a dedicated compliance team to implement the CMP. Our investment compliance team separately monitors the portfolios for compliance with the investment guidelines. Investment guidelines will be reviewed by the investment compliance team and checks will be programmed into our automated pre-trade compliance system as far as possible. In addition, guidelines which cannot be electronically monitored will be manually checked for compliance.

#### (iii) Liquidity Risk Management

We have established liquidity risk management policies which enable us to identify, monitor, and manage the liquidity risks of the Sub-Fund. Such policies, combined with the liquidity management tools available, seek to achieve fair treatment of Holders, and safeguard the interests of remaining Holders against the redemption behaviour of other investors and mitigate against systemic risk.

Our liquidity risk management policies take into account the Sub-Fund's liquidity terms, asset class, liquidity tools and regulatory requirements.

The liquidity risk management tools available to manage liquidity risk include the following:

- (a) The Sub-Fund may, subject to the provisions of the Deed, borrow up to 10% of its latest available net asset value (or such other percentage as may be prescribed by the Code) at the time the borrowing is incurred and the borrowing period should not exceed one month, provided always and subject to the borrowing restrictions in the Code;
- (b) We may, pursuant to the Deed, suspend the realisation of Units of the Sub-Fund or Class with the prior written approval of the Trustee, and if we and the Trustee so agree, defer payment for any Units realised before the commencement of such suspension but for which payment has not been made;

- (c) We may, with the approval of the Trustee, and pursuant to the Deed, limit the total number of Units in relation to the Sub-Fund or Class which Holders may realise to 10% of the total number of Units of the Sub-Fund then in issue, such limitation to be applied proportionately to all Holders in relation to the Sub-Fund or Class (as the case may be) who have validly requested realisations on the relevant Dealing Day; and
- (d) We may, with a view to protecting the interests of all Holders, and pursuant to the Deed, elect that the realisation price in relation to all of the Units falling to be realised by reference to a relevant day shall be the price per Unit which, in our opinion, reflects a fairer value for the Deposited Property having taken into account the necessity of selling a material proportion of the Investments at that time constituting part of the Deposited Property, and we may suspend the realisation of such Units for such reasonable period as may be necessary to effect an orderly realisation of Investments by giving notice to the affected Holders within two Business Days after the relevant day. Please refer to paragraph 13.3 of this Prospectus for further details.

We may perform regular stress testing on the Sub-Fund.

Factors considered in stress tests (either independently or concurrently) include:-

- (i) a sudden increase in redemptions;
- (ii) worsening of market liquidity for the underlying assets of the Sub-Fund; and
- (iii) redemption by the largest unitholder / distributor of the Sub-Fund.

Our stress testing scenarios consider historical situations and forward-looking hypothetical scenarios, where appropriate.

The reasonableness and relevance of our stress test assumptions are regularly reviewed to ensure that stress tests are based on reliable and up-to-date information.

#### **21.8.4 Risks Associated with the Use of FDIs**

While the prudent use of FDIs can be beneficial, FDIs also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of FDIs:

(i) **Market Risk**

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to the Sub-Fund's interests.

(ii) **Liquidity Risk**

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Sub-Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

(iii) **Counterparty Risk**

The Sub-Fund may enter into transactions in OTC markets, which will expose the Sub-Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. If a bankruptcy or insolvency of a counterparty occurs, the Sub-Fund

could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Sub-Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

(iv) Other Risks

Other risks in using FDIs include the risk of differing valuations of FDIs arising out of different permitted valuation methods and the inability of FDIs to correlate perfectly with underlying securities, rates and indices. Many FDIs, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Sub-Fund. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Sub-Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following the Sub-Fund's investment objective.

## 21.9 Securities Lending

Subject to the provisions on securities lending as set out in Appendix 1 of the Code, we may engage in securities lending transactions. We currently do not intend to engage in securities lending or repurchase transactions but may do so in the future.

## 21.10 Realisation of Units by Us

**21.10.1** We (in consultation with the Trustee) shall have the right, by giving prior written notice to any Holder, to realise compulsorily Units held by:

- (i) any Holder who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or who is unable or unwilling to provide information and/or documentary evidence requested by us and/or the Trustee for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks;
- (ii) any Holder who fails to provide any of the requested Personal Information and Account Information for compliance with FATCA (as defined in Schedule 2 of the Deed), the Common Reporting Standard issued by the Organisation for Economic Co-operation and Development or any similar legislation, regulation or guidance enacted in any other jurisdiction applicable to the Fund or the relevant Sub-Fund which seeks to implement equivalent tax reporting and/or withholding tax regimes and/or automatic exchange of information;
- (iii) any Holder whose holdings of Units, in our opinion:
  - (I) may cause the Fund or the relevant Sub-Fund to lose its authorised or registered status with any regulatory authority in any jurisdiction; or
  - (II) may cause the offer of the Units of the Fund or the relevant Sub-Fund, the prospectus of the Fund or the relevant Sub-Fund, the Deed, we and/or the Trustee to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction; or
  - (III) may cause a detrimental effect on the tax status of the Fund or the relevant Sub-Fund in any jurisdiction or on the tax status of the Holders of the Fund or the relevant Sub-Fund; or

- (IV) may result in the Fund or the relevant Sub-Fund or other Holders of the Fund or the relevant Sub-Fund suffering any other legal or pecuniary or administrative disadvantage which the Fund or the relevant Sub-Fund or other Holders might not otherwise have incurred or suffered; or
- (iv) any Holder:
  - (I) who, in our opinion, is or may be in breach of any applicable law or regulation in any jurisdiction; or
  - (II) where such realisation is, in our opinion, necessary or desirable for our compliance or the Fund's or the relevant Sub-Fund's compliance with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions) and inter-governmental agreements between Singapore and any foreign government.

**21.10.2** Any compulsory realisation under this paragraph shall be carried out by us on any Dealing Day, with prior written notice to the Holder, and shall be carried out in accordance with, and at the realisation price under, the applicable provisions on realisation in the Deed. For avoidance of doubt, a realisation under this paragraph (be it a compulsory realisation by us or a realisation by the Holder in response to our written notice relating to a compulsory realisation) may also be subject to applicable fees and/or charges (including early Realisation Charge) as set out in this Prospectus and/or the Deed, and all such fees and/or charges (including early Realisation Charge) related to a realisation under this paragraph shall be borne by the Holder.

**21.10.3** We, the Trustee and their respective delegates, associates, employees or agents, shall not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) or damage suffered by the Holder or any party arising out of or in connection with (whether in whole or in part) any actions which are taken by us, the Trustee and/or any of our/their respective delegates, associates, employees or agents under this paragraph.

### **21.11 Use of Credit Rating Agencies**

Please note that as we may rely on ratings issued by credit rating agencies on our investments:

- (a) we have established a set of internal credit assessment standards and have in place a credit assessment process to ensure that our investments are in line with these standards; and
- (b) information on our credit assessment process will be made available to you upon request.

### **21.12 Liquidation of Managers, the Trustee or the Custodian**

Subject to the provisions of the Deed, if we or the Trustee go into liquidation (except for a voluntary liquidation for the purpose of reconstruction or amalgamation), a new manager or a new trustee (as the case may be) may be appointed. Please refer to Clauses 23 and 24 of the Deed for further details.

In the event the Custodian becomes insolvent, the Trustee may by notice in writing, terminate the custodian agreement entered into with the Custodian and, in accordance with the Deed, appoint such person as the new custodian to provide custodial services to the Fund globally.

## **22. QUERIES AND COMPLAINTS**

If you have questions concerning your investment in the Sub-Fund, you may call us at telephone number (65) 6417 6900. You can also email us at [contactus@lionglobalinvestors.com](mailto:contactus@lionglobalinvestors.com).

**LION GLOBAL INVESTORS LIMITED**  
**BOARD OF DIRECTORS**  
**PROSPECTUS OF LIONGLOBAL PLUS SERIES**

Signed:

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Khor Hock Seng  
Chairman  
(signed by Gerard Lee How Cheng  
for and on behalf of Khor Hock Seng)

Signed:

---

Gerard Lee How Cheng  
CEO

Signed:

---

Tan Siew Peng  
Director  
(Signed by Gerard Lee How Cheng  
for and on behalf of Tan Siew Peng)

Signed:

---

Ronnie Tan Yew Chye  
Director  
(Signed by Gerard Lee How Cheng  
for and on behalf of Ronnie Tan Yew Chye)

Signed:

---

Wee Ai Ning  
Director  
(signed by Gerard Lee How Cheng  
for and on behalf of Wee Ai Ning)

Signed:

---

Chong Chuan Neo  
Director  
(Signed by Gerard Lee How Cheng  
for and on behalf of Chong Chuan Neo)

Signed:

---

Leslie Teo Eng Sipp  
Director  
(Signed by Gerard Lee How Cheng  
for and on behalf of Leslie Teo Eng Sipp)

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This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or if you are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

**LIONGLOBAL PLUS SERIES (the “Fund”)  
LIONGLOBAL MULTI INCOME FUND (the “Sub-Fund”)**

<b>Product Type</b>	Unit Trust	<b>Launch Date</b>	21 February 2007
<b>Manager</b>	Lion Global Investors Limited	<b>Custodian</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Trustee</b>	HSBC Institutional Trust Services (Singapore) Limited	<b>Dealing Frequency</b>	Every Business Day
<b>Capital Guaranteed</b>	No	<b>Expense Ratio for FYE 31 December 2020</b>	2.07%

**PRODUCT SUITABILITY**

<b>WHO IS THE PRODUCT SUITABLE FOR?</b> The Sub-Fund is <u>only</u> suitable for investors who: <ul style="list-style-type: none"> <li>o seek to receive regular distributions;</li> <li>o seek to maintain medium to long-term capital stability;</li> <li>o are comfortable with volatility of equity, bond or balanced fund.</li> </ul> Please note your investment in the Sub-Fund is at risk and you may not get back the principal sum invested.	<u>Further Information</u> Refer to Section 8 of the Prospectus for further information on product suitability.
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**KEY PRODUCT FEATURES**

<b>WHAT ARE YOU INVESTING IN?</b> You are investing in a unit trust constituted in Singapore that aims to provide you with sustainable income distributions over the medium to long term. The Sub-Fund may invest more than 30% into each of the following Underlying Funds (which percentage may vary from time to time at our discretion). <div style="margin-top: 10px;"> <pre> graph LR     A[Sub-Fund LionGlobal Multi Income Fund] --&gt; B[Securities Equities or equity-related securities or fixed income instruments or bonds.]     A --&gt; C[Underlying Funds - LionGlobal Singapore Trust Fund - LionGlobal Short Duration Bond Fund - LionGlobal Asia Bond Fund - LionGlobal SGD Money Market Fund - LionGlobal Singapore Fixed Income Investment] </pre> </div>	Refer to Section 8 of the Prospectus for further information on features of the product.
Distribution payments (to the extent permitted under the Deed) shall, at our sole discretion, be made out of either (a) income; or (b) net capital gains; or (c) capital of the Sub-Fund or a combination of (a) and/or (b) and/or (c). The declaration and/or payment of distributions (whether out of income and/or capital) may have the effect of lowering the net asset value of the Sub-Fund. Distributions out of capital may amount to a reduction of a Holder's original investment. Distribution payments shall be subject to Automatic Distribution Reinvestment Mandate and Cheque Reinvestment Mandate. You may refer to paragraph 8.3 of the Prospectus for more information.	

<sup>1</sup> The Prospectus is available for collection at Lion Global Investors Limited, 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 from Monday to Friday (9am to 6pm) or website: [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com).

<b>Investment Strategy</b>	
<p>We will manage the Sub-Fund on a total return basis. To achieve capital gains and provide sustainable income distributions while limiting risk for the Sub-Fund, we will invest the assets of the Sub-Fund globally in a diversified portfolio of equities, money market instruments, asset-backed securities, equity-related securities, debt instruments and other debt-related instruments such as collateralised debt obligations. We also intend to employ call writing strategies on equities.</p> <p>Subject to compliance with the Code on Collective Investment Schemes (as the same may be amended from time to time) issued by the MAS, a portion of the assets of the Sub-Fund may also be invested in other collective investment schemes that may or may not be managed by us and whose investment objectives are to invest all or substantially all of their assets in equities or equity-related securities or fixed income instruments or bonds.</p> <p>In relation to the equity component of the portfolio, our current investment policy is to invest in equity and equity-related securities (including, but not limited to, preference shares, real estate investment trusts and depository receipts) of companies or institutions incorporated in, operating from, or deriving significant revenue from anywhere in the world. The investments of the Sub-Fund would, however, be principally in companies or institutions incorporated in, operating from, or deriving significant revenue in the Asia Pacific region.</p> <p>In relation to the fixed income component of the portfolio, our current investment policy is to invest in currency deposits, money market instruments, asset-backed securities, debt instruments (including, but not limited to, convertible and non-convertible corporate debt securities including bonds, debentures, loan stock, notes, certificates of deposit, variable rate certificates of deposit, bankers' acceptances, commercial paper issued by corporations or government bodies including short term unsecured promissory notes, treasury bills, all other fixed or floating rate instruments or interest rate futures and options) and other debt-related instruments such as collateralised debt obligations.</p> <p>The Sub-Fund may employ a strategy of selling covered call options on equities. The option premiums received represent additional earnings, helping to enhance the distributions payable to you and to reduce overall portfolio risk.</p>	<p>Refer to Section 8 of the Prospectus for further information on features of the product.</p>
<b>Parties Involved</b>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>• <b><u>The Managers</u></b> <ul style="list-style-type: none"> <li>o Lion Global Investors Limited</li> </ul> </li> <li>• <b><u>The Trustee</u></b> <ul style="list-style-type: none"> <li>o HSBC Institutional Trust Services (Singapore) Limited</li> </ul> </li> <li>• <b><u>The Custodian</u></b> <ul style="list-style-type: none"> <li>o The Hongkong and Shanghai Banking Corporation Limited</li> </ul> </li> <li>• <b><u>The Registrar</u></b> <ul style="list-style-type: none"> <li>o HSBC Institutional Trust Services (Singapore) Limited</li> </ul> </li> <li>• <b><u>The Auditors</u></b> <ul style="list-style-type: none"> <li>o PricewaterhouseCoopers LLP</li> </ul> </li> </ul>	<p>Refer to Sections 2, 3, 4, 5 &amp; 21 of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
<b>KEY RISKS</b>	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b></p> <p>You should consider and satisfy yourself as to the risks of investing in the Sub-Fund. Generally, some of the risk factors that should be considered are market, derivatives, liquidity, political, repatriation, regulatory, currency and emerging market risks, and risks associated with investments in debt securities which are default and interest rate risks.</p> <p>An investment in the Sub-Fund is meant to produce returns over the long-term. You should not expect to obtain short-term gains from such investment.</p> <p><b>You should note that the value of Units, and the income accruing to the Units, may fall or rise and that you may not get back your original investment.</b></p>	<p>Refer to Section 10 of the Prospectus for further information on risks of the product.</p>

### Market and Currency Risks

- **You are exposed to Market Risks in the Asia Pacific Region:** Prices of securities may go up or down in response to changes in economic conditions, interest rates and the market's perception of securities. These may cause the price of Units in the Sub-Fund to go up or down as the price of Units in the Sub-Fund is based on the current market value of the investments of the Sub-Fund.
- **You are exposed to Currency Risks:** As the investments of the Sub-Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the base currency of the Sub-Fund (i.e. Singapore Dollar) may affect the value of the Units in the Sub-Fund. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital.
- **You are exposed to Political Risks:** The political situation in the countries may have an effect on the value of the securities of companies in whose securities the Sub-Fund has invested, which may in turn have an impact on the value of the Units.

### Liquidity Risks

- **You are exposed to Liquidity Risks:** Trading volume on stock exchanges in emerging markets can be substantially less than on the stock exchanges of the major markets, so that acquisition and disposal of holdings may be time consuming and/or may need to be conducted at unfavourable prices.
- The Sub-Fund is not listed and you can redeem only on Dealing Days.

### Product-Specific Risks

- **You are exposed to Derivatives Risks:** The Sub-Fund may invest in financial derivative instruments such as futures, options, warrants, forwards and swaps for hedging purposes or for the purpose of efficient portfolio management. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and in some cases greater than, the risks presented by more traditional securities investments.
- **You are exposed to Default Risks:** Investments in debt securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal.
- **You are exposed to Call Writing Risks:** In a situation where the stock market rallies and we have written a call option on the stocks, there will effectively be a cap to the upside potential and the Sub-Fund may not be able to obtain the appreciation in the value of the stock. Options are sensitive to the volatility of equity markets. Before expiry of the option, the price of the option can change even though the price of the stock remains unchanged due to time decay volatility.
- **You are exposed to Emerging Market Risks:** The Sub-Fund may invest in Asian and/or emerging markets which 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, which are 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 the lack of liquidity which are inherent characteristics of these Asian and/or emerging markets.

### FEES AND CHARGES

#### WHAT ARE THE FEES AND CHARGES FOR THIS INVESTMENT?

- **Payable directly by you**

You will need to pay the following fees and charges as a percentage of your gross investment amount:

Preliminary Charge	Currently 5%. Maximum 5%
Realisation Charge	Currently Nil. Maximum 5%
Switching Fee	Currently up to 1%. Maximum 3%

Additional fees may be imposed and payable to appointed distributors that are in addition to the maximum Preliminary Charge disclosed above, depending on the specific nature of services provided by the appointed distributor.

Refer to Section 9 of the Prospectus for further information on fees and charges.

<p>• <b>Payable by the Sub-Fund from invested proceeds</b></p> <p>The Sub-Fund will pay the following fees and charges to us, Trustee and other parties:</p>	
Annual Management Fee (a) Retained by us (b) Paid by us to financial adviser/ distributor (trailer fee) <sup>2</sup>	Currently 1.25% p.a. Maximum 2% p.a. 0% to 60% of the Management Fee 40% to 100% of the Management Fee
Annual Trustee Fee	Currently 0.02% p.a. on the first S\$100 million of the Net Asset Value and 0.018% p.a. on the balance above S\$100 million of the Net Asset Value. Maximum of 0.25% p.a. subject to a minimum of S\$8,000 p.a.
Audit Fee	Currently 0.12%*
<p>* With reference to the audited accounts of the Sub-Fund as at 31 December 2020. The Sub-Fund will pay, directly or indirectly, the following fees and charges to the Underlying Funds into which the Sub-Fund may invest:</p>	
Subscription fee or preliminary charges	Generally ranging from 0% to 5%
Realisation fee	Generally ranging from 0% to 5%
Management fee	Generally ranging from 0% to 2% p.a.
Performance fee	Generally ranging from 0% to 30% p.a. (and in some cases only in excess of a hurdle rate of return)
Other fees (which may include trustee/ custodian fee, legal fees, audit fees and administrative costs)	Generally less than 1% p.a.

**VALUATIONS AND EXITING FROM THIS INVESTMENT**

<p><b>HOW OFTEN ARE VALUATIONS AVAILABLE?</b></p> <p>The Sub-Fund will be valued on each Dealing Day. The indicative prices of Units are quoted on a forward pricing basis and will likely be available two Business Days in Singapore after each relevant Dealing Day (subject to the publication policies of the relevant publisher).</p> <p>The prices will be published on our website at <a href="http://www.lionglobalinvestors.com">www.lionglobalinvestors.com</a>. The prices may also be published in The Straits Times, The Business Times and selected major wire services or such other sources as we may decide upon.</p> <p><b>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?</b></p> <p><u>Cooling Off Period</u></p> <p>If you are subscribing for Units in the Sub-Fund for the first time, you may cancel your subscription of Units within 7 calendar days from the date of subscription by submitting a Notice to Cancel Form to us, subject to cancellation terms and conditions. Subject to the provisions of the Deed, you will be refunded the lower of the market value of the Units held on the day of receipt and acceptance of such form or the original amount paid by you. Where the market value of the Units held is greater than the original amount paid by you, we are not obliged to pay the excess amount to you and the excess amount shall be retained in the Sub-Fund.</p> <p><u>Realisation</u></p> <p>You may realise your holdings in the Sub-Fund on any Dealing Day by submitting a realisation form to us or our appointed agents or distributors.</p> <p>As Units are realised on a forward pricing basis, the realisation price of Units is not ascertainable at the time of realisation. If your realisation form is received and accepted by us by the dealing deadline of 3 p.m. Singapore time on a Dealing Day, your Units shall be realised at that Dealing Day's realisation price. Realisation forms received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.</p>	<p>Refer to Section 15 of the Prospectus for further information on valuation of the product.</p> <p>Refer to Section 13 of the Prospectus for further information on exiting from the product.</p>
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<sup>2</sup> Your financial adviser/distributor is required to disclose to you the amount of trailer fee it receives from us.

You will receive your realisation proceeds within 7 Business Days from the receipt and acceptance of the realisation form by us.

**Illustration of realisation proceeds paid**

100	x	\$1.050*	=	\$105.00*
Units Realised		Notional Realisation Price (= Net asset value per Unit)		Gross Realisation Proceeds
\$105.00*	-	Nil	=	\$105.00*
Gross Realisation Proceeds		Realisation Charge		Net Realisation Proceeds

\*In SGD.

*You should note that the notional realisation price is for illustration only and is not indicative of any future or likely performance of the Sub-Fund. No Realisation Charge is currently imposed.*

**CONTACT INFORMATION**

**HOW DO YOU CONTACT US?**

If you have questions concerning your investment in the Sub-Fund, you may call us at telephone number (65) 6417 6900.

Website: [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)

Email: [contactus@lionglobalinvestors.com](mailto:contactus@lionglobalinvestors.com)

**APPENDIX: GLOSSARY OF TERMS**

**Business Day**

Any day (other than a Saturday or Sunday or a public holiday) on which banks in the Republic of Singapore or any other place or places as we may determine (with prior written notice to the Trustee) are open for business or any other day as we and the Trustee may agree in writing.

**Dealing Day**

Every Business Day or such Business Day or Business Days at such intervals as we may from time to time determine with the approval of the Trustee provided that reasonable notice of any such determination shall be given by us to all Holders at such time and in such manner as the Trustee may approve.

**Net Asset Value**

The value of all assets of the Sub-Fund less liabilities.

**Underlying Funds** refer to other collective investment schemes that may or may not be managed by us and whose investment objectives are to invest all or substantially all of their assets in equities or equity-related securities or fixed income instruments or bonds.

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**Lion Global Investors Ltd**

65 Chulia Street #18-01  
OCBC Centre, Singapore 049513

For more information, visit: [lionglobalinvestors.com](http://lionglobalinvestors.com) or email: [ContactUs@lionglobalinvestors.com](mailto:ContactUs@lionglobalinvestors.com)

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