iFAST-DWS PREMIER SELECT TRUST

PROSPECTUS

ISSUED PURSUANT TO THE

SECURITIES AND FUTURES ACT 2001

Registered on 28 July 2023

iFAST-DWS PREMIER SELECT TRUST

IMPORTANT INFORMATION

The collective investment scheme offered in this prospectus (referred to as the "**Trust**") is constituted in Singapore and is an authorised scheme under the Securities and Futures Act 2001 ("**SFA**"). A copy of this prospectus has been lodged with and registered by the Monetary Authority of Singapore ("**MAS**"). MAS assumes no responsibility for the contents of this prospectus and the registration of this prospectus by MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. MAS has not, in any way, considered the investment merits of the scheme.

This prospectus was registered with MAS on 28 July 2023. It is valid up to and including 27 July 2024 and will expire on 28 July 2024.

Unless otherwise stated, the terms defined in the trust deed (as amended) constituting and relating to the Trust (the "**Deed**") have the same meanings when used in this prospectus. We have taken all reasonable care to ensure that, to the best of our knowledge and belief, this prospectus contains accurate information and does not omit anything that would make the information misleading. As the affairs of the Trust may change over time, this prospectus may be updated to reflect material changes. Please check that you have the most updated prospectus before investing.

Please note that we may not always be able to determine significant changes to the Trust at least one month in advance. For example, it may not always be possible or practicable for us to give advance notice to holders of Units (as defined below) of material changes to the underlying funds into which the Trust substantially invests in. In such cases, notification will be made in accordance with chapter 3.2(e) of the Code on Collective Investment Schemes issued by MAS (the "**Code**").

The units of the Trust (the "**Units**") are offered in Singapore based only on the information in this prospectus. No one is authorised to give any other information or make any other representations concerning the Trust.

Please carefully consider the risks of investing in the Trust set out in this prospectus. You should seek professional advice and determine (a) the possible tax consequences, (b) the legal requirements, and (c) any foreign exchange restrictions or exchange control requirements, which may be relevant to your subscription, holding or disposal of Units. These issues may arise due to your citizenship, residence, domicile or other factors. You are responsible for observing all the laws and regulations that may apply to you (including those of other jurisdictions).

Please note that the underlying funds into which the Trust substantially invests in may use financial derivative instruments ("**FDIs**") for hedging, efficient portfolio management and/or investment purpose.

Units are not listed and you may only deal in Units through us or our authorised distributors subject to the terms of the Deed.

None of the Units has been or will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or under the securities laws of any state or political sub-division of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "**United States**"), and such Units may not be offered, sold or otherwise transferred in the United States. The Units are being offered and sold in reliance on an exemption from the registration requirements of the 1933 Act pursuant to Regulation S issued under the 1933 Act. The Trust has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other United States federal laws. Accordingly, Units are not being offered or sold within the United States or to or for the account of US persons (as defined for purposes of the United States federal securities, commodities and tax laws, including Regulation S) (together "**U.S. Persons**"). Subsequent transfers of Units within the United States or to U.S. Persons are prohibited. If at any time it shall come to our knowledge that any Units are held by or in the beneficial ownership or under the control of a U.S. Person, we may, in consultation with the Trustee, compulsorily realise such Holder's Units (as described in paragraph 13.7 of this prospectus).

This prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or lawful, or if made by a person not qualified to make the offer or solicitation. This prospectus may not be distributed in the United States and certain other jurisdictions.

Please direct your enquiries to us or our authorised distributors.

iFAST-DWS PREMIER SELECT TRUST

DIRECTORY

Managers
iFAST Financial Pte. Ltd.
(Company Registration No.: 200000231R)
10 Collyer Quay #26-01,
Ocean Financial Centre Building
Singapore 049315

Trustee

Until 20 November 2023 (or such other date as may be determined and notified to Holders):

HSBC Institutional Trust Services (Singapore) Limited
(Company Registration No.: 194900022R)
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2, #48-01
Singapore 018983

From 20 November 2023 (or such other date as may be determined and notified to Holders):
Standard Chartered Trust (Singapore) Limited
(Company Registration No.: 201223960D)
8 Marina Boulevard
#27-01 Marina Bay Financial Centre Tower 1
Singapore 018981

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

Custodian

Until 20 November 2023 (or such other date as may be determined and notified to Holders):

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

From 20 November 2023 (or such other date as may be determined and notified to Holders):
Standard Chartered Bank (Singapore) Limited
8 Marina Boulevard
#27-01 Marina Bay Financial Centre Tower 1
Singapore 018981

Solicitors to the Managers
Chan & Goh LLP
8 Eu Tong Sen Street
#24-93 The Central
Singapore 059818

Solicitors to the Trustee
Until 20 November 2023 (or such other date as may be determined and notified to Holders):
Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

From 20 November 2023 (or such other date as may be determined and notified to Holders):
Allen & Gledhill LLP
One Marina Boulevard
#28-00
Singapore 018989

iFAST-DWS PREMIER SELECT TRUST

TABLE OF CONTENTS

iFAST-DWS PREMIER SELECT TRUST

1. Structure of iFAST-DWS Premier Select Trust

1.1 iFAST-DWS Premier Select Trust (the "**Trust**") is an open-ended, stand-alone unit trust constituted in Singapore. It is denominated in Singapore dollars (or SGD).

Separate classes of units ("**Units**") may be established within the Trust and there are currently two (2) classes of Units being offered – Class A and Class I. Each class is denominated in Singapore dollars.

Please note that the assets of the Trust are not segregated in respect of each class but are pooled and invested as a single fund. New classes may be established and the Units in an existing class may be re-designated if there is no prejudice to the existing holders of Units ("**Holders**") of such class as a whole.

The classes may have different features, including different rates of fees and charges, different minimum threshold amounts relating to subscription, holding and realisation, and availability of participation in the Regular Savings Plan. The details are set out at paragraphs 8, 10.2, 11 and 13.2 of this prospectus. Save for these differences, the Holders of each class have materially the same rights and obligations under the Deed (as defined below).

1.2 Trust deed and supplemental deeds

1.2.1 The deed of trust relating to the Trust is dated 14 October 1993 (the "**Principal Deed**") and its parties were Morgan Grenfell Investment Management (Asia) Ltd (now known as DWS Investments Singapore Limited) (the "**Retired Managers**") and HSBC Trustee (Singapore) Ltd (the "**Retired Trustee**"). On 16 December 2004, HSBC Institutional Trust Services (Singapore) Limited (the "**Retiring Trustee**") replaced the Retired Trustee as the trustee of the Trust. On 30 July 2021, iFAST Financial Pte. Ltd. (the “**Managers**”) replaced the Retired Managers as the managers of the Trust. On 20 November 2023 (or such other date as may be determined and notified to Holders), Standard Chartered Trust (Singapore) Limited (the “**New Trustee**”)* will replace the Retiring Trustee as the trustee of the Trust.

* For the avoidance of any doubt, all references to “**Trustee**” in this Prospectus refer to (until 20 November 2023 (or such other date as may be determined and notified to Holders)) the Retiring Trustee and (from 20 November 2023 (or such other date as may be determined and notified to Holders)) the New Trustee.

1.2.2 The Principal Deed has been amended by the following supplemental deeds (collectively, the "**Supplemental Deeds**"):

Dated	Supplemental Deeds
Made between the Retired Managers and the Retired Trustee	
13/01/1999	Supplemental Deed
01/10/1999	Second Supplemental Deed
03/10/2000	Third Supplemental Deed
03/10/2001	Fourth Supplemental Deed
07/10/2002	Amending and Restating Deed
01/07/2003	Second Amending and Restating Deed
07/10/2003	Third Amending and Restating Deed
05/01/2004	Fourth Amending and Restating Deed
30/09/2004	Fifth Amending and Restating Deed
08/11/2004	Sixth Amending and Restating Deed

Dated	Supplemental Deeds
Made between the Retired Managers, the Retired Trustee and the Retiring Trustee	
16/12/2004	Supplemental Deed of Appointment and Retirement of Trustee
Made between the Retired Managers and the Retiring Trustee	
29/09/2006	Seventh Amending and Restating Deed
28/09/2007	Eighth Amending and Restating Deed
14/07/2008	Ninth Amending and Restating Deed
26/09/2008	Tenth Amending and Restating Deed
15/06/2009	Eleventh Amending and Restating Deed
23/09/2010	Twelfth Amending and Restating Deed
23/09/2011	Thirteenth Amending and Restating Deed
21/09/2012	Fourteenth Amending and Restating Deed
29/08/2014	Fifteenth Amending and Restating Deed
27/08/2015	Sixteenth Amending and Restating Deed
05/02/2018	Seventeenth Amending and Restating Deed
Made between the Retired Managers, the Managers and the Retiring Trustee	
30/07/2021	Fifth Supplemental Deed (Deed of Appointment and Retirement of Manager and Change in the Name of the Fund)
Made between the Managers and the Retiring Trustee	
30/07/2021	Eighteenth Amending and Restating Deed
Made between the Managers, the Retiring Trustee and the New Trustee	
28/07/2023	Supplemental Deed of Appointment And Retirement Of Trustee

The Principal Deed as amended by the Supplemental Deeds will be referred to as the "**Deed**".

1.2.3 The terms and conditions of the Deed and any future supplemental deeds will be binding on you and persons claiming through you.

1.2.4 You may inspect a copy of the Principal Deed and any supplemental deed for free during usual business hours at our business address, and obtain a copy at S$25 per copy of each document (or such amount as we and the Trustee may agree).

2. The Managers

We, iFAST Financial Pte. Ltd. ("**iFAST Financial**"), are the managers of the Trust. We are licensed and regulated by MAS to carry out fund management activities and have been managing portfolios of capital market products on a discretionary basis in Singapore, Hong Kong and Malaysia since November 2016.

Besides carrying out fund management activities, iFAST Financial is also a wealth management platform providing investment administrative services and a wide range of investment products to our business-to-business ("**B2B**") and business-to-consumer ("**B2C**") clients. As of 31 December 2022, the iFAST Group manages total assets under administration of approximately S$17.5 billion, whilst the total assets under management of our fund management business is approximately S$1.3 billion. We offer individual and institutional investors investment products across most major asset classes.

If we go into liquidation (except a voluntary liquidation for reconstruction or amalgamation upon previously approved terms) or if a receiver is appointed over any of our assets or a judicial manager is appointed in respect of us, the Trustee may by notice in writing remove us as Managers and appoint some other corporation as managers of the Trust and/or terminate the Trust in accordance with the Deed.

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

2.1 Our directors are:

Lim Chung Chun

Mr Lim is the Chief Executive Officer of iFAST Financial. He is also the Chairman and Chief Executive Officer of iFAST Corporation Ltd ("**iFAST Corp**"), a wealth management financial technology ("**Fintech**") platform that combines Fintech solutions with the capabilities of a licensed financial institution to provide multi-product offerings. iFAST Corp is the parent shareholder of iFAST Financial.

Mr Lim co-founded iFAST Corp with the launch of its B2C division Fundsupermart.com in Singapore in 2000, following which the B2B division, iFAST Financial, was launched in 2001. He subsequently led the company's regional expansion efforts, extending iFAST Corp's presence beyond Singapore to Hong Kong, Malaysia, China and India, building a well-established Fintech ecosystem across the five markets. Mr Lim also led iFAST Corp to its successful listing on the SGX-ST Mainboard in December 2014.

Before setting up iFAST Corp, Mr Lim was the Head of Research at ING Barings Securities Pte. Ltd. Mr Lim graduated with a Bachelor of Engineering (Electrical) from the National University of Singapore in 1991, and obtained a Diploma in Investment from the Institute of Banking and Finance in 1993.

Wong Soon Shyan

Mr Wong is the Group Chief Operating Officer for the iFAST group of companies, comprising of the business in Singapore, Hong Kong, China, Malaysia and India ("**iFAST Group**"). He is also a director of iFAST Financial.

Prior to joining the iFAST Group in 2000, Mr Wong spent 6.5 years in Schroder Investment Management Singapore Ltd. As the manager in the unit trust department, he was responsible for both the front-end responsibilities such as marketing of unit trust and sales (direct and managing channel sales), as well as the back-end operations such as sales administration, valuation of unit trusts, and liaison with auditors with regard to the audit of unit trust schemes.

He graduated from the National University of Singapore with a Bachelor of Accountancy degree and is also a Chartered Financial Analyst.

Lim Wee Kiong

Mr Lim is currently the Managing Director of iFAST Global Fintech Services, a role he took on since April 2022. After joining the iFAST Group in April 2001, he became the General Manager of the platform business in 2006, covering the overall management of its B2B business. Mr Lim was promoted to Managing Director, Platform Services Singapore, and was appointed as a Director of iFAST Financial in 2016.

He graduated with a degree in Bachelor of Business (Banking and Finance) from Monash University, Australia in 2000. Mr Lim also obtained a Diploma in Investment from the Institute of Banking and Finance in 1998 and a Diploma in Computer Studies from Ngee Ann Polytechnic in 1995.

Kok Chee Wai

Mr Kok is an independent director of iFAST Financial and iFAST Corp. He has been a partner in Allen & Gledhill LLP since 1998. He is the Co-Head of the firm's Financial Services Department, regional Energy, Infrastructure & Projects Practice, and Banking & Finance Practice. He has broad and deep experience in domestic and international financing. His general banking and finance practice includes acting for lenders and major corporates on domestic and cross-border syndicated loans, structured and acquisition financing and debt restructuring. He also regularly acts for banks and sponsors on limited recourse project financing in various sectors and has acted in many of the Public-Private-Partnership and other infrastructure projects in Singapore and in the region. Mr Kok is a member of the Banking Law Committee of the International Bar Association and a member of the Infrastructure & Project Finance Oversight Committee of the Institute of Singapore Chartered Accountants.

Mr Kok graduated from the National University of Singapore with an LLB (Hons) degree in 1991. He was admitted to the Singapore Bar in 1992, when he joined Allen & Gledhill LLP.

Ng Loh Ken Peter

Mr Ng is an independent director of iFAST Financial. He has been in financial advisory, fund management and mortgage lending for over three decades, and has held senior positions in several large institutions. He has been the Managing Director of Peterson Asset Management Pte Ltd since 2000. He is also a Director of Procurri Corporation Limited, a company listed on the SGX. Mr Ng was the General Manager of Investments in Hong Leong Assurance Bhd, based in Malaysia. For nine years to 1996, he served as Head of Treasury, Investment and Corporate divisions at various stages of his career with The Great Eastern Life Assurance Co Ltd. Prior to that, Mr Ng was the Senior Manager of an international public accounting firm. From 2009 to 2010, he also served as a member on the Accounting and Corporate Regulatory Authority's Investment Committee.

Mr Ng graduated from the National University of Singapore with a Bachelor of Accountancy degree (with Honours) in 1977. He is also a Chartered Financial Analyst charterholder. Mr Ng completed the Advanced Management Program at Harvard Business School in 1993.

Ling Peng Meng

Mr Ling is an independent director of iFAST Financial. He started his career as an officer with DBS Bank before moving to Schroder International Merchant Bankers Limited and Credit Agricole Indosuez Merchant Bank Ltd between 1993 and 1999. Mr Ling was a Managing Director and held various offices including Head of Capital Markets (South East Asia) and Head of Capital Markets (Greater China & Japan) in Standard Chartered Bank between 1999 and 2012. From 2013 to 2019, he was a Managing Director in DBS Bank, in charge of the Fixed Income Department, Greater China.

Mr Ling holds a Bachelor of Accountancy (Second Class Honours, Upper Division) from National University of Singapore.

2.2 The key executives of the Trust

Kenny Tjan Sing Pong

Mr Tjan joined iFAST Financial as the Investment Director in January 2020, with 30 years of experience in the management of collective investment schemes with various well-established fund management companies.

Prior to joining iFAST Financial, Mr Tjan worked with several well-known asset management firms such as Goldman Sachs Asset Management, Rothschild Asset Management (S) Ltd, Nomura Asset Management (S) Ltd, Nomura Investment Management Co. (Tokyo) and Citibank N.A. Singapore. He managed multiple portfolios covering Asia Pacific ex-Japan, Global Emerging Markets, Europe, China, Singapore and Malaysia for institutional clients, high net worth individuals and unit trusts since he started his career in 1991.

From June 2016 to February 2019, he was the CEO & Investment Director of Value Partners Asset Management ("**VPAM**") Singapore, managing Value Partners GEM, Asia ex-Japan and Greater China equity funds. He was also responsible for overseeing the investment, sales/distribution and compliance functions of VPAM.

Prior to joining VPAM, he was the Chief Investment Officer-cum-Managing Director of Metisq Capital from April 2007 until May 2016. He managed the Asia Pacific ex-Japan equities portfolios for both institutional clients and unit trusts from Europe, Australia and Asia. In late

2009, he set up a joint venture with Libra Capital, a wholly-owned investment management company of Alibaba Group, to launch a Greater China Fund, investing in China, Hong Kong and Taiwan.

Mr Tjan graduated from the National University of Singapore with a Bachelor of Business Administration degree in 1991. He is also a Chartered Financial Analyst charterholder.

You Weiren

Mr You joined iFAST in 2015 and is part of the portfolio management team that oversees the firm's discretionary portfolios. He is also the head of the Stocks & ETFs research team, providing analysis and research coverage on companies listed on the US, Singapore and Hong Kong stock markets.

Mr You earned his honours degree in Business Administration from the National University of Singapore. He is also a CFA charterholder.

Please note that our track record (including those of our directors and the key executives) is not indicative of future performance.

3. The Trustee

<u>Until 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

The trustee of the Trust is HSBC Institutional Trust Services (Singapore) Limited, and it is regulated in Singapore by MAS. Please refer to the Deed for details on the Trustee's role and responsibilities.

<u>From 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

The trustee of the Trust is Standard Chartered Trust (Singapore) Limited, and it is regulated in Singapore by MAS. Please refer to the Deed for details on the Trustee's role and responsibilities.

If the Trustee goes into liquidation (except a voluntary liquidation for reconstruction or amalgamation) or if a receiver is appointed over any of its assets or a judicial manager is appointed in respect of the Trustee, we may by notice in writing remove the Trustee and appoint another person as the new trustee of the Trust in accordance with the Deed.

4. Other Parties

4.1 The Sub-Managers

We have delegated the investment management of the Trust to DWS Investment GmbH (the "**Sub-Managers**"). It is domiciled in Germany and is licensed and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) to carry out fund management activities. The Sub-Managers were founded in and have managed collective investment schemes since 1956.

The appointment of the Sub-Managers may be terminated if an order by a court of competent jurisdiction is made for (a) the liquidation, winding up or bankruptcy of the Sub-Managers, or (b) the appointment of any receiver of any of the assets of the Sub-Managers, or any liquidator or provisional liquidator or judicial manager of the Sub-Managers. It may also be terminated if a resolution is passed by the members or creditors of the Sub-Managers for its liquidation or winding up, or any procedure analogous to the above under any applicable law.

Please note that the past performance of the Sub-Managers is not indicative of future performance.

4.2 The Custodian

Until 20 November 2023 (or such other date as may be determined and notified to Holders):

The custodian of the Trust is The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**"), whose registered office is at 1 Queen's Road Central, Hong Kong. HSBC 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 HSBC as the global custodian to provide custodial services to the Trust globally. HSBC is entitled to appoint sub-custodians to perform any of HSBC's duties in specific jurisdictions where the Trust invests.

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

The criteria upon which a sub-custodian is appointed is pursuant to all relevant governing laws and regulations and subject to satisfying all requirements of HSBC in its capacity as global custodian. Such criteria may be subject to change from time to time and may include factors such as 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.

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 Trust globally.

From 20 November 2023 (or such other date as may be determined and notified to Holders):

The custodian of the Trust is Standard Chartered Bank (Singapore) Limited (the "**Custodian**"), whose registered office is at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre Tower 1, Singapore 018981. The Custodian is regulated by the Monetary Authority of Singapore as an Exempt Capital Markets Services Entity and is exempt from obtaining a capital markets services licence in relation to, amongst others, the provision of custodial services for securities.

Under the custodian agreement entered into between the Trustee and the Custodian (the "**Custodian Agreement**"), the Custodian may, at the Trust's expense, appoint such sub-custodians, agents, and delegates, as it thinks fit, and may delegate its duties, obligations and powers to such parties. The Custodian must exercise reasonable care and appropriate diligence in the selection and monitoring of these parties, maintain what the Custodian considers an appropriate level of supervision over these parties, and make what the Custodian considers appropriate periodic inquiries to confirm that these parties are competently discharging their obligations. The Custodian will not (except as provided in the Custodian Agreement) be responsible for any loss suffered by the Trust by reason of liquidation, bankruptcy or insolvency of any agent, sub-custodian, or delegate but will use reasonable endeavours to recover any property held by such person, and recover any losses or damages suffered by the Trust as a direct consequence.

The Trustee (and not the Custodian) is responsible for ensuring that the Trust's assets are delivered to the Custodian as custodian. The Custodian is not responsible for monitoring the Trustee's compliance with this obligation.

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 Trust globally.

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

Details relating to the custodial arrangement are set out in paragraph 21(g) of this prospectus.

4.3 The Auditors

The auditors of the accounts relating to the Trust are KPMG LLP.

4.4 The Managers' delegates

<u>Until 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

We have delegated certain administration and valuation functions, in respect of the Trust, to HSBC Institutional Trust Services (Singapore) Limited, such as keeping of accounts and books of the Trust, and the valuation of assets and Units.

<u>From 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

We have delegated certain administration and valuation functions, in respect of the Trust, to Standard Chartered Bank (Singapore) Limited, such as keeping of accounts and books of the Trust, and the valuation of assets and Units.

Prospective investors in the Trust should ensure that they understand the nature of net asset value information. The involvement of a third party service provider (such as the administrator of the Trust) in the net asset value calculation process should not be equated with a representation or guarantee as to realisable value. Pricing and valuation techniques are limited and may not have application to all portfolio and investment strategy types.

The appointed administrator's obligations and liabilities are only to the Trust and only as provided in the Fund Administration Services Agreement between the appointed administrator and the Managers.

Please refer to paragraph 22.6 of this Prospectus for further information on the valuation of the investments of the Trust.

5. The Register of Holders and the Registrar

<u>Until 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

The registrar of the Trust is the Trustee and the register of the Holders (the "**Register**") is kept and maintained at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439. Holders may access the Register during normal business hours.

<u>From 20 November 2023 (or such other date as may be determined and notified to Holders)</u>:

The registrar of the Trust is the Trustee and the Register is kept and maintained at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre Tower 1, Singapore 018981. Holders may access the Register during normal business hours.

The Register shows conclusively the number and details of the Units each Holder holds. The entries in the Register will prevail over any discrepancy in the statement of holdings unless the Holder proves to the Trustee's and our satisfaction that the Register is incorrect.

6. Investment Objective, Focus and Approach

6.1 Investment objective

The investment objective of the Trust is to achieve long term capital appreciation through investment in a diversified portfolio of securities.

6.2 Investment focus and approach

The investment focus and approach of the Trust is as follows:

(a) The Trust will invest into global equity and Singapore fixed income markets. The Trust may invest in collective investment schemes (including exchange traded funds) and/or directly in securities, fixed income and money market instruments, deposits and/or other investments.

(b) The Trust currently intends to invest:

(i) more than 70% of its Value in Xtrackers II Singapore Government Bond UCITS ETF ("**SGB-ETF**"); and

(ii) less than 30% of its Value in Xtrackers MSCI World UCITS ETF ("**MSCI-ETF**").

Although the intention is to maintain these allocations, we intend to adopt a static allocation of the Trust's investments in each of the underlying funds and re-adjust the investments at least on a semi-annual basis. Due to this approach and due to the impact of periodical subscriptions and redemptions of Units on the Value of the Trust, the specific percentage investment into each underlying fund may vary from time to time and in particular, the Trust's investments into MSCI-ETF may at times, amount to or exceed 30% of the Value of the Trust.

The Trust may hold up to 5% of its Value in cash.

The Trust currently does not intend to use FDIs or to engage in securities lending or repurchase transactions.

Please note that the Value of the Trust is likely to have a high volatility due to its investment policy or portfolio management techniques.

(c) **SGB-ETF** is a recognised scheme under the SFA. It is a sub-fund of Xtrackers II, an investment company incorporated under the laws of the Grand Duchy of Luxembourg as a *société d'investissement à capital variable* (SICAV). Xtrackers II is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended, and qualifies as an undertaking for collective investment in transferable securities ("**UCITS**") under article 1(2) of the European Parliament and Council Directive 2009/65/EC of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as may be amended (the "**UCITS Directive**") and may therefore be offered for sale in each member state of the European Union, subject to registration.

Management of SGB-ETF

SGB-ETF is managed by the management company, DWS Investment S.A. ("**DWSI**"). DWSI has been established under the laws of the Grand Duchy of Luxembourg, and is authorised and subject to the supervision of the *Commission de Surveillance du Secteur Financier of Luxembourg* ("**CSSF**"). It has been managing collective investment schemes or discretionary funds since 1987.

DWSI sub-delegates the day-to-day investment management with respect to SGB-ETF to DWS Investment GmbH ("**DWSG**"), who are also the Sub-Managers of the Trust and whose details are described in paragraph 4.1 above.

DWSG may, with the approval of DWSI and the relevant regulatory authorities but under its own supervision and responsibility, appoint a sub-portfolio manager to provide certain portfolio management and risk management services.

DWSG may, from time to time, in accordance with an agreed process, delegate all or part of its investment management responsibilities with respect to SGB-ETF to DWS Investments UK Limited ("**DWSUK**") and/or DWS Investments Hong Kong Limited ("**DWSHK**").

DWSUK is a limited liability company incorporated under the laws of England and Wales. It is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the conduct of its designated investment business (as defined in the FCA Handbook). It has been managing collective investment schemes or discretionary funds since 2004.

DWSHK is a private company limited by shares, which is incorporated under the laws of Hong Kong. It is licensed to conduct, among others, type 9 (asset management) regulated activity by the Securities and Futures Commission of Hong Kong. It has been licensed to manage collective investment schemes and portfolios on a discretionary basis since 2003.

Investment objective, focus and approach of SGB-ETF

The investment objective of SGB-ETF is to reflect the performance of the FTSE Singapore Government Bond Index (the "**Reference Index**" under this sub-paragraph (c)). The Reference Index is denominated in SGD and aims to represent the performance of fixed-rate, local currency sovereign debt issued by the Singapore government.

SGB-ETF is passively managed in accordance with a Direct Investment Policy (as defined below) and is an optimised replication fund[1]. To achieve its investment objective, SGB-ETF will attempt to replicate the Reference Index by buying a portfolio of securities that may comprise the constituents of the Reference Index, or unrelated transferable securities or other eligible assets, as determined by the investment manager and sub-portfolio manager of SGB-ETF.

A Direct Investment Policy provides for the possibility to enter into securities lending agreements but does not currently provide for the possibility to enter into margin lending transactions or repurchase agreements (and/or reverse repurchase agreements), buy-sell or sell-buy back transactions or total return swaps as covered by Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. As of 28 June 2022, SGB-ETF will no longer be able to engage in securities lending activities.

The types of securities in which SGB-ETF may invest include American depositary receipts, global depositary receipts, and/or non-voting depositary receipts. SGB-ETF may receive income in respect of the securities held by it and taxes may be imposed on income received from such securities.

SGB-ETF may from time to time invest temporary cash balances (such as subscription proceeds which are pending investment or any other temporary cash balances) in FDIs to gain market exposure and to seek to reduce tracking error.

Use of FDIs by SGB-ETF

SGB-ETF may use FDIs and/or transferable securities which relate to the Reference Index or constituents of the Reference Index, which may include FDIs which are expected to generate a risk and return profile similar to that of the Reference Index, a

[1] This means that SGB-ETF may not hold every constituent or the exact weighting of a constituent in the Reference Index but will seek to provide a return similar to that of the Reference Index by (i) investing either in a sub-set of the constituents of the Reference Index, (ii) seeking to gain exposure to the Reference Index by utilising optimisation techniques, and/or (iii) by investing in securities that are not part of that Reference Index.

constituent of the Reference Index or a sub-set of constituents of the Reference Index. The FDIs which SGB-ETF may invest in include futures, options, swaps, credit default swaps, contracts for differences, forwards including non-deliverable forwards. SGB-ETF may also invest in depositary receipts, certificates, exchange traded funds, mortgage-backed securities, funds or participation notes (“**P-notes**”), and money market instruments.

SGB-ETF may invest up to 100% of its net asset value in FDIs in accordance with the UCITS Directive. However, SGB-ETF is subject to a maximum single counterparty risk exposure of 10% of its net asset value in relation to its "over-the-counter" ("**OTC**") swap transaction(s) and/or efficient portfolio management transactions.

SGB-ETF may therefore use FDIs for hedging, efficient portfolio management and/or investment purpose.

Volatility of SGB-ETF

SGB-ETF has a medium risk grading, which means that it is exposed to capital losses either because the asset classes to which SGB-ETF are exposed have a medium intrinsic volatility and/or because some strategies are implemented to ensure that its investors will get back their original investment or capital.

(d) **MSCI-ETF** is a sub-fund of Xtrackers (IE) plc ("**Xtrackers (IE)**"), an investment company with variable capital incorporated and authorised by the Central Bank of Ireland ("**Central Bank**") as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended and as may be further amended, supplemented or consolidated from time to time.

Management of MSCI-ETF

DWS Investment S.A. ("**DWSI**") has been appointed to act as the management company of Xtrackers (IE) and is responsible for providing investment management services and distribution and marketing services to MSCI-ETF. DWSI has been established under the laws of the Grand Duchy of Luxembourg, and is authorised and subject to the supervision of the CSSF. It has been managing collective investment schemes or discretionary funds since 1987.

DWSI sub-delegates the day-to-day investment management with respect to MSCI-ETF to DWS Investment GmbH ("**DWSG**"), who are also the Sub-Managers of the Trust and whose details are described in paragraph 4.1 above. For the avoidance of doubt, DWSI will retain certain investment management responsibilities, including but not limited to the execution of transactions and the monitoring of compliance with the relevant investment restrictions relating to MSCI-ETF.

DWSG may, with the approval of DWSI and the relevant regulatory authorities but under its own supervision and responsibility, appoint a sub-portfolio manager to provide certain portfolio management and risk management services. In particular, it may appoint a sub-portfolio manager to select MSCI-ETF's investments.

DWSG may, from time to time, and in accordance with an agreed process, delegate all or part of its investment management responsibilities with respect to MSCI-ETF to one or more DWS Group entities (DWS Group GmbH & Co. KGaA, and any of its subsidiaries or affiliates). As at 29 July 2022, the DWS Group entities include DWS Investments UK Limited ("**DWSUK**") and DWS Investments Hong Kong Limited ("**DWSHK**").

DWSUK is a limited liability company incorporated under the laws of England and Wales. It is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the conduct of its designated investment business (as defined in the FCA Handbook). It has been managing collective investment schemes or discretionary funds since 2004.

DWSHK is a private company limited by shares, which is incorporated under the laws of Hong Kong. It is licensed to conduct, among others, type 9 (asset management) regulated activity by the Securities and Futures Commission of Hong Kong. It has been licensed to manage collective investment schemes and portfolios on a discretionary basis since 2003.

The list of delegates may change from time to time and such change will be updated at the next prospectus registration date.

Investment objective, focus and approach of MSCI-ETF

The investment objective of MSCI-ETF is to track the performance before fees and expenses of the MSCI Total Return Net World Index (the "**Reference Index**" under this sub-paragraph (d)). The Reference Index is designed to reflect the performance of the shares of certain companies in various developed countries. The companies making up the Reference Index are large and medium sized companies based on the combined value of a company's readily available shares as compared to other companies.

In order to seek to achieve the investment objective, MSCI-ETF will adopt a Direct Investment Policy, which in the case of MSCI-ETF, means that it will aim to replicate or track, before fees and expenses, the performance of the Reference Index by holding a portfolio of equity securities that comprises all or a representation of the securities comprised in the Reference Index or unrelated transferable securities or other eligible assets (the "**Underlying Securities**"). MSCI-ETF is managed according to a passive approach and is an optimised replication fund[2]. The optimised sample of securities determined will be selected with the aim of providing the most representative sample of the Reference Index based on its evaluation of the Underlying Securities against factors including, but not limited to, the correlation of the Underlying Securities to the Reference Index and the exposure, liquidity and risk of the Underlying Securities.

The Underlying Securities are listed or traded on certain markets and exchanges, with the Underlying Securities being bought by MSCI-ETF from any broker or counterparty who trades on these markets and exchanges.

MSCI-ETF may also invest in securities which are not constituents of the Reference Index and/or FDIs related to a constituent of the Reference Index, for efficient portfolio management purposes, where such securities and/or FDIs would achieve a risk and return profile similar to that of the Reference Index, a constituent of the Reference Index or a sub-set of constituents of the Reference Index.

MSCI-ETF may invest in ancillary liquid assets which will include secured and/or unsecured deposits, and/or units or shares of other UCITS or other collective investment schemes which pursue a money market/cash strategy or which are related to the Reference Index or constituents of the Reference Index.

The investments and liquid assets that MSCI-ETF may hold on an ancillary basis will, together with any fees and expenses, be valued by the administrator on each valuation day in order to determine the net asset value of MSCI-ETF in accordance with the rules applicable to MSCI-ETF.

[2] This means that MSCI-ETF may not hold every constituent or the exact weighting of a constituent of the Reference Index, but will seek to provide a return similar to that of the Reference Index by (i) investing either in a sub-set of the constituents of the Reference Index, (ii) seeking to gain exposure to the Reference Index by utilising optimisation techniques, and/or (iii) by investing in securities that are not part of the Reference Index.

Use of FDIs by MSCI-ETF

MSCI-ETF may invest in FDIs subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes. MSCI-ETF may use FDIs which relate to the Reference Index or constituents of the Reference Index, which may include FDIs which are expected to generate a risk and return profile similar to that of the Reference Index, a constituent of the Reference Index or a sub-set of constituents of the Reference Index. The FDIs which MSCI-ETF may use include futures, options, swaps, contracts for difference ("**CFDs**"), credit default swaps ("**CDSs**") and forwards. Futures, options, swaps, CDSs, forwards, and CFDs may, for example, be used by MSCI-ETF in order to equitise cash balances pending investment of subscription proceeds or other cash balances held by MSCI-ETF to seek to reduce tracking error. Currency forwards and non-deliverable forwards may, for example, be used to hedge currency exposures. MSCI-ETF may use CFDs and futures as an alternative to direct investment in the constituents of the Reference Index in order to avail of the related cost or liquidity advantages of FDIs which may, in certain circumstances, be available over the direct investment in the constituents of the Reference Index. MSCI-ETF may also use depositary receipts, certificates, exchange traded funds, collective investment schemes or P-notes, for example, to gain exposure to securities instead of using index underlying securities in circumstances where, due to local restrictions or quota limitations, it is not possible to hold these directly or where it is otherwise advantageous to MSCI-ETF to do so. MSCI-ETF may also hold money market instruments as a cash alternative.

MSCI-ETF's global exposure (as prescribed in the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertaking for Collective Investment in Transferable Securities) Regulation 2015, as amended, and related guidance issued by the Central Bank as amended, supplemented, consolidated or otherwise modified from time to time (the "**UCITS Regulations**")) relating to FDIs must not exceed its net asset value.

Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Regulations. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the UCITS Regulations.)

Please note that the net asset value of MSCI-ETF is likely to have a high volatility due to its investment policy or portfolio management techniques.

6.3 Investment style and benchmark usage

We intend to actively manage the Trust in a prudent manner, without reference to a benchmark. There is no benchmark against which the performance of the Trust will be measured, as there is no appropriate benchmark available against which the performance of the Trust may be measured due to the nature of its investment strategy.

7. Central Provident Fund (CPF) Investment Scheme

The Trust is currently not included under the CPF Investment Scheme.

8. Fees and Charges

8.1 The fees and charges payable in relation to each class of Units are set out below:

Charges and Fees Payable by the Holder		
Preliminary Charge (on gross investment	Class A Units: Class I Units:	Currently 5%; Maximum 5%. Currently 0%; Maximum 5%.

amount)	
Realisation Charge (on gross realisation proceeds)	Currently 0%; Maximum 1%.
Switching Fee	Currently 0%.
Fees Payable by the Trust to the Managers and the Trustee	
Annual management fee (a) Retained by Managers (b) Paid by Managers to financial advisers (trailer fee)[3]	Class A Units: Currently 0.6% p.a. of the Value. Maximum 1.25% p.a. of the Value. (a) 40% to 60% of Annual Management Fee (b) 40% to 60% of Annual Management Fee Class I Units: Currently 0.45% p.a. of the Value. Maximum 1.25% p.a. of the Value. (a) 40% to 60% of Annual Management Fee (b) 40% to 60% of Annual Management Fee
Annual trustee fee	Until 20 November 2023 (or such other date as may be determined and notified to Holders): Currently 0.035% p.a. of the Value, maximum 0.125% p.a. of the Value. From 20 November 2023 (or such other date as may be determined and notified to Holders): Currently 0.025% p.a. of the Value, maximum 0.025% p.a. of the Value.

Other fees and charges may be paid out of the Deposited Property of the Trust and may each amount to or exceed 0.1% p.a. of the Value of the Trust, depending on the proportion that the relevant fee or charge bears to the Value of the Trust. For the financial year up to 31 December 2022,

(a) each of the audit, registrar, custody and valuation fees accrued did not amount to or exceed 0.1% of the Value of the Trust as at that date;

(b) transaction costs did not amount to or exceed 0.1% of the Value of the Trust as at that date; and

(c) the aggregate of other fees and charges (such as, printing costs, accounting and professional fees, goods and services tax ("**GST**") and other out-of-pocket expenses) did not amount to or exceed 0.1% of the Value of the Trust as at that date.

Please refer to the Deed for the meaning of the term **Value** and for details on the fees, charges and expenses payable by Holders and out of the Trust (including the method of computation, if applicable).

Authorised distributors may impose and retain the Preliminary Charge and Realisation Charge. They may also waive or reduce these charges.

Some distributors may also charge other fees not listed in this prospectus. You should check with the relevant distributor for details, as such fees may depend on the specific nature of the services provided by them.

The fees of the Sub-Managers will be paid by us and not out of the Trust.

[3] Your financial adviser is required to disclose to you the amount of trailer fee it receives from us.

8.2 The fees and charges payable by the Trust in respect of the underlying funds are as follows:

Fees and charges payable by the Trust in respect of investments in SGB-ETF

Primary Market Transaction Costs[4]	Applicable

All-in Fee comprising of: - Management Company Fee *(or management fee payable to the management company of SGB-ETF)* - Fixed Fee *(payable to the fixed fee agent, which covers the depositary fee, administration agent fee, the registrar, transfer agent and listing agent fee and certain other administrative expenses of SGB-ETF)*	 Up to 0.10% p.a. of the net asset value 0.10% p.a. of the net asset value
Financial Transaction Taxes *(taxes arising from the sale, purchase or transfer of the underlying investments of SGB-ETF)*	SGB-ETF will bear any financial transaction taxes that may be payable by it.
Any other substantial fees or charges (i.e., 0.1% or more of the net asset value of SGB-ETF)	Currently nil

Fees and charges payable by the Trust in respect of investments in MSCI-ETF

All-in-Fee comprising of: - Management Company Fee *(payable to the management company of MSCI-ETF)* - Platform Fee *(payable to the platform fee arranger to finance the payment of the platform costs (i.e. fees and expenses payable to the depositary and the administrator, and other administration expenses of MSCI-ETF))*	 Up to 0.09% p.a. of the net asset value Up to 0.10% p.a. of the net asset value
Primary Market Transaction Costs[5]	Applicable
Transaction Costs[6]	Applicable

[4] Primary Market Transaction Costs means in relation to subscriptions or redemptions on the primary market, costs which may be charged to authorised participants, which may include: part or all of any transaction costs; all stamp and other duties; taxes; governmental charges; brokerage; bank charges; foreign exchange spreads; interest; custodian charges (relating to sales and purchases); transfer fees' registration fees and other duties and charges whether in connection with the original acquisition or increase of the asset of the fund or the creation, issue, sale, conversion or redemption of shares of the fund or the sale or purchase of investments or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable. For the avoidance of doubt, this may include a provision for the difference between the price at which assets are valued for the purpose of calculating the net asset value and the estimated or actual price at which such assets shall be bought as a result of a subscription or sold as a result of a redemption. It shall not include any commission payable to agents on the sales and purchases of shares of the fund or any commission, taxes, charges or costs which may have been taken into account in ascertaining the net asset value of the shares of the fund.

[5] Same meaning as set out in the footnote above.

[6] Transaction Costs means any costs and expenses incurred in respect of (i) the buying and selling of portfolio securities and financial instruments, (ii) the entering into of any financial derivative instruments, (iii) the use of efficient portfolio management techniques, and (iv) the granting of security interests, including but not limited to brokerage fees and commission, interest or taxes payable in respect of the above.

8.3 The investments by the Trust into each of the underlying funds disclosed in the tables at paragraph 8.2 above are expected to take place through the secondary market. Thus, it is expected that there will be no Primary Market Transaction Costs payable by the Trust. However, there may be transactional charges associated with these investments made through the secondary market.

8.4 Please note that the Trust may also invest into other collective investment schemes (each of which the Trust currently does not intend to exceed 10% of its Value) where fees and charges may be imposed by such schemes.

9. Risks

9.1 General risks

An investment in a collective investment scheme is intended to produce returns over the medium to long term. You should not expect to obtain short-term gains. The price and value of the Units, and the income deriving or accruing from them, may fall or rise. You may lose your original investment and there is no assurance that the investment objectives of the Trust or the underlying funds will be met.

Before investing, you should consider the risks of investing in the Trust and decide if the investment is suitable for you. Please note that the risks described below are not exhaustive. The Trust may be exposed to other risks of an exceptional nature from time to time.

9.2 Specific risks

9.2.1 **Risks of investing in the Trust**

Risks of investing in the Trust include economic, interest rate, political, liquidity, default, foreign exchange, regulatory and repatriation risks, and in particular, the following:

(a) The Trust invests in both equity and fixed income securities. Historically, equities have greater volatility than fixed income securities. The Trust's valuation and the price of Units may correspondingly fluctuate more strongly on a day-to-day basis compared to funds investing only in fixed income securities. The value of equity securities may be affected by general economic and market conditions, interest rates, political and regulatory developments that affect the issuing company and changes within the companies that issue the securities.

(b) The assets and income of the Trust will be denominated in a number of different currencies other than the Singapore dollar and will thus be subject to fluctuation in currency exchange rates and in certain cases, exchange control regulations. We and the Sub-Managers do not intend to hedge the foreign currency exposure of the Trust.

(c) Some of the Trust's investments will be made in the Asian markets and are therefore less liquid in comparison to investments in the more developed Organisation for Economic Cooperation and Development markets.

(d) Many Asian securities markets are emerging markets where there are low levels of regulatory enforcement activities. The auditing and financial reporting methods used in such markets may differ from internationally recognised standards and as a result, information on a listed company's accounts in such markets may not be an accurate reflection of its financial strength. There may also be changes of government policies in such emerging markets which may affect the Trust's ability to repatriate capital, income and proceeds.

(e) Investments in fixed income securities are subject to interest rate fluctuations and default risks. The prices of fixed income securities are subject to interest rate fluctuations. When interest rates rise, the price of fixed income securities tends to fall and vice versa. Longer term bonds are typically more sensitive to changes in interest rates than other types of securities. The risk of issuer default cannot be eliminated and may arise at any time independent of market activity.

(f) The Trust's investments may be affected by political and economic developments, exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities.

(g) Institutional investors may have substantial holdings in the Trust. Although they will not have control over our and the Sub-Managers' investment decisions, their actions may have a material effect on the Trust. For example, the Trust may have to liquidate assets at a time and in a way that is not the most economically advantageous in order to meet substantial realisations of Units by an institutional investor over a short time. This could adversely affect the value of the Trust's assets.

(h) The Trust may engage the services of brokers to acquire or dispose its investments and to clear and settle its exchange traded securities trades. It is possible that such brokers may encounter financial difficulties that could impair the operational capabilities of the Trust. If a broker was to fail or become insolvent, there is a risk that the Trust's orders may not be transmitted or executed and the outstanding trades made through the broker may not settle. Please refer to the description on the risk management in relation to the use of brokers and counterparties for the Trust at paragraph 9.5 of this prospectus.

(i) Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions. For example, this may occur during sudden interest rate changes or during volatile markets or crisis situations or where trading under the rules of the relevant stock exchange is suspended, restricted or otherwise impaired. During such times, the Trust may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. Placing a stop-loss order may not necessarily limit the Trust's losses to the amounts intended as market conditions may make it impossible to execute such an order at the ideal price. Such circumstances may force the disposal of the Trust's assets at reduced prices and the dumping of securities in the market could further deflate prices. Such assets may also be difficult to value with any degree of accuracy or certainty. If the Trust incurs substantial trading losses, the need for liquidity could rise sharply at the same time that access to liquidity is impaired. In a market downturn, the Trust's counterparties' financial conditions could be weakened, which increases the Trust's exposure to credit risk.

(j) We may rely on ratings issued by credit rating agencies but do not do so solely or mechanically. We and the Sub-Managers have established a set of internal credit assessment standards and have put in place a credit assessment process to ensure that the Trust's investments are in line with these standards. Information on our and the Sub-Managers’ credit assessment process is available upon request. Please note that credit ratings represent the rating agencies', our and/or the Sub-Managers’ opinions regarding the credit quality of the instrument or the institution invested into by the Trust. They are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not predict future trends. It may take time for credit ratings to be adjusted in response to a change of circumstances.

(k) We are entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services and independent brokers/dealers. The accuracy of such information and valuation depends on these parties' methodology, due diligence and timely response to changing conditions. We cannot be held responsible for any failures by such parties in their valuations.

(l) The Trust may be subject to tax exposure on its underlying investments, whether in Singapore or elsewhere. This includes all present and future taxes, levies, imposts, duties, charges, assessments, fees of any nature, withholdings or liabilities wherever chargeable, stamp, registration, documentation or similar tax and any related surcharge, interest, charges or costs, including any tax on net income or net wealth imposed by any government or other taxing authority. Such tax exposure will be borne by the Trust and may impact the value of the Trust.

(m) The Trust's investments will be made directly or through investments in other collective investment schemes.

The risks arising from the Trust's investments in its underlying funds are closely linked to the risks inherent in the underlying funds' assets and investment strategies. Such risks may be reduced by the diversification of the Trust's investments among different underlying funds, and by the diversification of each underlying fund's investments.

However, since the managers of the individual underlying funds operate independently of one another, it is also possible that several underlying funds will be engaged in similar or mutually opposing investment strategies. This can have a cumulative effect on the risks to the Trust and may offset any opportunities arising from investing in different underlying funds.

It is generally not possible for us to control the management of the underlying funds unless they are managed by us. The investment decisions made at the underlying fund level may not concur with our assumptions or expectations. We may not have timely knowledge of the current composition of the underlying funds. If the composition does not match our assumptions or expectations, we may not be able to redeem the Trust's holdings in the underlying funds in a timely manner. For underlying funds managed by us, we act in the best interest of each fund and not necessarily in the particular interest of the Trust.

The risk of the Trust as an investor in an underlying fund is limited to the sum invested. There is no obligation to make subsequent payments in addition to the money invested.

Each of the underlying funds may temporarily suspend redemption rights which will prevent us from redeeming the Trust's holdings in such underlying fund and/or receiving payment of the redemption proceeds.

(n) The Trust and its investments may be adversely affected by events outside of the Managers' control or expectation. Examples include war, acts of terrorism, civil disorder or unrest, subversive activities or sabotage, catastrophes, epidemics (like the Coronavirus outbreak), quarantine or travel restrictions, closing of international borders, recessions and other acts of God. Such events can occur at any time and their impact is highly unpredictable. Their effects can spread globally and can last for a significant period of time. They could lead to disruption or closure of markets, suspension of trading, increased illiquidity and market volatility, difficulties in conducting fair valuation of assets, impairment of any hedging activities, default of counterparties, or operational inefficiencies of service providers. They can have significant economic and labour impact, can lead to changes in fiscal, monetary or exchange control policies, and can exacerbate other pre-existing political, social and economic risks.

(o) The Trust may be exposed to physical and transition environmental risks. Physical risk may arise from the impact of weather events and long-term or widespread environmental changes, whereas transition risk may arise from the process of adjustment to an environmentally sustainable economy, including changes in public policies, disruptive technological developments, and shifts in consumer and investor preference. The impact of environmental events and conditions may vary depending on the type, extent and time horizon of the events, prevailing market conditions and other factors.

9.2.2 **Risks which apply in relation to the Trust's investments in SGB-ETF**

The following definitions apply for the purposes of this paragraph 9.2.2:

Board of Directors	The board of directors of the Company.
Company	Xtrackers II.
DB Affiliates	Means entities within, and/or employees, agents, affiliates or subsidiaries of members of, the Deutsche Bank AG group.
Depositary	The depositary of the Company.
Directors	The directors of the Company.
ESMA	Means the European Securities and Markets Authority.
Investment Restrictions	The investment restrictions applicable to the Company and SGB-ETF.
Management Company	The management company of SGB-ETF as stated in paragraph 6.2(c).
OECD	The Organisation for Economic Cooperation and Development.
OECD Member State	Means any of the member states of the OECD.
Reference Index	The reference index of SGB-ETF as stated in paragraph 6.2(c).
Regulations	Means (i) Part 1 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended, (ii) the UCITS Directive, (iii) any amendment or replacement legislation thereto for the time being in force, (iv) any regulation of any type taken in pursuant of (i), (ii) or (iii), as well as (v) any rule, binding guideline and general or specific position from time to time adopted by the CSSF or ESMA pursuant thereto.
Shares	Shares of SGB-ETF.
Shareholders	Shareholders of SGB-ETF.

The following specific risks apply in relation to the Trust's investments in SGB-ETF which aims to replicate the performance of the Reference Index:

(a) Extreme market movements

In the event of large index movements, including large intra-day movements, SGB-ETF's performance may be inconsistent with its stated investment objective.

(b) Valuation of the Shares

The value of a Share will fluctuate as a result of, amongst other things, changes in the value of SGB-ETF's assets, the Reference Index and, where applicable, the derivative techniques used to link the two.

(c) Lack of discretion of the Management Company to adapt to market changes

SGB-ETF follows a passive investment strategy and hence is not "actively managed". Accordingly, the Management Company will not adjust the composition of SGB-ETF's portfolio except (where relevant) in order to seek to closely correspond to the duration and total return of the Reference Index. SGB-ETF does not try to "beat" the market it reflects and does not seek temporary defensive positions when markets decline or are judged to be overvalued. Accordingly, a fall in the Reference Index may result in a corresponding fall in the value of the Shares of SGB-ETF.

(d) Valuation of the Reference Index and SGB-ETF's assets

SGB-ETF's assets, the Reference Index or the derivative techniques used to link the two may be complex and specialist in nature. Valuations for such assets or derivative techniques will only usually be available from a limited number of market professionals which frequently act as counterparties to the transactions to be valued. Such valuations are often subjective and there may be substantial differences between any available valuations.

(e) Exchange rates

An investment in the Shares may directly or indirectly involve exchange rate risk. Because the net asset value of SGB-ETF will be calculated in its reference currency, the performance of the Reference Index or of its constituents denominated in another currency than the reference currency of SGB-ETF will also depend on the strength of such currency against the reference currency of SGB-ETF and the interest rate of the country issuing this currency. Equally, the currency denomination of any SGB-ETF asset in another currency than the reference currency will involve exchange rate risk for SGB-ETF. It should be noted that the Shares may be denominated in a currency other than (i) the currency of the Trust and/or (ii) the currency in which Trust wishes to receive monies.

(f) Currency hedging risk

SGB-ETF may enter into foreign exchange hedging transactions, the aim of which is to protect against adverse currency fluctuations. Such hedging transactions may consist of foreign exchange forward contracts or other types of derivative contracts which reflect a foreign exchange hedging exposure that is regularly adjusted in line with the Regulations. You should note that there may be costs associated with the use of foreign exchange hedging transactions which may be borne by SGB-ETF.

(g) Interest rates

Fluctuations in interest rates of the currency or currencies in which the Shares, SGB-ETF's assets and/or the Reference Index are denominated may affect financing costs and the real value of the Shares.

(h) Inflation

The rate of inflation will affect the actual rate of return on the Shares. The Reference Index may reference the rate of inflation.

(i) Yield

Returns on Shares may not be directly comparable to the yields which could be earned if any investment were instead made in SGB-ETF's assets or the Reference Index.

(j) Correlation

The Shares may not correlate either perfectly or highly with movements in the value of SGB-ETF's assets and/or the Reference Index.

(k) Volatility

The value of the Shares may be affected by market volatility and/or the volatility of SGB-ETF's assets and/or the Reference Index.

(l) Credit risk

The ability of the Company to make payments to Shareholders in respect of the Shares will be diminished to the extent of any other liabilities undertaken by, or imposed on, the Company. Any SGB-ETF's assets, the Reference Index or derivative technique used to link the two may involve the risk that the counterparty to such arrangements may default on any obligations to perform thereunder.

(m) Liquidity risk

Certain types of securities invested in by SGB-ETF or provided as collateral to SGB-ETF may be difficult to buy or sell, particularly during adverse market conditions. As a result, the net asset value per Share of SGB-ETF may be affected. The fact that the Shares may be listed on a stock exchange is not an assurance of liquidity in the Shares.

(n) Leverage risk

SGB-ETF's assets, the Reference Index and the derivative techniques used to link the two may comprise elements of leverage (or borrowings) which may potentially magnify losses and may result in losses greater than the amount borrowed or invested.

(o) Shortfall risk

Shortfall risk of a portfolio refers to the risk that a portfolio's net assets may suffer from an accelerated decrease in value due to the income on investments made with borrowed funds being lower than the cost of the borrowed capital and the value of such investments decreasing and becoming less than the value of the borrowed capital, and which may in extreme circumstances result in such a portfolio incurring losses greater than the value of its assets, which would result in investors in such a portfolio losing more than the total capital invested.

(p) Political factors, emerging market and Non-OECD Member State assets

The performance of the Shares and/or the possibility to purchase, sell, or repurchase the Shares may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements. Such risks can be heightened in investments in, or relating to, emerging markets or non-OECD Member States. In addition, local custody services remain underdeveloped in many non-OECD and emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances, SGB-ETF may not be able to recover or may encounter delays in the recovery of some of its assets. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets or non-OECD Member States, may not provide the same degree of investor information or protection as would generally apply to major markets.

(q) Emerging markets

Investments in emerging markets may be subject to greater risks than investments in well developed markets, as a result of a number of considerations, including potentially significant legal and political risks. Such considerations may include greater risk of market shutdown, greater governmental involvement in the economy, less complete and reliable official data and, in some cases, greater volatility, greater liquidity risks, greater unpredictability and higher risk of civil or international conflict. Emerging markets may also be exposed to greater political and economic risks, such as the possibility of nationalisation, expropriation, political changes, social instability or other developments which could adversely affect the economies of such nations or the foreign exchange rates.

(r) Path dependency

Shares may be linked to products which are path dependent. This means that any decision or determination made (whether pursuant to the exercise of a discretion in consequence of an error or otherwise) can have a cumulative effect and may result in the value of such product over time being significantly different from the value it would have been if there had been no such cumulative effect.

(s) Share subscriptions and redemptions

Provisions relating to the subscription and redemption of Shares grant the Company discretion to limit the amount of Shares available for subscription or redemption on any transaction day and, in conjunction with such limitations, to defer or pro rata such subscription or redemption. In addition, where requests for subscription or redemption are received late, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

(t) Authorised participant concentration risk

Only an authorised participant may subscribe or redeem Shares directly with the Company. The Company has a limited number of institutions that may act as authorised participants. To the extent that authorised participant(s) are unable or do not desire to proceed with subscription or redemption orders with respect to the Company and no other authorised participant(s) are able or willing to do so, Shares may trade at a premium or discount to net asset value and this may lead to liquidity issues or delisting.

(u) Large shareholder risk

Certain account holders may from time to time own or control a significant percentage of SGB-ETF's Shares. SGB-ETF is subject to the risk that a redemption by large Shareholders of all or a portion of its Shares or a purchase of Shares in large amounts and/or on a frequent basis will adversely affect SGB-ETF's performance if it is forced to sell portfolio securities or invest cash when the investment manager would not otherwise choose to do so. This risk will be particularly pronounced if one Shareholder owns a substantial portion of SGB-ETF. Redemptions of a large number of Shares may affect the liquidity of SGB-ETF's portfolio, increase SGB-ETF's transaction costs and/or lead to the liquidation of SGB-ETF.

(v) Listing

There can be no certainty that a listing on any stock exchange applied for by the Company will be achieved and/or maintained or that the conditions of listing will not change. Further, trading in Shares on a stock exchange may be halted pursuant to that stock exchange's rules due to market conditions and the Trust may not be able to sell its Shares until trading resumes.

(w) Regulatory reforms

It cannot be excluded that the Company and/or SGB-ETF and its investment objective and policy may be affected by any future changes in the legal and regulatory environment. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of, SGB-ETF to invest in certain instruments or to engage in certain transactions. They may also prevent SGB-ETF from entering into transactions or service contracts with certain entities. This may impair the ability of SGB-ETF to carry out its investment objective and policy. Compliance with such new or modified laws, rules and regulations may also increase SGB-ETF's expenses and may require the restructuring of all or some of SGB-ETF with a view to complying with the new rules. Such restructuring (if possible) may entail restructuring costs. When a restructuring is not feasible, a termination of SGB-ETF may be required. A non-exhaustive list of potential regulatory changes in the European Union and the United States of America are listed below.

- European Union

  Europe is currently dealing with numerous regulatory reforms that may have an impact on the Company and SGB-ETF. Policy makers have reached agreement or tabled proposals or initiated consultations on a number of important topics, such as (list not exhaustive): the consultation initiated by the EU Commission on product rules, liquidity management, depositary, money market funds, long-term investments in view of a further revision of the UCITS Directive (i.e., the so called "**UCITS VI Directive**") along with the guidelines adopted by the ESMA in July 2012 concerning exchange traded funds and other Undertaking for Collective Investment in Transferable Securities, the update of the existing regulatory framework in the Markets in Financial Instruments Directive more commonly referred to as "MIFID" and to set up directly applicable requirements to be contained in the new regulation known as the Markets in Financial Instruments Regulation more commonly referred to as "MIFIR", the adoption by the European Parliament of the Regulation on Over-the-Counter Derivatives and Market Infrastructures more commonly referred to as "EMIR" and the proposal for a Financial Transaction Tax ("**FTT**").

- Brexit

  Since January 2020, the United Kingdom is no longer a member state of the European Union. Depending on the outcome of the EU's negotiations with the United Kingdom, there may be a need to amend the structure of the Company or SGB-ETF or replace certain service providers.

- United States of America

  The U.S. Congress, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission ("**CFTC**") and other regulators have also taken or represented that they may take action to increase or otherwise modify the laws, rules and regulations applicable to short sales, derivatives and other techniques and instruments in which the Company may invest. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") imposed the so-called "Volcker Rule" which restricts, "banking entities" and "non-bank financial companies" from engaging in certain activities, such as proprietary trading and investing in, sponsoring, or holding interests in investment funds.

(x) Legal and regulatory

The Company must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the Investment Restrictions, and such compliance might require a change in the investment policy and objectives followed by SGB-ETF, and/or the restructuring or termination of such policy and objective. SGB-ETF's assets, the Reference Index and any other derivative transaction or securities financing transaction SGB-ETF enters into may also be subject to change in laws or regulations and/or regulatory action which may affect their value and/or liquidity or may require some form of restructuring or termination.

(y) Nominee arrangements

Where the Trust invests in Shares via a distributor and/or a nominee or holds interests in Shares through a clearing agent, the Trust will typically not appear on the register of the Company and may not therefore be able to exercise voting or other rights available to the Trust.

(z) Bans on short selling

In light of the credit crunch and the financial turmoil which started in late 2007 and aggravated in September 2008, many markets around the world have made significant changes to rules regarding short selling. In particular, many regulators (including those in the United States and the United Kingdom) have moved to ban "naked" short selling or to completely suspend short selling for certain stocks. The operation and market making activities in respect of SGB-ETF may be affected by regulatory changes to the current scope of such bans. Furthermore, such bans may have an impact on the market sentiment which may in turn affect the performance of the Reference Index and as a result the performance of SGB-ETF. It is impossible to predict whether such an impact caused by the ban on short selling will be positive or negative for SGB-ETF. In the worst case scenario, a Shareholder may lose all his investments in SGB-ETF.

(aa) Past and future performance

The performance of SGB-ETF is dependent upon several factors including, but not limited to, the Reference Index's performance, as well as fees and expenses, tax and administration duties, certain amounts, etc. which will or may have actually been charged, applied and/or discounted. These elements generally vary during any performance period, and it should therefore be noted that when comparing performance periods, some may appear to have enhanced or reduced performance when compared to similar performance periods, due to the application (or reduction) of some or all of the factors set out above. Past performance, as published in the key investor information document or in any marketing documentation, is not a guarantee of, and should not be used as a guide to, future returns.

(bb) Reference Index calculation and substitution

In certain circumstances, the Reference Index may cease to be calculated or published on the basis described, or such basis may be altered, or the Reference Index may be substituted. In certain circumstances such as the discontinuance in the calculation or publication of the Reference Index or suspension in the trading of any constituents of the Reference Index, it could result in the suspension of trading of the Shares or the requirement for market makers to provide two way prices on the relevant stock exchanges.

(cc) Corporate actions

Securities comprising the Reference Index may be subject to change in the event of corporate actions in respect of those securities.

(dd) Risks in relation to the tracking of indices

You should be aware and understand SGB-ETF is subject to risks which may result in the value and performance of SGB-ETF varying from those of the Reference Index. Reference indices such as financial indices may be theoretical constructions which are based on certain assumptions and SGB-ETF in aiming to reflect such financial indices may be subject to constraints and circumstances which may differ from the assumptions in the Reference Index. Factors that are likely to affect the ability of SGB-ETF to track the performance of the Reference Index include:

- the composition of SGB-ETF's portfolio deviating from time to time from the composition of the Reference Index, especially in case not all components of the Reference Index can be held and/or traded by SGB-ETF;
- investment, regulatory and/or tax constraints (including Investment Restrictions) affecting the Company but not the Reference Index;
- investments in assets other than the Reference Index giving rise to delays or additional costs/taxes compared to an investment in the Reference Index;
- constraints linked to income reinvestment;
- constraints linked to the timing of rebalancing of SGB-ETF's portfolio;
- transaction costs and other fees and expenses to be borne by SGB-ETF (including costs, fees and expenses to be borne in relation to the use of financial techniques and instruments);
- adjustments to OTC swap transactions to reflect index replication costs; and/or
- the possible existence of idle (non invested) cash or cash assimilated positions held by SGB-ETF and, as the case may be, cash or cash assimilated positions beyond what it requires to reflect the Reference Index (also known as "cash drag").

(ee) No investigation or review of the Reference Index

None of the Company, the investment manager of SGB-ETF or the sub-portfolio manager of SGB-ETF or each of their affiliates has performed or will perform any investigation or review of the Reference Index on behalf of any prospective investor in the Shares. Any investigation or review made by or on behalf of the Company, the investment manager, sub-portfolio manager or any of their affiliates is or shall be for their own proprietary investment purposes only.

(ff) Licence to use the Reference Index may be terminated

SGB-ETF has been granted a licence by an index administrator to use the Reference Index in order to create SGB-ETF based on the Reference Index and to use certain trademarks and any copyright in the Reference Index. SGB-ETF may not be able to fulfil its objective and may be terminated if the licence agreement between SGB-ETF and the index administrator is terminated. SGB-ETF may also be terminated if the Reference Index ceases to be compiled or published and there is no replacement index using the same or substantially similar formula for the method of calculation as used in calculating the Reference Index.

(gg) Changes made to the Reference Index by the index administrator

The attention of Shareholders is hereby drawn to the complete discretion of the index administrator to decide upon and so amend the features of the Reference Index. Depending on the terms of the licence agreement, the index administrator may have no obligation to provide the licence holders who use the Reference Index (including the Company) with adequate prior notice of any changes which are made to the Reference Index. As a consequence, the Company shall not necessarily be able to inform the Shareholders of SGB-ETF in advance of any such changes made by the index administrator to the features of the Reference Index. Once becoming aware of such changes, the Company shall inform those Shareholders affected by any such changes as soon as practically possible, through a notice on the website www.Xtrackers.com or any successors thereto. For those changes made to the Reference Index which require a prior notice and the right for Shareholders to redeem their shares free of charge, the Company will accord such rights to the Shareholders as soon as possible; however, this will not necessarily take place prior to the effective date of those changes made to the features of the Reference Index.

(hh) Benchmarks

Allegations of manipulation of interest rate benchmarks such as the London interbank offered rate ("**LIBOR**") and the Euro interbank offered rate ("**EURIBOR**") have led to increased scrutiny of such benchmarks, and the use by market participants of benchmarks more generally, culminating in the introduction of the Regulation (EU) 2016/1011. In addition, doubts surrounding the continued viability of certain benchmarks has already led to an increased shift by market participants, supported by regulators, towards alternative risk free rates (the "**RFRs**").

For example, the UK Financial Conduct Authority has made clear publicly that market participants should prepare for the discontinuation of LIBOR and transition to alternative RFRs ahead of the end of 2021. As a result of such regulatory and market developments, existing benchmarks may be gradually phased out or need to be terminated or restructured. Where such benchmarks (including reference indices) are referenced or used by SGB-ETF, or investments to which SGB-ETF is exposed (directly or indirectly), there may be a need to replace such benchmarks with alternatives and terminate or restructure SGB-ETF or relevant investment.

(ii) Allocation of shortfalls among classes

The right of holders of any class of Shares to participate in the assets of the Company is limited to the assets (if any) of SGB-ETF and all the assets comprising SGB-ETF will be available to meet all of the liabilities of SGB-ETF, regardless of the different amounts stated to be payable on the separate classes. For example, if on a winding-up of the Company, the amounts received by the Company under SGB-ETF's assets (after payment of all fees, expenses and other liabilities which are to be borne by SGB-ETF) are insufficient to pay the full redemption amount payable in respect of all classes of Shares of SGB-ETF, each class of Shares of SGB-ETF will rank pari passu with each other class of shares of SGB-ETF, and the proceeds of SGB-ETF will be distributed equally amongst each Shareholder pro rata to the amount paid up on the Shares held by each Shareholder. The Shareholders will have no further right of payment in respect of their Shares or any claim against any other sub-fund or any other assets of the Company. This may mean that the overall return (taking account of any dividends already paid) to Shareholders who hold Shares paying dividends quarterly or more frequently may be higher than the overall return to Shareholders who hold Shares paying dividends annually and that the overall return to Shareholders who hold Shares paying dividends may be higher than the overall return to Shareholders who hold Shares paying no dividends. In practice, cross liability between classes is only likely to arise where the aggregate amounts payable in respect of any class exceed the assets of SGB-ETF notionally allocated to that class, that is, those amounts (if any) received by the Company under SGB-ETF's assets (after payment of all fees, expenses and other liabilities which are to be borne by SGB-ETF) that are intended to fund payments in respect of such class or are otherwise attributable to that class. Such a situation could arise if, for example, there is a default by a counterparty in respect of SGB-ETF's assets. In these circumstances, the remaining assets of SGB-ETF notionally allocated to any other class of

SGB-ETF may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable on such other class.

(jj) Segregated liability between sub-funds

While the provisions of the applicable Luxembourg law provide for segregated liability between sub-funds of the Company, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of SGB-ETF may be exposed to the liabilities of other sub-funds of the Company. As at 29 July 2022, the Directors are not aware of any existing or contingent liability of any sub-fund of the Company.

(kk) Contagion risk between Share classes

There is no legal segregation of liability between Share classes in SGB-ETF. Where SGB-ETF is comprised of multiple currency hedged Share classes, there is a risk that under certain circumstances, other Share class holders of SGB-ETF will be exposed to liabilities arising from currency exposure hedging transactions for a currency hedged Share class which negatively impacts the net asset value of the other Share classes.

(ll) Consequences of winding-up proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including counterparties) to terminate contracts with the Company (including SGB-ETF's assets) and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved and its assets (including the assets of SGB-ETF) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the Shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay the full amounts anticipated in respect of SGB-ETF.

(mm) Potential conflicts of interest

The following discussion enumerates certain potential divergences and conflicts of interest that may exist or arise in relation to the Directors, Shareholders, Management Company, and any other service provider (including their affiliates and respective potential investors, partners, members, directors, officers, employees, consultants, agents and representatives) (each a "**Service Provider**"), with respect to SGB-ETF (collectively the "**Connected Persons**" and each a "**Connected Person**").

This section does not purport to be an exhaustive list or a complete explanation of all the potential divergences and conflicts of interest.

Each Connected Person may be deemed to have a fiduciary relationship with SGB-ETF in certain circumstances and consequently the responsibility for dealing fairly with the Company and SGB-ETF. However, the Connected Persons may engage in activities that may diverge from or conflict with the interests of the Company, SGB-ETF or potential investors. They may for instance:

- contract or enter into any financial, banking or other transactions or arrangements with one another or with the Company including, without limitation, investment by the Company in securities or investment by any Connected Persons in any company or body any of whose investments form part of the assets of the Company or be interested in any such contracts or transactions;

- invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and

- deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with any investment manager, sub-portfolio manager or investment adviser of SGB-ETF or the Depositary or any subsidiary, affiliate, associate, agent or delegate thereof.

Any assets of the Company in the form of cash or securities may be deposited with any Connected Person. Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

- DB Affiliates may act as Service Providers. DB Affiliates may for instance act as counterparties to the derivatives transactions or contracts entered into by the Company (for the purposes of this sub-paragraph, the "**Counterparty**" or "**Counterparties**"), Director, distributor, index administrator, index constituent agent, market maker, management company, investment manager, sub-portfolio manager, investment adviser and provide sub-custodian services to the Company, all in accordance with the relevant agreements which are in place. In addition, in many cases the Counterparty may be required to provide valuations of such derivative transactions or contracts. These valuations may form the basis upon which the value of certain assets of the Company is calculated.

The Board of Directors acknowledges that, by virtue of the functions which DB Affiliates will perform in connection with the Company, potential conflicts of interest are likely to arise. In such circumstances, each DB Affiliate has undertaken to use its or his reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its or his respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced.

You should note that, subject always to their legal and regulatory obligations in performing each or any of the above roles:

- DB Affiliates will pursue actions and take steps that it deems appropriate to protect their interests;

- DB Affiliates may act in their own interests in such capacities and need not have regard to the interests of any Shareholder;

- DB Affiliates may have economic interests adverse to those of the Shareholders. DB Affiliates shall not be required to disclose any such interests to any Shareholder or to account for or disclose any profit, charge, commission or other remuneration arising in respect of such interests and may continue to pursue its business interests and activities without specific prior disclosure to any Shareholder;

- DB Affiliates do not act on behalf of, or accept any duty of care or any fiduciary duty to any investors or any other person;

- DB Affiliates shall be entitled to receive fees or other payments and to exercise all rights, including rights of termination or resignation, which they may have, even though so doing may have a detrimental effect on investors; and

- DB Affiliates may be in possession of information which may not be available to investors. There is no obligation on any DB Affiliate to disclose to any investor any such information.

Notwithstanding the above, the Board of Directors believes that these divergences or conflicts can be adequately managed, and expect that the Counterparty will be suitable and competent to provide such services and will do so at no further cost to the Company which would be the case if the services of a third party were engaged to provide such services.

(nn) Operations

The Company's operations (including investment management, distribution and collateral management) are carried out by several service providers. The Company follows a rigorous due diligence process in selecting service providers; nevertheless operational risk can occur and have a negative effect on the Company's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts.

In the event of a bankruptcy or insolvency of a service provider, the Trust could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

(oo) Depositary

The Company's assets, as well as the assets provided to the Company as collateral, are held in custody by the Depositary or, as the case may be, third party custodians and sub-custodians. This exposes the Company to custody risk. Under Luxembourg law, assets held in custody (excluding cash) by the Depositary or, as the case may be, third party custodians and sub-custodians located within the EU are unavailable for distribution among, or realisation for the benefit of, creditors of the Depositary, third party custodians or sub-custodians and, subject to certain exceptions, the Depositary is required to return to the Company assets of identical type or the corresponding amount where assets held in its custody are lost by the Depositary or its sub-custodians. The Company however remains exposed to the risk of loss of assets as a result of negligence or fraudulent trading by the Depositary, its sub-custodians and third parties, and particularly in respect of cash, as well as the insolvency of third party custodians located in non-EU jurisdictions.

Where Company's assets as well as the assets provided to the Company as collateral are held by custodians or third party custodians and sub-custodians in emerging market jurisdictions, the Company is exposed to greater custody risk due to the fact that emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may adversely affect the safe custody of the Company's assets.

(pp) DB Affiliates significant holdings

You should be aware that DB Affiliates may from time to time own interests in SGB-ETF which may represent a significant amount or proportion of the overall investor holdings in SGB-ETF. You should consider what possible impact such holdings by DB Affiliates may have on the Trust. For example, DB Affiliates may like any other Shareholder ask for the redemption of all or part of their Shares of any class of SGB-ETF in accordance with the provisions of the prospectus for SGB-ETF which could result in (a) a reduction in the net asset value of SGB-ETF to below the minimum net asset value which might result in the Board of Directors deciding to close SGB-ETF and compulsorily redeem all the Shares relating to SGB-ETF or (b) an increase in the holding proportion of the other Shareholders in SGB-ETF beyond those allowed by laws or internal guidelines applicable to such Shareholder.

(qq) Shares may trade at prices other than net asset value

The net asset value of SGB-ETF represents the price for subscribing or redeeming of Shares of SGB-ETF. The market price of Shares may sometimes trade above or below this net asset value. There is a risk, therefore, that the Trust may not be able to buy or sell at a price close to this net asset value. The deviation from the net asset value is dependent on a number of factors, but will be accentuated when there is a large imbalance between market supply and demand for underlying securities. The "bid/ask" spread of the Shares (being the difference between the prices being bid by potential purchasers and the prices being asked by potential sellers) is another source of deviation from the net asset value. The bid/ask spread can widen during periods of market volatility or market uncertainty, thereby increasing the deviation from the net asset value.

(rr) Taxes on transactions (Financial transaction tax)

A number of jurisdictions have implemented, or are considering implementing, certain taxes on the sale, purchase or transfer of financial instruments (including derivatives), such tax commonly known as the "Financial Transaction Tax" ("**FTT**"). By way of example, the EU Commission adopted a proposal on 14 February 2013 for a common Financial Transaction Tax which will, subject to certain exemptions, affect: (i) financial transactions to which a financial institution established in any of the participating EU Member States is a party; and (ii) financial transactions in financial instruments issued in a participating EU Member State regardless of where they are traded. It is currently unclear as to when the EU FTT will apply from. In addition, certain countries such as France and Italy have implemented their own financial transaction tax provisions at a domestic level already and others, including both EU and non-EU countries, may do so in the future.

The imposition of any such taxes may impact SGB-ETF in a number of ways. For example:

- where SGB-ETF enters directly into transactions for the sale, purchase or transfer of financial instruments, FTT may be payable by SGB-ETF and the net asset value of SGB-ETF may be adversely impacted; and

- subscriptions, transfers and redemptions of Shares may be affected by FTT.

(ss) Cyber security risk

Failures or breaches of the electronic systems of the Company, its service providers, or the issuers of securities in which SGB-ETF invests have the ability to cause disruptions and negatively impact SGB-ETF's business operations, potentially resulting in financial losses to a SGB-ETF and its Shareholders. While the Management Company has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Management Company cannot control the cyber security plans and systems of the Company's service providers or issuers of securities in which SGB-ETF invests.

(tt) Specific risks in relation to direct replication funds

Securities lending, buy-sell or sell-buy back transactions and repurchase and reverse repurchase agreement transactions: Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

Although the applicable regulations require SGB-ETF when entering into one of the aforementioned transactions to receive sufficient collateral to reduce its counterparty exposure, the regulations do however not require that such counterparty exposure be fully covered by collateral. This leaves room for SGB-ETF to be exposed to a net counterparty risk and you should be aware of the possible resulting loss in case of default or insolvency of the relevant counterparty.

In relation to reverse repurchase transactions and buy-sell or sell-buy back transactions in which SGB-ETF acts as purchaser and in the event of the failure of the counterparty from whom securities have been purchased, you should note that (A) there is the risk that the value of the securities purchased may yield less than the cash originally paid, whether because of inaccurate pricing of such securities, an adverse market value evolution, a deterioration in the credit rating of the issuers of such securities, or the illiquidity of the market in which these are traded; and (B) (i) locking cash in transactions of excessive size or duration, and/or (ii) delays in recovering cash at maturity may restrict the ability of SGB-ETF to meet redemption requests, security purchases or, more generally, reinvestment.

In relation to repurchase transactions and buy-sell or sell-buy back transactions in which SGB-ETF acts as seller and in the event of the failure of the counterparty to which securities have been sold, you should note that (A) there is the risk that the value of the securities sold to the counterparty is higher than the cash originally received, whether because of a market appreciation of the value of such securities or an improvement in the credit rating of their issuer; and (B) (i) locking investment positions in transactions of excessive size or duration, and/or (ii) delays in recovering, at maturity, the securities sold, may restrict the ability of SGB-ETF to meet delivery obligations under security sales or payment obligations arising from redemption requests.

In relation to securities lending transactions, you should note that (A) if the borrower of securities lent by SGB-ETF fails to return these, there is a risk that the collateral received may be realised at a value lower than the value of the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the collateral issuer, or the illiquidity of the market in which the collateral is traded; (B) in case of reinvestment of cash collateral, such reinvestment is subject to all risks associated with a normal investment and may also (i) introduce market exposures inconsistent with the objectives of SGB-ETF, or (ii) yield a sum less than the amount of collateral to be returned; and (C) delays in the return of securities on loans may restrict the ability of SGB-ETF to meet delivery obligations under security sales or payment obligations arising from redemption requests.

In addition, it should be noted that:

- exceptional circumstances, such as, but not limited to, disruptive market conditions or extremely volatile markets, may arise which cause a direct replication fund's tracking accuracy to diverge substantially from the Reference Index;

- due to various factors, including SGB-ETF's fees and expenses involved, the concentration limits described in the Investment Restrictions, other legal or regulatory restrictions, and, in certain instances, certain securities being illiquid, it may not be possible or practicable to purchase all of the constituents in proportion to their weighting in the Reference Index or purchase certain of them at all.

(uu) Specific risk factors in respect of particular assets

Certain risks associated with investment in particular assets (whether or not these are the Reference Index or securities comprised therein) are set out below:

(i) Shares

The value of an investment in shares will depend on a number of factors including, but not limited to, market and economic conditions, sector, geographical region and political events.

(ii) Bonds and other debt securities

Bonds and other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero).

(iii) Pooled investment vehicles

Alternative investment funds, mutual funds and similar investment vehicles operate through the pooling of investors' assets. Investments are then invested either directly into assets or are invested using a variety of hedging strategies and/or mathematical modelling techniques, alone or in combination, any of which may change over time. Such strategies and/or techniques can be speculative, may not be an effective hedge and may involve substantial risk of loss and limit the opportunity for gain. It may be difficult to obtain valuations of products where such strategies and/or techniques are used and the value of such products may depreciate at a greater rate than other investments. Pooled investment vehicles are often unregulated, make available only limited information about their operations, may incur extensive costs, commissions and brokerage charges, involve substantial fees for investors (which may include fees based on unrealised gains), have no minimum credit standards, employ high risk strategies such as short selling and high levels of leverage and may post collateral in unsegregated third party accounts.

(iv) Real estate

The risks associated with a direct or indirect investment in real estate include: the cyclical nature of real estate values, changes in environmental, planning, landlord and tenant, tax or other laws or regulations affecting real property, demographic trends, variations in rental income and increases in interest rates.

(v) Commodities

Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other events.

(vi) Structured finance securities

Structured finance securities include, without limitation, asset-backed securities and credit-linked securities, which may entail a higher liquidity risk than exposure to sovereign or corporate bonds. Certain specified events and/or the performance of assets referenced by such securities, may affect the value of, or amounts paid on, such securities (which may in each case be zero). It is not the Company's current intention to invest in any structured finance securities.

(vii) Sovereign risk

Where the issuer of the underlying fixed income security is a government or other sovereign issuer, there is a risk that such government is unable or unwilling to meet its obligations, therefore exposing SGB-ETF to a loss corresponding to the amount invested in such security.

(viii) Others

The Reference Index may include other assets which involve substantial financial risk such as distressed debt, low quality credit securities, forward contracts and deposits with commodity trading advisors (in connection with their activities).

(vv) Other specific risk factors

(i) No Guarantee

You should note that SGB-ETF is not capital protected or guaranteed and that the capital invested is not protected or guaranteed and investors in SGB-ETF should be prepared and able to sustain losses up to the total capital invested.

(ii) Concentration of the Reference Index

The Reference Index covers sovereign debt issued in developed markets. As a result, the Reference Index may be concentrated in sovereign debt issued or guaranteed by one or more governments. Changes in the financial condition of the relevant governments, changes in specific economic or political conditions that affect the governments, and changes in general economic or political conditions can affect the value of the debt issued by the governments. Such issuer-specific changes may have an adverse impact on the performance of the Reference Index and the portfolio of transferable securities and eligible assets held by SGB-ETF.

9.2.3 **Risks which apply in relation to the Trust's investments in MSCI-ETF**

The following definitions apply for the purposes of this paragraph 9.2.3:

Administrator	The administrator of the Company.
Board of Directors	The board of directors of the Company.
Companies Act	The Irish Companies Act 2014 (as amended, consolidated or supplemented from time to time) including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital.
Company	db x-trackers.
Depositary	The depositary for the assets of the Company and/or MSCI-ETF.
Directors	The directors of the Company.
ESMA	Means the European Securities and Markets Authority.
Fund Assets	The debt securities, derivative contracts, collateral and/or the other financial instruments invested in by a Fund.
Investment Restrictions	The investment restrictions applicable to the Company and/or MSCI-ETF.
Management Company	The management company of MSCI-ETF as stated in paragraph 6.2(d).
Reference Index or Underlying Asset	The reference index of MSCI-ETF as stated in paragraph 6.2(d).
Regulations	Means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (Statutory Instrument No. 352 of 2011) as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2016 (Statutory Instrument No. 143 of 2016), as amended, supplemented, consolidated or otherwise modified from time to time including any condition that may from time to time be imposed thereunder by the Central Bank of Ireland.
Shareholders	Shareholders of MSCI-ETF.
Shares	Shares of MSCI-ETF.
Underlying Securities	The portfolio of equity securities that comprises all or a representation of the securities comprised in the Reference Index held by MSCI-ETF.

The following specific risks apply in relation to the Trust's investments in MSCI-ETF, which aims to replicate the performance of the Reference Index:

(a) Legal and regulatory

MSCI-ETF must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the Investment Restrictions and such compliance may require a change in the investment policy and objectives followed by MSCI-ETF and/or the restructuring or termination of such policy and objective. MSCI-ETF's assets, the Underlying Asset and any other derivative transaction or securities financing transaction MSCI-ETF enters into may also be subject to change in laws or regulations and/or regulatory action which may affect their value and/or liquidity or may require some form of restructuring or termination.

(b) Political and economic factors

The performance of the Shares or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

(c) Regulatory changes

It cannot be excluded that the Company and/or MSCI-ETF and its investment objective and policy may be affected by any future changes in the legal and regulatory environment. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of, MSCI-ETF to invest in certain instruments or to engage in certain transactions. They may also prevent MSCI-ETF from entering into transactions or service contracts with certain entities. This may impair the ability of MSCI-ETF to carry out its investment objective and policy. Compliance with such new or modified laws, rules and regulations may also increase MSCI-ETF's expenses and may require the restructuring of MSCI-ETF with a view to complying with the new rules. Such restructuring (if possible) may entail restructuring costs. When a restructuring is not feasible, a termination of MSCI-ETF may be required. A non-exhaustive list of potential regulatory changes in the European Union and the United States of America is provided below.

- European Union

  Europe is currently dealing with numerous regulatory reforms that may have an impact on the Company and MSCI-ETF. Policy makers have reached agreement or tabled proposals or initiated consultations on a number of important topics, such as (list not exhaustive): (i) the consultation initiated by the EU Commission on product rules, liquidity management, depositary, money market funds, long-term investments in view of a further revision of the UCITS Directive along with the guidelines 2012/832 adopted by the ESMA concerning ETFs and other UCITS issues, (ii) the proposals that aim (a) to update the existing regulatory framework in the Markets in Financial Instruments Directive more commonly referred to as MIFID II and (b) to set up directly applicable requirements to be contained in a new regulation known as the Markets in Financial Instruments Regulation more commonly referred to as MIFIR, (iii) the adoption by the European Parliament of the Regulation on Over-the-Counter Derivatives and Market Infrastructures more commonly referred to as EMIR, and (iv) the proposal for a Financial Transaction Tax.

- Brexit

  Since January 2020, the United Kingdom is no longer a member state of the European Union. Depending on the outcome of the EU's negotiations with the United Kingdom, there may be a need to amend the structure of the Company or SGB-ETF or replace certain service providers.

- Taxes on Transactions (Financial Transaction Taxes)

A number of jurisdictions have implemented, or are considering implementing, certain taxes on the sale, purchase or transfer of financial instruments (including derivatives), such tax commonly known as the "Financial Transaction Tax" ("**FTT**"). By way of example, the EU Commission adopted a proposal on 14 February 2013 for a common Financial Transaction Tax which will, subject to certain exemptions, affect: (i) financial transactions to which a financial institution established in any of the participating EU Member States is a party; and (ii) financial transactions in financial instruments issued in a participating EU Member State regardless of where they are traded. It is currently unclear as to when the EU FTT will apply from. In addition, certain countries such as France and Italy have implemented their own financial transaction tax provisions at a domestic level already and others, including both EU and non-EU countries, may do so in the future. The imposition of any such taxes may impact MSCI-ETF in a number of ways.

For example:

- where MSCI-ETF enters directly into transactions for the sale, purchase or transfer of financial instruments, FTT may be payable by MSCI-ETF and the net asset value of MSCI-ETF may be adversely impacted; and

- similarly, the imposition of FTT on transactions relating to the underlying securities of the Underlying Asset may have an adverse effect on the value of the Underlying Asset and hence the net asset value of MSCI-ETF.

- United States of America

  The U.S. Congress, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission ("**CFTC**") and other regulators have also taken or represented that they may take action to increase or otherwise modify the laws, rules and regulations applicable to short sales, derivatives and other techniques and instruments in which the Company may invest. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") imposed the so-called Volcker Rule which restricts, "banking entities" and "non-bank financial companies" from engaging in certain activities, such as proprietary trading and investing in, sponsoring, or holding interests in investment funds.

(d) General taxation

You should be aware that the Trust may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of MSCI-ETF, capital gains within MSCI-ETF, whether or not realised, income received or accrued or deemed received within MSCI-ETF etc., and this will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Trust.

You should be aware of the fact that the Trust might have to pay taxes on income or deemed income received by or accrued within MSCI-ETF. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in MSCI-ETF in relation to MSCI-ETF's Assets, whereas the performance of MSCI-ETF, and subsequently the return the Trust receives after redemption of the Shares, might partially or fully depend on the performance of the Underlying Asset. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

If you are in any doubt as to the Trust's tax position, you should consult your own independent tax advisers. In addition, you should be aware that tax regulations and their application or interpretation by the relevant taxation authorities' change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

(e) Segregated liability

Each fund of the Company is a segregated portfolio of assets and will accordingly bear its own liabilities, and will be solely liable to third parties for all the liabilities of the relevant fund.

While the provisions of the Companies Act provide for segregated liability between funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditor claims. Accordingly, it is not free from doubt that the assets of any fund of the Company may be exposed to the liabilities of other funds of the Company. As at 29 July 2022, the Directors are not aware of any existing or contingent liability of any fund of the Company.

(f) Umbrella cash subscription and redemption account

Subscription monies received in respect of MSCI-ETF in advance of the issue of Shares will be held in the umbrella cash subscriptions and redemptions account ("**Umbrella Cash Subscriptions and Redemptions Account**") in the name of the Company and will be treated as an asset of MSCI-ETF. The Trust will be an unsecured creditor of MSCI-ETF with respect to the amount subscribed and held by the Company until Shares are issued on the relevant transaction day. As such, the Trust will not benefit from any appreciation in the net asset value of MSCI-ETF or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant transaction day. In the event of an insolvency of MSCI-ETF or the Company, there is no guarantee that MSCI-ETF or Company will have sufficient funds to pay unsecured creditors in full.

Payment of redemption proceeds and dividends in respect of MSCI-ETF is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders (including the Trust) will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of MSCI-ETF, from the relevant transaction day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Subscriptions and Redemptions Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions (including the Trust) will be unsecured creditors of MSCI-ETF, and will not benefit from any appreciation in the net asset value of MSCI-ETF or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Subscriptions and Redemptions Account. In the event of an insolvency of MSCI-ETF or the Company, there is no guarantee that MSCI-ETF or the Company will have sufficient funds to pay unsecured creditors in full.

In the event of the insolvency of another fund of the Company (the Insolvent Fund), recovery of any amounts held in the Umbrella Cash Subscriptions and Redemptions Account to which another fund is entitled (the Entitled Fund), but which may have transferred to the Insolvent Fund as a result of the operation of the Umbrella Cash Subscriptions and Redemptions Account, will be subject to the principles of Irish insolvency law and the terms of the operational procedures for the Umbrella Cash Subscriptions and Redemptions Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Entitled Fund.

(g) Liability for fees and expenses

The fees and expenses relating to a fund (including MSCI-ETF) will be paid by the Company out of the assets of the relevant fund. However, to the extent that: (i) the arrangements for funding the payment by the Company of the fees and expenses do not generate the necessary funds to discharge all of the Company's liabilities in respect of the fund; or (ii) the Company incurs any fees, expenses or other liabilities which are not budgeted for by the Company and accordingly fall outside the scope of the arrangements referred to in (ii) above, the Company will be obliged to pay such fees, expenses or liabilities from its own assets. The Company's liability in respect of such amounts will be borne by the Company as more fully described under "Cross liability between classes" below.

(h) Nominee arrangements

Where a distributor and/or a nominee service provider is used by the Trust to invest in the Shares of any class or the Trust holds interests in Shares of any class through accounts with a clearing system, the Trust will only receive payments in respect of repurchase proceeds and/or any dividends attributable to the Shares on the basis of the arrangements entered into by the Trust with the distributor, nominee service provider or clearing system, as the case may be. Furthermore, the Trust will not appear on the register of Shareholders of the Company, will have no direct right of recourse against the Company and must look exclusively to the distributor, nominee service provider or clearing system for all payments attributable to the relevant Shares. The Company and the Directors will recognise as Shareholders only those persons who are at any time shown on the register for the purposes of: (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Directors, the Management Company, the investment manager, the sub-portfolio manager, the Administrator, the Depositary or any other person will be responsible for the acts or omissions of the distributor, nominee service provider or clearing system, nor make any representation or warranty, express or implied, as to the services provided by the distributor, nominee service provider or clearing system.

(i) Valuation of the Shares

The value of a Share will fluctuate as a result of, amongst other things, changes in the value of the Underlying Asset and, where applicable, the Fund Assets and the techniques used to link the Fund Assets to the Underlying Asset.

(j) Valuation of the Underlying Asset, the Fund Assets and the techniques used to link the Fund Assets to the Underlying Asset

The value of the Underlying Asset and the Fund Assets and the value of the techniques used to link them may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst others, corporate actions, macroeconomic factors and speculation. Where the Underlying Asset is a basket of securities or one or more indices, the changes in the value of any one security or index may be offset or intensified by fluctuations in the value of other securities or indices which comprise such constituents of the Underlying Asset or by changes in the value of the Fund Assets.

You should be aware that such an investment involves assessing the risk of an investment linked to the Underlying Asset and, where applicable, the Fund Assets and the techniques used to link the Fund Assets to the Underlying Asset. The Underlying Asset, the Fund Assets and the techniques used to link the two may be complex and specialist in nature. You should be experienced with respect to transactions involving the purchase of Shares the value of which derives from an Underlying Asset possibly in combination with a Fund Assets. Valuations for such assets or derivative techniques will only usually be available from a limited number of market professionals which frequently act as counterparties to the transactions to be valued. Such valuations are often based on specific methodologies or market assumptions and there may be substantial differences between any available valuations.

(k) Exchange rates

An investment in the Shares may directly or indirectly involve exchange rate risks. For example (i) the Underlying Asset may directly or indirectly provide exposure to a number of different currencies of emerging market or developed countries; (ii) the performance of the Underlying Asset, its Underlying Securities and/or the Fund Assets (if applicable) may be denominated in a currency other than the Base Currency; (iii) the Shares may be denominated in a currency other than the currency of the Trust's home jurisdiction; and/or (iv) the Shares may be denominated in a currency other than the currency in which the Trust wishes to receive its monies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro-economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). MSCI-ETF may enter into foreign exchange hedging transactions, the aim of which is to protect against adverse currency fluctuations. Such hedging transactions may consist of foreign exchange forward contracts or other types of derivatives, which reflect a foreign exchange hedging exposure that is regularly adjusted in line with the Regulations. You should note that there may be costs associated with the use of foreign exchange hedging transactions which may be borne by MSCI-ETF.

(l) Interest rate

An investment in the Shares may involve interest rate risk. Fluctuations in interest rates of the currency or currencies in which the Shares, the Underlying Asset and/or the Fund Assets (if applicable) are denominated may affect financing costs and the value of the Shares.

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements, speculation and central bank and government intervention including the imposition of currency controls and restrictions).

Allegations of manipulation of interest rate benchmarks such as the London interbank offered rate ("**LIBOR**") and the Euro interbank offered rate ("**EURIBOR**") have led to increased scrutiny of such benchmarks, and the use by market participants of benchmarks more generally, culminating in the introduction of Regulation (EU) 2016/1011.

In addition, doubts surrounding the continued viability of certain benchmarks has already led to an increased shift by market participants, supported by regulators, towards alternative risk free rates (the "**RFRs**").

For example, the UK Financial Conduct Authority has made clear publicly that market participants should prepare for the discontinuation of LIBOR and transition to alternative RFRs ahead of the end of 2021. As a result of such regulatory and market developments, existing benchmarks may be gradually phased out or need to be terminated or restructured. Where such benchmarks are referenced or used by MSCI-ETF, or investments to which MSCI-ETF is exposed (directly or indirectly), there may be a need to replace such benchmarks with alternatives and terminate or restructure MSCI-ETF or relevant investment.

(m) Inflation

The rate of inflation will affect the actual rate of return on the Shares. An Underlying Asset may reference the rate of inflation.

(n) Yield

Returns on Shares may not be directly comparable to the yields which could be earned if any investment were instead made in MSCI-ETF's assets or the Underlying Asset.

(o) Market volatility

The value of the Shares may be affected by market volatility and/or the volatility of the Underlying Asset, the Fund Assets and/or the techniques to link the Fund Assets to the Underlying Asset. Volatility reflects the degree of instability and expected instability of the value of the Shares, the Underlying Asset and/or the Fund Assets, and/or the techniques to link the Fund Assets to the Underlying Asset, where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macroeconomic factors and speculation.

(p) Leverage risk

MSCI-ETF's assets, the Reference Index and the derivative techniques used to link the two may comprise elements of leverage (or borrowings) which may potentially magnify losses and may result in losses greater than the amount borrowed or invested.

(q) Path dependency

Shares may be linked to products which are path dependant. This means that any decision or determination made (whether pursuant to the exercise of a discretion, in consequence of an error or otherwise) can have a cumulative effect and may result in the value of such product over time being significantly different from the value it would have been had the decision been made or discretion been exercised in an alternative manner.

(r) Credit risk

The ability of the Company to make payments to Shareholders in respect of the Shares will be diminished to the extent of any other liabilities undertaken by, or imposed on, the Company. The Underlying Asset, the Fund Assets and/or the techniques to link the Fund Assets to the Underlying Asset may involve the risk that an issuer or counterparty may default on any obligations to perform. For example, investments in bonds or other debt securities involve credit risk to the issuer which may be reflected by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the net asset value per Share. The Fund Assets for MSCI-ETF will generally include bonds or other debt instruments that involve credit risk which will be retained by MSCI-ETF.

(s) Liquidity risk

Certain types of assets or securities invested in by MSCI-ETF or provided as collateral to MSCI-ETF may be difficult to buy or sell, particularly during adverse market conditions. This may affect MSCI-ETF's ability to buy or sell such assets or securities or may affect the price at which MSCI-ETF is able to buy or sell such assets or securities. This may also affect the ability to obtain prices for the components of the Underlying Asset, if applicable, and may therefore affect the value of the Underlying Asset. As a result, the net asset value per Share of MSCI-ETF may be affected.

(t) Share subscriptions and redemptions

Provisions relating to the subscription and redemption of Shares grant the Management Company discretion to limit the amount of Shares available for subscription or redemption on any transaction day and, in conjunction with such limitations, to defer or pro rata such subscription or redemption. In addition, where requests for subscription or redemption are received late, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

You should further note that there may be restrictions in connection with the subscription, holding and redemption of and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or redeeming the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum initial investment amount, the minimum additional investment amount and the minimum redemption amount requirements.

(u) Maximum repurchase amount

The Company will have the option to limit the number of Shares of MSCI-ETF repurchased on any transaction day (other than at the final repurchase date, where applicable) to 10% of the total net asset value of MSCI-ETF on that transaction day and, in conjunction with such limitation, to pro rata limit the number of Shares repurchased by any Shareholder on such transaction day so that all Shareholders wishing to have Shares of MSCI-ETF repurchased on that transaction day realise the same proportion of such Shares. In the event the Company elects to limit the number of Shares repurchased on such date to 10% of the net asset value of MSCI-ETF, a Shareholder may not be able to repurchase on such transaction day all the Shares that it desires to repurchase.

(v) Repurchase notice and certifications

If the Shares are subject to provisions concerning delivery of a repurchase notice, and such notice is received by the Administrator after the cut-off time, it will not be deemed to be duly delivered until the next following transaction day. Such delay may increase or decrease the repurchase price from what it would have been but for such late delivery of the repurchase notice. The failure to deliver any repurchase documentation required could result in the loss or inability to receive amounts or deliveries otherwise due under the Shares.

(w) Market disruption events, settlement disruption events and governmental intervention

A determination of a market disruption event or a settlement disruption event in connection with any Fund Assets or Underlying Asset may have an effect on the value of the Shares and, may delay the occurrence of a final repurchase date and/or may delay settlement in respect of the Fund Assets, Underlying Asset and/or the Shares.

(x) Potential conflicts of interest

The following discussion enumerates certain potential divergences and conflicts of interest that may exist or arise in relation to the Directors, Shareholders, and any other service provider (including their affiliates and respective potential investors, partners, members, directors, officers, employees, consultants, agents and representatives) (each a "**Service Provider**"), with respect to MSCI-ETF (collectively the "**Connected Persons**" and each a "**Connected Person**").

This section does not purport to be an exhaustive list or a complete explanation of all the potential divergences and conflicts of interest.

Each Connected Person may be deemed to have a fiduciary relationship with MSCI-ETF in certain circumstances and consequently the responsibility for dealing fairly with the Company and MSCI-ETF. However, the Connected Persons may engage in activities that may diverge from or conflict with the interests of the Company, MSCI-ETF or potential investors. They may for instance:

- contract or enter into any financial, banking or other transactions or arrangements with one another or with the Company including, without limitation, investment by the Company in securities or investment by any Connected Persons in any company or body any of whose investments form part of the assets of the Company or be interested in any such contracts or transactions;

- invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and

- deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with the Management Company and/or its delegates or the Depositary or any subsidiary, affiliate, associate, agent or delegate thereof.

Any assets of the Company in the form of cash or securities may be deposited with any Connected Person. Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

Entities within, and/or employees, agents, affiliates or subsidiaries of members of, the Deutsche Bank AG Group (for the purposes hereof, collectively, "**DB Affiliates**") may act as Service Providers. DB Affiliates may for instance act as counterparties to the derivatives transactions, Securities lending transactions or contracts entered into by the Company (for the purposes hereof, the "**Counterparty**" or "**Counterparties**"). In this respect, DB Affiliates can act as Director, distributor, sub-distributor, index administrator, index constituent agent, market maker and provide sub-custodian services to the Company, all in accordance with the relevant agreements which are in place. In addition, in many cases the Counterparty may be required to provide valuations of such derivative transactions or contracts. These valuations may form the basis upon which the value of certain assets of the Company is calculated.

The Board of Directors acknowledges that, by virtue of the functions which DB Affiliates will perform in connection with the Company, potential conflicts of interest are likely to arise. In such circumstances, each DB Affiliate has undertaken to use its or his reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its or his respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced.

You should note that, subject always to their legal and regulatory obligations in performing each or any of the above roles:

- DB Affiliates will pursue actions and take steps that it deems appropriate to protect their interests;

- DB Affiliates may act in their own interests in such capacities and need not have regard to the interests of any Shareholder;

- DB Affiliates may have economic interests adverse to those of the Shareholders. DB Affiliates shall not be required to disclose any such interests to any Shareholder or to account for or disclose any profit, charge, commission or other remuneration arising in respect of such interests and may continue to pursue its business interests and activities without specific prior disclosure to any Shareholder;

- DB Affiliates do not act on behalf of, or accept any duty of care or any fiduciary duty to any investors or any other person;

- DB Affiliates shall be entitled to receive fees or other payments and to exercise all rights, including rights of termination or resignation, which they may have, even though so doing may have a detrimental effect on investors; and

- DB Affiliates may be in possession of information which may not be available to investors. There is no obligation on any DB Affiliate to disclose to any investor any such information.

Notwithstanding the above, the Board of Directors believes that these divergences or conflicts can be adequately managed, and expect that the Counterparty will be suitable and competent to provide such services and will do so at no further cost to the Company which would be the case if the services of a third party were engaged to provide such services.

You should be aware that affiliates of the distributor of MSCI-ETF ("**Distributor Affiliates**") may from time to time own interests in MSCI-ETF which may represent a significant amount or proportion of the overall investor holdings in MSCI-ETF. You should consider what possible impact such holdings by Distributor Affiliates may have on them. For example, Distributor Affiliates may like any other Shareholder request the redemption of all or part of their Shares of any class of MSCI-ETF in accordance with the provisions of the prospectus for MSCI-ETF which could result in (a) a reduction in the net asset value of MSCI-ETF to below the minimum fund size which might result in the Directors deciding to close MSCI-ETF and compulsory redeem all the Shares relating to MSCI-ETF or (b) an increase in the holding proportion of the other Shareholders in MSCI-ETF beyond those allowed by the law or internal guidelines applicable to such Shareholder.

(y) Operations

The Company's operations (including administration, investment management and distribution) are carried out by several service providers. The Company follows a rigorous due diligence process in selecting service providers; nevertheless operational risk can occur and have a negative effect on the Company's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts.

In the event of a bankruptcy or insolvency of a service provider, the Trust could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

(z) Depositary

A substantial part of the Company's assets as well as the assets provided to the Company as collateral are held in custody by the Depositary or, as the case may be, third party depositaries and sub-custodians. This exposes the Company to custody risk. This means that the Company is exposed to the risk of loss of these assets as a result of insolvency, negligence or fraudulent trading by the Depositary and these third parties. The Company is also exposed to the risk of loss of these assets as a result of fire and other natural disasters.

Where the Company's assets as well as the assets provided to the Company as collateral are held by the Depositary or third party depositaries and sub-custodians in emerging market jurisdictions, the Company is exposed to greater custody risk due to the fact that emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may adversely affect the safe custody of the Company's assets.

(aa) Cyber security

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption, potentially resulting in financial losses to MSCI-ETF and its Shareholders. Cyber attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Company, the investment manager, the distributor, the Administrator or the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and negatively impact business operations, potentially resulting in financial losses to MSCI-ETF and its Shareholders, including by interference with the ability to calculate the net asset value of the Company; impediments to trading for the Company's portfolio; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Company invests, counterparties with which the Company engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks cannot be and/or have not been identified. Furthermore, the Company cannot control the cyber security plans and systems of the Company's service providers or issuers of securities in which MSCI-ETF invests.

(bb) Large shareholder risk

Certain account holders may from time to time own or control a significant percentage of MSCI-ETF's Shares. MSCI-ETF is subject to the risk that a redemption by large Shareholders of all or a portion of their MSCI-ETF Shares or a purchase of MSCI-ETF Shares in large amounts and/or on a frequent basis will adversely affect MSCI-ETF's performance if it is forced to sell portfolio securities or invest cash when the investment manager would not otherwise choose to do so. This risk will be particularly pronounced if one Shareholder owns a substantial portion of MSCI-ETF. Redemptions of a large number of Shares may affect the liquidity of MSCI-ETF's portfolio, increase MSCI-ETF's transaction costs and/or lead to the liquidation of MSCI-ETF.

(cc) Cross liability between classes

(i) Allocation of shortfalls among classes of MSCI-ETF

The right of holders of any class of Shares to participate in the assets of the Company is limited to the assets (if any) of MSCI-ETF and all the assets comprising MSCI-ETF will be available to meet all of the liabilities of MSCI-ETF, regardless of the different amounts stated to be payable on the separate classes.

For example, if on a winding-up of the Company, the amounts received by the Company under the Fund Assets (after payment of all fees, expenses and other liabilities which are to be borne by MSCI-ETF) are insufficient to pay the full repurchase amounts payable in respect of all classes of Shares of MSCI-ETF, each class of Shares of MSCI-ETF will rank pari passu with each other class of Shares of MSCI-ETF, and the proceeds of MSCI-ETF will be distributed equally amongst each Shareholder of MSCI-ETF pro rata to the amount paid up on the Shares held by each Shareholder. The relevant Shareholders will have no further right of payment in respect of their Shares or any claim against any other fund or any other assets of the Company.

This may mean that the overall return (taking account of any dividends already paid) to Shareholders who hold Shares paying dividends quarterly or more frequently may be higher than the overall return to Shareholders who hold Shares paying dividends annually and that the overall return to Shareholders who hold Shares paying dividends may be higher than the overall return to Shareholders who hold Shares paying no dividends.

In practice, cross liability between classes is only likely to arise where the aggregate amounts payable in respect of any class exceed the assets of MSCI-ETF notionally allocated to that class, that is, those amounts (if any) received by the Company under the Fund Assets (after payment of all fees, expenses and other liabilities which are to be borne by MSCI-ETF) that are intended to fund payments in respect of such class or are otherwise attributable to that class. Such a situation could arise if, for example, there is a default by an approved counterparty in respect of the Fund Assets or in the circumstances described under "Liability for Fees and Expenses" above. In these circumstances, the remaining assets of MSCI-ETF notionally allocated to any other class of MSCI-ETF may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable on such other class.

(ii) Allocation of liabilities among all shareholders

The Company expects from time to time to make issues of shares relating to different funds, each comprising one or more classes. Each class and fund will not be a separate legal entity. The Company as a whole is one legal entity and shares of each class and fund are issued by that entity.

(iii) Segregated liability

Each fund of the Company is a segregated portfolio of assets and will accordingly bear its own liabilities, and will be solely liable to third parties for all the liabilities of the relevant fund. While the provisions of the Companies Act provide for segregated liability between funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditor claims. Accordingly, it is not free from doubt that the assets of any fund of the Company may be exposed to the liabilities of other funds of the Company. As at 29 July 2022, the Directors are not aware of any existing or contingent liability of any fund of the Company.

(iv) Allocation of non-fund-specific liabilities

In addition, where the liability is not a fund-specific liability, such liability will be apportioned between all funds (including MSCI-ETF) (to the extent they are not insufficient funds) pro rata to the amount paid up on the Shares of each such funds. In each case the apportionment of such liabilities will reduce the return that would otherwise have been payable on Shares in each fund accordingly. Each class within each such fund will then be charged the proportion of the unsatisfied liability that is charged to that fund pro rata to the amount paid up on the Shares of each class of such relevant fund.

(v) Limited recourse arrangements

The Company will seek to contract with parties on a "limited recourse" basis such that claims against the Company would be restricted to the assets of one or more particular funds of the Company. Each of the contracts contain limited recourse restrictions. Without limitation to the generality of the forgoing, under the terms of the management company agreement, the Management Company has agreed only to arrange the relevant fund assets on behalf of the Company on terms that limit the recourse of the relevant approved counterparty in relation to any claim by it against the Company, to the assets comprised or required to be comprised within the relevant fund. However there is no guarantee that the Company will be able to contract on a limited recourse basis with respect to any other agreements that the Company may enter into from time to time in relation to any particular class or fund.

(vi) Consequences of winding-up proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including approved counterparties) to terminate contracts with the Company (including Fund Assets) and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved at a time and its assets (including the assets of all funds) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay the full amounts anticipated by the relevant supplement in the offering document of the Company in respect of any class or funds.

(dd) Specific risks relating to MSCI-ETF which aims to replicate the performance of the Underlying Asset

(i) Licence to use the Underlying Asset

MSCI-ETF has been granted a licence by the Underlying Asset sponsor to use the Underlying Asset in order to create MSCI-ETF based on the Underlying Asset and to use certain trademarks and any copyright in the Underlying Asset. MSCI-ETF may not be able to fulfil its investment objective and may be terminated if the licence agreement between MSCI-ETF and the Underlying Asset sponsor is terminated.

(ii) No investigation or review of the Underlying Asset

None of the Company, the Management Company and/or any of their affiliates or any of their delegates has performed or will perform any investigation or review of the Underlying Asset on behalf of any prospective investor in the Shares, except to the extent required by any applicable law or regulation. Any further investigation or review made by or on behalf of the Company, the Management Company, any of their affiliates or any of their delegates shall be for their own purposes only.

(iii) Lack of discretion of the Company to adapt to market changes

Indirect investment funds and direct investment funds (including MSCI-ETF) following a passive approach are not "actively managed". Accordingly, the Management Company will not adjust, nor permit its delegates to adjust the composition of MSCI-ETF's portfolio except (where relevant) in order to seek to closely correspond to the composition, duration and total return of the Underlying Asset. MSCI-ETF does not try to "beat" the market it reflects and does not seek temporary defensive positions when markets decline or are judged to be overvalued. Accordingly, a fall in the Underlying Asset may result in a corresponding fall in the value of the Shares of MSCI-ETF.

(iv) Changes to or termination of the Underlying Asset

MSCI-ETF may be terminated in accordance with the requirements of the Central Bank if the Underlying Asset ceases to be managed, compiled or published and there is no replacement for the Underlying Asset that, according to the Company in its reasonable discretion, uses the same or a substantially similar formula, calculation method or strategy as used in the calculation of the Underlying Asset.

(v) Sector risk

Investments in the constituents of the reference index are exposed to risks relating to particular sectors. As MSCI-ETF invests in a narrow range of sectors, the performance of MSCI-ETF may not reflect changes in broad equity markets. Furthermore, MSCI-ETF is likely to be more susceptible to greater price volatility when compared to a more diverse fund as it only has exposure to a limited number of sectors. This could lead to a greater risk of loss to the value of the Trust's investment.

(vi) Rebalancing frequency and costs

You should consider the rebalancing frequency of the Underlying Asset with reference to your investment strategy. You should note that rebalancing allows the Underlying Asset to adjust its constituent weightings to ensure it is accurately reflecting the market(s) it is aiming to represent. Such rebalancing can either occur (i) on a scheduled basis; or (ii) on an ad-hoc basis to reflect, for example, corporate activity such as mergers and acquisitions. The rebalancing of the Underlying Asset may require MSCI-ETF's portfolio of transferable securities or other eligible assets to be re-balanced accordingly. This may result in transaction costs which may reduce the overall performance of MSCI-ETF.

(vii) Changes to the Underlying Asset

As the index administrator will typically retain discretion in relation to the methodology for the Underlying Asset, accordingly, there can be no assurance that the Underlying Asset will continue to be calculated and published on the basis described in the rules or methodology published by the index administrator or that the Underlying Asset will not be amended significantly. Such changes may be made by the index administrator at short notice and therefore the Company may not always be able to inform investors in advance of such a change becoming effective. Any changes to the Underlying Asset, such as the composition and/or weighting of its constituent securities, may require MSCI-ETF to make corresponding adjustments or rebalancings to its investment portfolio to conform to the Underlying Asset. The Management Company and/or any of its delegates will monitor such changes and arrange for adjustments to the portfolio as necessary over several days, if necessary.

(ee) Specific risks relating to direct investment funds

(i) General

MSCI-ETF may use efficient portfolio management techniques. Use of the efficient portfolio management techniques and instruments involve certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

Although the Company may seek to use certain netting and financial collateral techniques in accordance with the requirements of the Central Bank in order to reduce its net counterparty risk exposure, the Central Bank does not require that such counterparty exposure be fully covered by collateral and therefore MSCI-ETF may be exposed to a net counterparty risk and you should be aware of the possible resulting loss in case of default or insolvency of the relevant counterparty.

In relation to securities lending transactions, you should note that (a) if the borrower of securities lent by MSCI-ETF fails to return these, there is a risk that the collateral received may be realised at a value lower than the value of the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the collateral issuer, or the illiquidity of the market in which the collateral is traded; (b) in case of reinvestment of cash collateral, such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility; (ii) introduce market exposures inconsistent with the objectives of MSCI-ETF; or (iii) yield a sum less than the amount of collateral to be returned; and (c) delays in the return of securities on loan may restrict the ability of MSCI-ETF to meet delivery obligations under security sales or payment obligations arising from redemption requests.

In relation to reverse repurchase transactions and sale with right of repurchase transactions in which MSCI-ETF acts as purchaser and in the event of the failure of the counterparty from whom securities have been purchased, you should note that (a) there is the risk that the value of the securities purchased may yield less than the cash originally paid, whether because of inaccurate pricing of such securities, an adverse market value evolution, a deterioration in the credit rating of the issuers of such securities, or the illiquidity of the market in which these are traded; and (b) (i) locking cash in transactions of excessive size or duration, and/or (ii) delays in recovering cash at maturity may restrict the ability of MSCI-ETF to meet redemption requests, security purchases or, more generally, reinvestment.

In relation to repurchase transactions and sale with right of repurchase transactions in which MSCI-ETF acts as seller and in the event of the failure of the counterparty to which securities have been sold, you should note that (a) there is the risk that the value of the securities sold to the counterparty is higher than the cash originally received, whether because of a market appreciation of the value of such securities or an improvement in the credit rating of their issuer; and (b) (i) locking investment positions in transactions of excessive size or duration, and/or (ii) delays in recovering, at maturity, the securities sold, may restrict the ability of MSCI-ETF to meet delivery obligations under security sales or payment obligations arising from redemption requests.

(ii) Direct investment funds following a passive approach

As MSCI-ETF follows a passive approach which aims to provide investors with a return linked to the Underlying Asset, you should be aware of and understand the risk factors under the heading "Specific risks relating to MSCI-ETF which aims to replicate the performance of the Underlying Asset", above.

You should be aware and understand that, in respect of MSCI-ETF, which follows a passive approach, the value and performance of the Shares may vary from those of the Underlying Asset. The Underlying Asset may be a theoretical construction which is based on certain assumptions and MSCI-ETF which aims to reflect the Underlying Asset may be subject to constraints and circumstances which may differ from the assumptions in the Underlying Asset. The following is a non-exhaustive list of the main factors which are likely to affect the ability of MSCI-ETF to track the performance of the Underlying Asset:

- the composition of MSCI-ETF's portfolio deviating from time to time from the composition of the Underlying Asset, especially in the event that not all components of the Underlying Asset can be held and/or traded by MSCI-ETF;

- legal, regulatory, tax and/or investment constraints (including the Investment Restrictions) may affect the Company but not the Underlying Asset;

- exchange rate factors where the Underlying Asset or the Underlying Securities are denominated in a different currency to the base currency or currency of any class of Shares. MSCI-ETF may use risk mitigation and hedging techniques to reduce certain market risks such as interest rate or exchange rate risks relating to the Underlying Asset;

- constraints linked to income reinvestment;

- constraints linked to the timing of rebalancing of MSCI-ETF's portfolio;

- transaction costs and other fees and expenses to be borne by MSCI-ETF (including costs, fees and expenses to be borne in relation to the use of financial techniques and instruments);

- the possible existence of idle (non-invested) cash or cash assimilated positions held by MSCI-ETF and, as the case may be, cash or cash assimilated positions beyond what is requires to reflect the Underlying Asset (also known as "cash drag").

You should furthermore note that exceptional circumstances, such as, but not limited to, disruptive market conditions or extremely volatile markets, may arise which cause MSCI-ETF's tracking accuracy to diverge substantially from the Underlying Asset. Also, there can be a delay between the recomposition occurring within the Underlying Asset and the investments made by MSCI-ETF. Due to various constraints, MSCI-ETF may require more time to recompose its portfolio, which can substantially affect MSCI-ETF's degree of tracking accuracy.

(ff) Additional risks associated with certain types of investments invested in directly by MSCI-ETF or indirectly via the Underlying Asset

There are special risk considerations associated with certain types of investments which may be invested in directly or indirectly (as a constituent of an Underlying Asset) by MSCI-ETF. The degree of exposure to such factors will depend on the precise way in which the Underlying Asset is linked to such assets.

(i) Shares

The value of an investment in shares will depend on a number of factors including, but not limited to, market and economic conditions, sector, geographical region and political events.

(ii) Bonds and other debt securities

Bonds and other debt securities (which may include corporate bonds, government bonds and bonds issued by other sovereign issuers) involve credit risk to the issuer which may be reflected by the issuer's credit rating. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties and is unable or unwilling to meet its obligations, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero).

(iii) Futures and options

There are special risk considerations associated with futures, options or other derivative contracts. Depending on the nature of the underlying assets, reference rates or other derivatives to which they relate and on the liquidity in the relevant contract, the prices of such instruments may be highly volatile and hence risky in nature.

(iv) CTA deposits

A CTA deposit is a margin investment account held with a bank and managed by a commodity trading adviser registered with the U.S. Commodity Futures Trading Commission or any other relevant regulatory authority, under terms that the Commodity Trading Adviser may engage in trading on a margin (leveraged or geared) basis in a variety of liquid financial instruments including listed and unlisted futures, forwards and options relating to a variety of asset classes including but not limited to interest rates, fixed income securities, commodities, currencies and equities (and may also engage in trading directly in a number of such asset classes). Accordingly the risks relating to an exposure directly or indirectly to CTA deposits will be a complicated function of the risks associated with the underlying asset class, the risks associated with the derivative or other instrument by which such exposure is assumed and the level of gearing.

(v) Real estate

The risks associated with a direct or indirect investment in real estate include the cyclical nature of real estate values, demographic trends, variations in rental income and increases in interest rates. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the real estate and therefore, MSCI-ETF.

(vi) Commodities

You should note that the commodities and futures generally are volatile and may not be suitable for all investors. Prices of commodities are subject to occasional rapid and substantial changes and are influenced by, among other things, national and international political and economic events, wars and acts of terror, changes in interest and exchange rates, trading activities in commodities and related contracts, various macro-economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events. The volatility of commodity prices and index levels is significant and often higher than for equity portfolios. In addition, the commodity markets are generally less liquid than those for interest or currency related products. There can be no assurance that such factors will not adversely affect any commodity's or any commodity index's performance.

(vii) Emerging market assets

Exposure to emerging markets assets generally entails greater risks than exposure to well-developed markets, including potentially significant legal economic and political risks.

Emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may affect investor confidence, which could in turn have a negative impact on the prices of emerging market exchange rates, securities or other assets.

The prices of emerging market exchange rates, securities or other assets are often highly volatile. Movements in such prices are influenced by, among other things, interest rates, changing market supply and demand, external market forces (particularly in relation to major trading partners), trade, fiscal, monetary programmes, policies of governments, and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and bonds. Such intervention is often intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Emerging market assets typically comprise assets issued by non-highly rated issuers in respect of whom the possibility of default is greater than non-emerging market sovereign and quasi-sovereign debt. In the event that any emerging market asset issuer experiences financial or economic difficulties this may affect the value of the emerging market assets of such emerging market asset issuer (which may be zero) and any amounts paid on such emerging market assets (which may be zero). This may in turn affect the emerging market asset value.

In emerging markets, the development of securities markets usually is at an early stage. This could lead to risks and practises (such as increased volatility) that are not common in more developed securities markets, which may negatively affect the value of securities listed on the exchanges of such countries. In addition, markets of emerging market countries are often characterised by illiquidity in the form of a low turnover of some of the listed securities.

Emerging market assets may be difficult to buy or sell, particularly during adverse market conditions. This will affect the ability to price the emerging market assets and may affect the emerging market asset value. It is important to note that, during times of global economic slowdown, emerging market exchange rates, securities and other assets are more likely than other forms of investment with lower risks to be sold during any "flight to quality", and their value may decrease accordingly.

Official data published by government agencies in emerging market countries is frequently less complete and less reliable than data of developed countries. As official statistics are also produced on different bases than those used in developed countries, the ability to affect reliable comparisons and draw appropriate conclusions from such statistics may be affected.

(viii) Structured finance securities

Structured finance securities include, without limitation, asset-backed securities and portfolio credit-linked notes.

Asset-backed securities are securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other underlying assets, either fixed or revolving. Such underlying assets may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Asset-backed securities can be structured in different ways, including "true sale" structures, where the underlying assets are transferred to a special purpose entity, which in turn issues the asset-backed securities, and "synthetic" structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the asset backed securities.

Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets ("**reference credits**"). Upon the occurrence of a credit-related trigger event ("**credit event**") with respect to a reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

Asset-backed securities and portfolio credit-linked notes are usually issued in different tranches. Any losses realised in relation to the underlying assets or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to asset-backed securities, the underlying assets do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the underlying assets or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the net asset value per Share. In addition the value of structured finance securities from time to time, and consequently the net asset value per Share, may be adversely affected by macro economic factors such as adverse changes affecting the sector to which the underlying assets or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the underlying assets or reference credits. The degree to which any particular asset-backed security or portfolio credit linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign or corporate bonds. In the absence of a liquid market for the respective structured finance securities, they may only be traded at a discount from face value and not at the fair value, which may in turn affect the net asset value per Share.

(ix) Other non-UCITS compliant pooled investment vehicles

Alternative investment funds (AIFs), mutual funds and similar non-UCITS compliant investment vehicles operate through the pooling of investors' assets. Monies are then invested either directly into assets or are invested using a variety of hedging strategies and/or mathematical modelling techniques, alone or in combination, any of which may change over time. Such strategies and/or techniques can be speculative, may not be an effective hedge and may involve substantial risk of loss and limit the opportunity for gain. It may be difficult to obtain valuations of products where such strategies and/or techniques are used and the value of such products may depreciate at a greater rate than other investments. Pooled investment vehicles are often unregulated, make available only limited information about their operations, may incur extensive costs, commissions and brokerage charges, involve substantial fees for investors (which may include fees based on unrealised gains), have no minimum credit standards, employ high risk strategies such as short selling and high levels of leverage and may post collateral in unsegregated third party accounts.

When investing in AIFs, mutual funds and similar non-UCITS compliant investment vehicles, the constitutional document of the AIF, mutual funds and similar non-UCITS compliant investment vehicles, must include a prohibition on investing more than 10% of its assets in other investment funds and must be subject to the UCITS equivalent requirements in relation to investor protection or alternatively, provide for requirements of the same effect in its constitutional or offering document.

(x) Private equity funds and venture capital funds

Private equity funds and venture capital funds, as entrepreneurial equity capital shareholdings, are by their nature necessarily exposed to a specific risk of loss. Income may fail to materialise. Negative performance of the companies in which the respective fund has invested may even lead to a complete write-off of a share-holding in such a company. In the worst-case scenario, a total loss of the entire fund's assets and, accordingly, the investor's entire capital investment may occur. The investment techniques may be based on extremely speculative investment techniques, among them extremely high debt financing, highly concentrated portfolios, problem solutions and new venture financing, control positions and illiquid investments. A primary characteristic is that an investor must – under certain circumstances – make additional funds available on request. This may be the case, for example, for funds that require the payment of additional capital beyond the initial subscription amount. Private equity funds have complex risk structures, of which the following should be particularly emphasised:

- While the holding period of the shareholdings entered into by the fund is often only 3-5 years, the capital used by the investor is locked up over the entire term of the fund (commonly up to 10 years, possibly subject to extension by 2-3 years). The fund shares are illiquid investments over the term of the fund, the saleability or eligibility as collateral of which may also be specifically excluded by the fund's provisions.

- The amount of funds from the sale of holdings that would flow back to the investor cannot be projected. Based on the market conditions, the exit strategies for private equity funds can be limited.

- Over the fund's term there is a risk that changes in domestic or foreign tax laws may have considerable impact on the expected return and the value of holding the investment. Insofar as shareholding documents mention taxation, the investor should check such references, or have them checked, for accuracy and completeness. In light of this, the specific tax conditions should be borne in mind by the investor. It cannot be ruled out that the relevant financial authorities take a fiscal position that deviates from the details outlined in any brochures.

- A distribution of earnings is not necessarily made in cash, but may for example also be effected by transfer of shares in individual shareholdings of the fund that potentially cannot be liquidated.

- Apart from the risk of the credit standing and of the financial success of the companies in which investments are made, the use of the fund's capital also involves a currency and/or foreign exchange rate risk.

- The fund's initiators/investment managers are in competition when entering into attractive shareholdings. There is therefore the possibility that the fund's portfolio does not comprise a sufficient number of shareholdings and/or the subscription capital is not invested sufficiently. This has impact on the earnings prospects and the risk diversification of the subscribed capital.

- If the portfolio structure has a fixed investment period, the competitive market may have a negative impact on the quality of investments.

(gg) Additional risk factors when investing in Shares listed on a stock exchange

(i) Listing procedure

There can be no certainty that a listing on any stock exchange applied for by the Company will be achieved and/or maintained or that the conditions of listing will not change. Further, trading in Shares on any stock exchange may be halted pursuant to that stock exchange's rules due to market conditions and the Trust may not be able to sell its Shares until trading resumes.

(ii) Authorised participant concentration

Only an authorised participant may subscribe or redeem Shares directly with the Company. The Company has a limited number of institutions that may act as authorised participants. To the extent that authorised participant(s) are unable or do not desire to proceed with subscription or redemption orders with respect to the Company or any of its funds and no other authorised participant(s) are able or willing to do so, Shares may trade at a premium or discount to net asset value and this may lead to liquidity issues or delisting.

(iii) Liquidity and secondary trading

Even though the Shares are listed on one or more stock exchanges, there can be no certainty that there will be liquidity in the Shares on one or more of the stock exchanges or that the market price at which the Shares may be traded on a stock exchange will be the same as the net asset value per Share. There can be no guarantee that once the Shares are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a stock exchange may be halted due to market conditions or, because in the stock exchange's view, trading the Shares is inadvisable. In addition, trading in the Shares may be subject to a halt in trading caused by extraordinary market volatility pursuant to the stock exchange's rules. If trading on a stock exchange is halted, the Trust may not be able to sell its Shares until trading resumes. Although, where applicable, the Shares are listed on a stock exchange, it may be that the principal market for some Shares may be in the over-the-counter market. The existence of a liquid trading market for the Shares may in such case depend on whether broker-dealers will make a market in such Shares.

Although as a condition precedent to listing on certain stock exchanges one or more market makers, being financial institutions, might be appointed to offer prices for the Shares, there can be no assurance that a market will continually be made for any of the Shares or that such market will be or remain liquid. The price at which Shares may be sold will be adversely affected if trading markets for the Shares are limited or absent.

(iv) Variation of net asset value per Share and trading prices on the secondary market

The net asset value per Share will fluctuate with changes in the market value of the Underlying Asset, the derivative techniques used and where applicable the Fund Assets and changes in the exchange rate between the base currency or, if different, the listing currency of a Share and any relevant foreign currency of such Underlying Asset and/or Fund Assets. The market price of the Shares will fluctuate in accordance with the changes in the net asset value per Share and the supply and demand on the stock exchange on which the Shares are listed. The Company cannot predict whether the Shares will trade below, at or above their net asset value per Share. Price differences may be due, in large part, to the fact that supply and demand forces in the secondary market for the Shares will be closely related, but not identical to the same forces influencing the trading prices of the Underlying Asset and where applicable the Fund Assets, individually or in the aggregate, at any point in time. Furthermore, the listing on multiple exchanges of the Shares may result in price differences between such exchanges because of fiscal, regulatory or other market factors.

A broker-dealer, in considering the price at which it would be able to sell the Shares (known as the offer price) on the secondary market, or to buy Shares (known as the bid price) may seek arbitrage opportunities through anomalies or variations in the pricing of the Shares on the secondary market compared to the relative net asset value per Share. The broker-dealer seeking to arbitrage such anomalies or variations, will take account of the notional price at which it could (i) purchase (when Shares in the secondary market are being priced above the net asset value per Share) the building blocks providing the (combined) return of the Underlying Asset (and as the case may be the Fund Assets); or (ii) sell (when Shares in the secondary market are being priced below the net asset value per Share) such building blocks generating the (combined) return of the Underlying Asset (and as the case may be the Fund Assets) including in each case the associated transaction costs and any taxation.

(v) Secondary market trading

Shares purchased on the secondary market cannot usually be sold directly back to Company. The Trust must buy and sell Shares on a secondary market with the assistance of an intermediary (e.g. a broker-dealer) and may incur fees for doing so. In addition, the Trust may pay more than the current net asset value when buying Shares and may receive less than the current net asset value when selling them.

9.3 Financial derivatives

9.3.1 <u>In relation to the underlying fund, SGB-ETF</u>

Descriptions of the risk factors that are commensurate with the use of FDIs for SGB-ETF are detailed below:

<u>Use of FDIs</u>

As a fund whose performance is linked to a reference index will often be invested in FDIs or securities which differ from the reference index, derivative techniques will be used to link the value of the shares of SGB-ETF to the performance of its reference index. While the prudent use of such FDIs can be beneficial, FDIs also involve risks which, in certain cases, can be greater than the risks presented by more traditional investments. There may be transaction costs associated with the use of FDIs.

<u>Risk of swap transactions</u>

Swap transactions are subject to the risk that the swap counterparty may default on its obligations or become insolvent. If such a default were to occur, SGB-ETF would, however, have contractual remedies pursuant to the relevant OTC swap transaction. You should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect SGB-ETF's rights as a creditor and as a result, SGB-ETF may for example not receive the net amount of payments that it contractually is entitled to receive on termination of the OTC swap transaction where the swap counterparty is insolvent or otherwise unable to pay the amount due. The net counterparty risk exposure SGB-ETF may have with respect to a single swap counterparty, expressed as a percentage (the "**Percentage Exposure**") (i) is calculated by reference to SGB-ETF's net asset value, (ii) may take into account certain mitigating techniques (such as remittance of collateral in accordance with the applicable regulations) and (iii) cannot exceed 5% or 10% depending on the status of the swap counterparty, in accordance with and pursuant to applicable regulations. You should nevertheless be aware that the actual loss suffered as a result of a swap counterparty's default may exceed the amount equal to the product of the Percentage Exposure multiplied by the net asset value, even where arrangements have been taken to reduce the Percentage Exposure to nil. As a matter of illustration, there is a risk that the realised value of collateral received by SGB-ETF may prove less than the value of the same collateral which was taken into account as an element to calculate the Percentage Exposure, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity of the market in which the collateral is traded. You should therefore understand and evaluate the swap counterparty credit risk prior to making any investment.

9.3.2 In relation to the underlying fund, MSCI-ETF

Descriptions of the risk factors that are commensurate with the use of FDIs for MSCI-ETF are detailed below:

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. There may be transaction costs associated with the use of FDIs. The following is a general discussion of important risk factors and issues concerning the use of FDIs that investors should understand in relation to MSCI-ETF.

Futures

Positions in futures contracts may be closed out only on an exchange that provides a secondary market for such futures. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Thus, it may not be possible to close a futures position. In the event of adverse price movements, MSCI-ETF would continue to be required to make daily cash payments to maintain its required margin. In such situations, if MSCI-ETF has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when it may be disadvantageous to do so. In addition, MSCI-ETF may be required to make delivery of the instruments underlying futures contracts it holds. The inability to close options and futures positions also could have an adverse impact on the ability to effectively hedge MSCI-ETF. The risk of loss in trading futures contracts in some strategies can be substantial, due both to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in immediate and substantial loss (as well as gain) to the investor. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount of investment in the contract. MSCI-ETF also incurs the risk that the Management Company and/or any of its delegates will incorrectly predict future stock market trends. Utilisation of futures transactions by MSCI-ETF does involve the risk of imperfect or no correlation where the securities underlying the futures contracts have different maturities than MSCI-ETF's securities being hedged. It is also possible that MSCI-ETF could both lose money on futures contracts and also experience a decline in the value of its other securities. There is also a risk of loss by MSCI-ETF of margin deposits in the event of the bankruptcy of a broker with whom MSCI-ETF has an open position in a futures contract or related option. Finally, futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as daily price fluctuation limits or daily limits. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent MSCI-ETF from liquidating unfavourable positions.

Forwards

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and cash trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to MSCI-ETF.

Options

Because option premiums paid or received by MSCI-ETF will be small in relation to the market value of the investment underlying the options, trading in options could cause MSCI-ETF's net asset value to be subject to more frequent and wider fluctuations than would be the case if MSCI-ETF did not utilise options. No assurance can be given that MSCI-ETF will be able to effect closing transactions at a time when it wishes to do so. If MSCI-ETF cannot enter into a closing transaction, it may be required to hold assets that it might otherwise have sold, in which case it would continue to be at market risk on such assets and could have higher transaction costs, including brokerage commissions. In addition, options that are not exchange traded will subject MSCI-ETF to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

Swaps

Payments under a swap contract may be made at the conclusion of the contract or periodically during its term. If there is a default by the counterparty to a swap contract, MSCI-ETF will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, MSCI-ETF will succeed in pursuing contractual remedies. MSCI-ETF thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to swap contracts. In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for MSCI-ETF to close out its obligations under the swap contract. Under such circumstances, MSCI-ETF might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless MSCI-ETF is able to negotiate such an offsetting swap contract, however, it could be subject to continued adverse developments, even after the Management Company and/or its delegates have determined that it would be prudent to close out or offset the first swap contract. The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary portfolio securities transactions. If the Management Company and/or its delegates are incorrect in its expectations of market values or interest rates, the investment performance of MSCI-ETF would be less favourable than it would have been if this portfolio management technique were not used.

Credit default swaps

Credit default swaps ("**CDS**") provide a measure of protection against defaults of debt issuers. MSCI-ETF's use of CDS does not assure their use will be effective or will have the desired result. The buyer in a CDS contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If MSCI-ETF is a buyer and no credit event occurs MSCI-ETF's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, MSCI-ETF will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation. There is no assurance that CDS counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, MSCI-ETF will succeed in pursuing contractual remedies. MSCI-ETF thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to CDS contracts. As a buyer of a CDS, MSCI-ETF is exposed to the failure to make payment by the counterparty in the event of a credit event. As a seller of a CDS, MSCI-ETF is exposed to non-payment of the periodic stream of payments over the term of the contract and to the full notional value of the reference obligation in the event of a credit event.

Contracts for difference

Futures and options contracts can also be referred to, as well as include, contracts for differences ("**CFDs**"). These can be options and futures on any index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in CFD carries the same risks as investing in a future or option. Transactions in CFD may also have a contingent liability and an investor should be aware of the implications of this as set out below.

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 MSCI-ETF's interests.

Control and monitoring

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 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 MSCI-ETF and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

Counterparty risk

The Company on behalf of MSCI-ETF may enter into over-the-counter transactions, which will expose MSCI-ETF to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Company on behalf of MSCI-ETF may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose MSCI-ETF to the risk that the counterparty may default on its obligations to perform under the relevant contract or become insolvent. If such a default were to occur MSCI-ETF would, however, have contractual remedies pursuant to the relevant contract. Investors should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect MSCI-ETF's rights as a creditor. In the event of a bankruptcy or insolvency of a counterparty, MSCI-ETF could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company 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. The net counterparty risk exposure MSCI-ETF may have with respect to a single counterparty, expressed as a percentage (the "**Percentage Exposure**") (i) is calculated by reference to MSCI-ETF's net asset value; (ii) may take into account certain mitigating techniques (such as remittance of collateral); and (iii) cannot exceed 5% or 10% depending on the status of the counterparty, in accordance with and pursuant to applicable regulations. You should nevertheless be aware that the actual loss suffered as a result of the counterparty's default may exceed the amount equal to the product of the Percentage Exposure multiplied by the net asset value, even where arrangements have been taken to reduce the Percentage Exposure to nil. By way of illustration, there is a risk that the realised value of collateral received by MSCI-ETF may prove less than the value of the same collateral which was taken into account as an element to calculate the Percentage Exposure, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity of the market in which the collateral is traded. You should therefore understand and evaluate the counterparty credit risk prior to making any investment.

Other risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular over-the-counter 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 MSCI-ETF. 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, MSCI-ETF's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following MSCI-ETF's investment objective.

Adjustment to OTC swap transactions to reflect index replication costs for exchange traded funds

A swap counterparty may enter into hedging transactions in respect of the OTC swap transaction(s). According to the OTC swap transaction(s) entered into between MSCI-ETF and the relevant swap counterparty, MSCI-ETF shall receive the performance of the Index which may be adjusted to reflect certain index replication costs associated with (i) the buying and selling by the swap counterparty of the constituents of the Index in order to replicate the Index performance; or (ii) custody or other related costs incurred by the swap counterparty in relation to holding the constituents of the Index; or (iii) taxes or other duties imposed on the buying or selling of the constituents of the Index; or (iv) taxes imposed on any income derived from the constituents of the Index; or (v) any other transactions performed by the swap counterparty in relation to the constituents of the Index; or (vi) any other transaction costs or charges incurred by the swap counterparty in relation to the OTC swap transaction.

Other costs may include, amongst other things, costs, taxes or other duties associated with the buying, selling, custody, holding or any other transactions relating to investments in transferable securities and/or OTC swap transactions and/or collateral. These index replication costs may affect the ability of MSCI-ETF to achieve its investment objective. As a result, the attention of investors is drawn to the fact that (a) the net asset value of MSCI-ETF may be adversely impacted by any such adjustments to the valuation of the OTC swap transaction(s); (b) the potential negative impact on MSCI-ETF's performance that the Trust may suffer as a result of any such adjustments could depend on the timing of its investment in and/or divestment from MSCI-ETF; and (c) the magnitude of such potential negative impact on the performance of MSCI-ETF may not correspond to the Trust's profit or loss arising out of the Trust's holding in MSCI-ETF as a result of the potential retroactive effect of any such costs, including those arising from changes in taxation in certain jurisdictions.

<u>Cash collateral related costs</u>

Posting or receiving cash collateral may entail additional costs for MSCI-ETF as a result of the differential between bank charges and interest rates applicable to this collateral.

9.4 Risk management process

You may obtain supplementary information relating to the risk management methods employed by SGB-ETF and MSCI-ETF (including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments), by contacting the Managers.

9.5 Risk management in relation to brokers and counterparties of the Trust

We and the Sub-Managers have established various procedures and controls to manage broker and counterparty risks. Currently, our policy is to select brokers on a competitive and best execution basis, and to review all counterparties initially and on an annual basis. Particular attention will be paid to factors such as capital adequacy, asset quality, management, earnings, liquidity and systemic vulnerability. Credit and settlement exposure limits are set for approved brokers and counterparties, and they are monitored on a regular basis.

9.6 Liquidity risk management

We have established a liquidity risk management framework which enables the identification, monitoring and management of the liquidity risks of the Trust and to ensure that the liquidity profile of the investments of the Trust will facilitate our ability to meet redemption requests. Such framework, combined with our liquidity management tools, also seeks to achieve fair treatment of Holders and safeguard the interests of remaining Holders in case of sizeable redemptions.

Our liquidity risk management framework takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency, the ability to enforce redemption limitations and the fair valuation policy of the Trust. These measures seek to ensure fair treatment and transparency for all investors.

The liquidity risk management framework involves monitoring the liquidity profile of investments held by the Trust on an on-going basis to ensure that such investments are appropriate to the redemption policy, and will facilitate compliance with our obligation to meet redemption requests. Further, the liquidity risk management framework includes details on periodic stress testing carried out by us to assess the liquidity risk of the Trust under normal and exceptional market conditions.

As a liquidity risk management tool, we may limit the number of Units to be realised or cancelled on any Dealing Day to not more than 10% of the total number of Units then in issue of the relevant class in accordance with paragraph 13.6 of this prospectus. We may also suspend dealing in certain circumstances as stated in paragraph 16 of this prospectus.

9.7 Risk class

We rate the riskiness of funds on a scale of 0 to 10. Factors that we consider include: the types of securities the fund invests in, the geographical and sector diversification of the fund, the volatility, the complexity of the instruments used (e.g. derivatives) and the liquidity profile of the fund.

Risk Class	Types of Securities / Diversification / Volatility / Complexity / Liquidity
0-1	Generally considered as very low risk / volatility / complexity / high liquidity.
2-4	Generally considered as low to moderate risk / volatility / complexity / high liquidity.

Risk Class	Types of Securities / Diversification / Volatility / Complexity / Liquidity
5-6	Generally considered as moderately high risk / volatility / complexity / medium liquidity.
7-10	Generally considered as moderately higher risk to high risk / volatility / complexity / medium to low liquidity.

The Trust is classified as Risk Class 6.

10. Subscription of Units

10.1 Subscription procedure

To subscribe for Units, you must submit a completed application form to us or our authorised distributors, or through the authorised distributors' ATMs or websites (if applicable).

You may pay for Units either with cash or Supplementary Retirement Scheme ("**SRS**") monies. If you wish to invest using SRS monies, you must indicate this on the application form and instruct the SRS operator bank to debit monies from your SRS account to pay for the subscription of Units.

Investors using SRS monies may not be registered as joint holders.

We have the absolute discretion to reject, in whole or in part, any application for Units without providing any reason.

10.2 Minimum subscription amounts

The minimum subscription amounts for each class are set out in the table below. We may, where applicable, vary these amounts, either generally or in any particular case, upon prior notice to the Trustee.

Class	Minimum initial subscription amount	Minimum subsequent subscription amount
Class A Units	S$1,000	S$500
Class I Units	None	

10.3 Pricing and dealing deadline

Units are issued on a forward pricing basis.

An application for the subscription of Units received and accepted by us by the Dealing Deadline[7] on a Dealing Day[8] is treated as received on that Dealing Day and Units will be issued at that Dealing Day's issue price. An application received and accepted after the Dealing Deadline on a Dealing Day or on a day that is not a Dealing Day, is treated as received on the next Dealing Day.

The issue price per Unit is ascertained by calculating the Value per Unit of the relevant class of Units in accordance with Clause 9(B)(ii) of the Deed.

The issue price will be determined in Singapore dollars. We will quote the issue price in Singapore dollars and as we may decide, such other currency by converting the issue price to its equivalent in that foreign currency at the exchange rate determined in accordance with the

[7] "**Dealing Deadline**" in relation to each Dealing Day, means 5.00 p.m. Singapore time (or such other time as we may decide).
[8] "**Dealing Day**" is every Business Day (i.e. any day other than a Saturday, Sunday or public holiday on which commercial banks are open for business in Singapore, London, Luxembourg and Frankfurt).

provisions of the Deed.

10.4 Numerical example of the calculation of Units allotted

The following is a hypothetical illustration of the number of Units that will be allotted with a gross investment amount of S$1,000.00 at a notional issue price of S$1.0000 and a Preliminary Charge of 5%:

S$1,000.00	-	S$50.00	=	S$950.00
Gross investment amount		Preliminary Charge (5%)		Net investment amount
S$950.00	÷	S$1.0000	=	950.00
Net investment amount		Issue price		Number of Units allotted

This is only an illustration and is not indicative of any future issue price. The actual issue price will fluctuate according to the then prevailing Value of the relevant class of Units.

There may be differences in the issue prices of the classes as the Management Fee rate and the Value per Unit may differ for each class.

10.5 Confirmation of subscription

A confirmation note detailing your investment amount and the number of Units allotted will be sent to you, within seven (7) Business Days from the date of issue of Units.

11. Regular Savings Plan

A regular savings plan ("**RSP**") is available to investors of Class A Units only.

Investors who have made a minimum initial investment of S$1,000 may participate in our RSP by paying a monthly (or such longer period) investment amount of not less than S$100.

For RSP with a monthly subscription, Units will be allotted on the fifth (5^{th}) calendar day of each month (the **"creation date"**). If the fifth (5^{th}) calendar day does not fall on a Business Day, the creation date will be the next Business Day. Units will be allotted based on the terms set out in the application form for RSP.

(a) For RSP using cash, subscription monies will be deducted from your bank account two (2) Business Days before the creation date.

(b) For RSP using SRS monies, subscription monies are normally deducted within fourteen (14) calendar days from your account after the creation date, depending on the processing time taken by the SRS operator banks.

For RSP with a longer periodic investment, we will (within a reasonable time after the application for RSP) decide and notify you of the timing for allotment and deduction of subscription monies.

You may cease participation in the RSP without suffering any penalty by giving us or our authorised distributors thirty (30) days' prior written notice (or such other notice period as we may determine). The notice period will not be longer than your RSP investment period.

We have the right to terminate your participation in the RSP by giving you at least fourteen (14) days' prior written notice.

12. Cancellation of Subscriptions by Investors

12.1 Rights of cancellation and cancellation period

You have the right to cancel your subscription of Units within seven (7) calendar days (or such period permitted by MAS) from the Dealing Day on which the initial subscription was made (the "**Cancellation Period**"). This right of cancellation is available to first time investors and is not available to:

(a) an investor who is not an individual; or

(b) an existing Holder who subsequently subscribes for Units after the Cancellation Period; or

(c) a participant in the RSP making a second or subsequent payment.

If the last day of the Cancellation Period falls on a Sunday or a public holiday in Singapore, the Cancellation Period will be extended to the next calendar day that is not a Sunday or a public holiday.

If you request to cancel your subscription for Units, you are deemed to cancel the entire subscription of Units, and we are not obliged to cancel part only of your subscription of Units unless required to do so by any applicable law or regulation. Any such partial cancellation is subject to you maintaining the relevant minimum holding required as set out in paragraph 13.2 of this prospectus.

12.2 Procedure for cancellation

Cancellation requests must be in writing and may be made on the cancellation form attached to the application form. A cancellation request must be submitted to us or our authorised distributors within the Cancellation Period (which is determined by the postmark for submissions made by ordinary post).

If you are not using the cancellation form, please ensure that you provide all of the following information on your written cancellation request:

(a) your name, NRIC or passport number, address and telephone number, as supplied in the application form;

(b) the application form number (if any) and date;

(c) the total number of Units subscribed for under the application form; and

(d) how the Units were subscribed for (i.e. whether by cash or SRS monies) and details of your SRS account (if applicable).

We may in our sole discretion, reject cancellation requests with insufficient or incomplete details.

A cancellation request must be received and accepted by us by the Dealing Deadline on the last day of the Cancellation Period in order to be treated as received within the Cancellation Period. A cancellation request received after such Dealing Deadline will be treated as received after the Cancellation Period.

Please note that SRS operator banks and other settlement agents are not authorised to receive cancellation requests.

You are to comply with any additional terms and conditions prescribed by our authorised distributors relating to the cancellation of Units stated in their relevant application and cancellation forms.

12.3 Cancellation proceeds

The cancellation proceeds payable to you will be the lower of:

(a) the aggregate of the value of the Units on the relevant Dealing Day based on the realisation price on such Dealing Day and the Preliminary Charge paid (if any) for such Units (the "**Market Price**"); or

(b) the total amount paid by you for the subscription of the Units (the "**Gross Investment Amount**").

If the Market Price is greater than the Gross Investment Amount, the difference will be retained by the Trust and will not be paid to you. If the Market Price is lower than the Gross Investment Amount, you will be paid the Market Price only. You may therefore not get back your original investment.

Any distributions declared during the Cancellation Period for the Units being cancelled, will be paid to you in accordance with the provisions of the Deed.

We or our authorised distributors may deduct an administration fee from the cancellation proceeds for expenses reasonably related to the subscription and cancellation.

12.4 Payment of cancellation proceeds

For subscriptions using cash, cancellation proceeds will be paid within seven (7) Business Days (or such longer period permitted by MAS) of our receipt and acceptance of the cancellation request unless the cancellation of Units has been suspended in accordance with paragraph 16.1 of this prospectus.

For subscriptions using SRS monies, cancellation proceeds will be paid after we have received the subscription monies.

Please note that you will bear the charges (if any) imposed by the SRS operator banks for the withdrawal of subscription monies and the payment of cancellation proceeds.

12.5 Suspension of cancellation

We have the right to suspend the cancellation of Units during any period when the issue, realisation or valuation of Units is suspended in accordance with paragraph 16 of this prospectus.

12.6 Realisation and exchange of Units

Subject to paragraph 13 of this prospectus, you may choose to realise your Units instead of cancelling them. However, you will not be entitled to any benefits that may apply to the cancellation of Units (i.e. there will be no refund of the Preliminary Charge and the applicable Realisation Charge may be levied). The realisation proceeds may be lower than the cancellation proceeds if any appreciation in the value of the Units is less than the Preliminary Charge and/or the Realisation Charge (if applicable).

No exchange of Units is allowed during the Cancellation Period.

13. Realisation of Units

13.1 Realisation procedure

You may realise your Units by submitting a duly signed realisation request to us or our authorised distributors.

13.2 Minimum holding and minimum realisation amounts

You may realise your holding of Units in full or partially. If you realise part of your holding, you must meet a minimum realisation amount and maintain a minimum holding amount for the relevant class as stated in the table below. We may, where applicable, vary the minimum holding amount and/or the minimum realisation amount, either generally or in any particular case, with the prior approval of the Trustee.

Class	Minimum partial realisation	Minimum holding upon partial realisation either in terms of:	
		Number of Units	Number of Units which at the current issue price can be purchased for this amount
Class A	1,000 Units or the number of Units which at the current issue price can be purchased for S$1,000	1,000 Units	S$1,000
Class I	None		

13.3 Pricing and dealing deadline

Units are realised on a forward pricing basis.

A realisation request that is received and accepted by us by the Dealing Deadline on a Dealing Day is treated as received on that Dealing Day and Units will be realised at that Dealing Day's realisation price. A request received and accepted after the Dealing Deadline on a Dealing Day or on a day that is not a Dealing Day, is treated as received on the next Dealing Day.

The realisation price per Unit is ascertained by calculating the Value per Unit of the relevant class in accordance with Clause 12(F)(i) of the Deed.

The realisation price will be determined in Singapore dollars. We will quote the realisation price in Singapore dollars and as we may decide, such other currency by converting the realisation price to its equivalent in that foreign currency at the exchange rate determined in accordance with the provisions of the Deed.

13.4 Numerical example of the calculation of realisation proceeds

The following is a hypothetical illustration of the net realisation proceeds payable on a realisation of 1,000 Units, at a notional realisation price of S$0.9000 and a Realisation Charge of 0%:

1,000 Units	x	S$0.9000	=	S$900.00
Your realisation request		Realisation price		Gross realisation proceeds
S$900.00	-	S$0.00	=	S$900.00
Gross realisation proceeds		Realisation Charge (0%)		Net realisation proceeds

This is only an illustration and is not indicative of any future realisation price. The actual realisation price will fluctuate according to the then prevailing Value of the relevant class of Units.

There may be differences in the realisation prices of the classes as the Management Fee rate and the Value per Unit may differ for each class.

13.5 Payment of realisation proceeds

Realisation proceeds will be paid within seven (7) Business Days (or such longer period permitted by MAS) of our receipt and acceptance of the realisation request unless the realisation of Units has been suspended in accordance with paragraph 16 of this prospectus.

13.6 Limits on realisation

We have the discretion to limit the total number of Units to be realised or cancelled on any Dealing Day to not more than 10% of the total number of Units then in issue of the relevant class. Such limitation will be applied pro rata to all Holders. Any Units not realised or cancelled will be realised or cancelled on the next Dealing Day, subject to the same limitation.

13.7 Compulsory realisation

We (in consultation with the Trustee) may compulsorily realise your Units if you have acquired or are holding the Units:

(a) in breach of the law or official requirements of any jurisdiction, governmental or regulatory authority which in our opinion might adversely affect the Trust;

(b) in circumstances

- which in our opinion may result in the Trust incurring any tax, licensing or registration liability in any jurisdiction which the Trust might not otherwise have incurred; or

- which in our opinion (in consultation with the Trustee) may result in the Trust suffering any disadvantage which the Trust might not otherwise have suffered; or

- where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as we may request pursuant to applicable laws, regulations, contractual obligations or agreements with authorities of any jurisdiction cannot be obtained from you in a timely manner or you have refused to provide the same or have withdrawn your authorisation for the Trustee and/or us to collect, use and/or disclose such information, documents or self-certifications as may be required by the Trustee and/or us; or

(c) in circumstances where you have refused or withdrawn your consent for the Trustee and/or us to collect, use and/or disclose information relating to you.

If we and/or the Trustee are required to account to any duly empowered fiscal authority of any jurisdiction for any income or other taxes, charges or assessments whatsoever on the value of any Units you hold, we (in consultation with the Trustee) may upon giving prior written notice to you, realise such number of your Units as may be necessary and to discharge the tax liability arising as if you had requested in writing for the realisation of such Units. We and/or the Trustee may apply the proceeds of such realisation in payment, reimbursement and/or set-off against the tax liability.

Any compulsory realisation made pursuant to this paragraph will be carried out in accordance with the provisions of the Deed and your approval will not be sought in relation to any realisation under this paragraph. We and the Trustee will not be liable for any claims, costs or losses which you may suffer in connection with such realisation.

14. Exchange of Units

You may exchange all or part of your holding of Units for units in any other Singapore authorised unit trust managed by us (in this paragraph, the "**new fund**") or for Units in another class within the Trust.

We have the absolute discretion to reject, in whole or in part, any request for the exchange of Units without providing any reason. Specifically, the exchange of Units is not permitted between Units/units denominated in different dealing currencies or during the Cancellation Period described in paragraph 120 of this prospectus.

The exchange of Units will be subject to compliance with the requirements relating to the subscription and realisation of units applicable to the Trust and the new fund, as well as any applicable preliminary or realisation charges (which may be discounted or waived by the relevant authorised distributor in its discretion). Please contact us or our authorised distributors if you wish to exchange your Units.

15. Obtaining Prices of Units

The Units will be valued on each Dealing Day.

The indicative issue price and realisation price of Units are available on our website at www.ifastfm.com, normally within two (2) Business Days of the transaction date. If it is not available, you may request for the information from us.

As Units are priced on a forward-pricing basis, the published prices do not represent the actual prices of the Units on the day of publication.

16. Suspension of Dealing

16.1 We may, after consultation with the Trustee and subject to the requirements of the Code, suspend the issue, realisation and/or cancellation of Units by Holders and the calculation of the Value of Units of the Trust or the relevant class, during:

(a) any period when the Recognised Stock Exchange on which any Authorised Investments forming part of the Deposited Property for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;

(b) the existence of any state of affairs which, in our opinion, might seriously prejudice the interests of the Holders (whether of a particular class or of the Trust) as a whole or of the Deposited Property (whether or not of any particular class or of the Trust);

(c) any breakdown in the means of communication normally employed in determining the price of any of such Authorised Investments or the current price on that Recognised Stock Exchange or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained (including any period when the fair value of a material portion of the Authorised Investments cannot be determined);

(d) any period when the remittance of monies which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in our opinion, be carried out at normal rates of exchange;

(e) any forty-eight (48) hour period (or such longer period as we and the Trustee may agree) prior to the date of any meeting or adjourned meeting of Holders;

(f) any period where dealing of Units is suspended pursuant to any order or direction of MAS;

(g) any period when our or the Trustee's business operations in relation to the operation of the Trust are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, revolutions, insurrections, civil unrests, strikes or acts of God; or

(h) in exceptional circumstances where such suspension is in the interest of the Holders of the Trust.

Subject to the provisions of the Code, the suspension will take effect immediately upon our written declaration to the Trustee and it will terminate upon our written declaration as soon as practicable when the condition giving rise to the suspension ceases to exist and no other conditions under which suspension is authorised under this paragraph 16 exists, and in any event, within such period as may be permitted by the Code. The period of suspension may be extended in accordance with the Code.

16.2 Subject to the requirements of the Code, we or the Trustee may in certain situations suspend the realisation of Units, as summarised below:

(a) If we determine (after consulting the Trustee) that it would be detrimental to remaining Holders of the Trust to realise or continue to realise Units of a class at a price ascertained on the basis of the Value of the Deposited Property of such class, we may substitute the same with such amount as determined in accordance with Clause 12(F) of the Deed. We may temporarily suspend the realisation of Units in relation to that class solely for the purpose and during any period of consultation or adjustment arising from above.

(b) If the realisations (net of issues) on any day should cause the number of Units relating to a class in issue or deemed to be in issue to fall more than a certain percentage (as determined by us but being at least 10%), we may in accordance with Clause 12(I) of the Deed and with a view to protecting the interest of all Holders of that class, elect to realise Units of that class at a price that reflects a fairer value for the Deposited Property attributable to that class. Upon giving notice to the affected Holders within two (2) Business Days after that day, we may suspend the realisation of those Units to effect an orderly realisation of Authorised Investments.

16.3 Please refer to Clause 12(F) and 12(I) of the Deed for details of the application of the above provisions and for the full meaning of the terms **Recognised Stock Exchange**, **Deposited Property**, **Authorised Investments** and **Value**.

17. Performance of the Trust and Benchmark

17.1 Past performance of the Trust (as of 31 May 2023)

Class A (incepted on 29 November 1993)	**1 Year (%)**	**3 Years (%)**	**5 Years (%)**	**10 Years (%)**	**Since Inception (%)**
NAV-to-NAV (adjusted)	-3.40	-1.70	1.55	2.81	2.68
NAV-to-NAV (unadjusted)	1.69	-0.01	2.60	3.34	2.86

Notes:

The performance figures are calculated according to the following methods:

(1) "**NAV-to-NAV (adjusted)**" – Performance calculations are based on offer-to-bid pricing up until 7 November 2004 before the Trust was converted from dual pricing to single pricing basis. With effect from 8 November 2004, the Trust converted from dual pricing to single pricing basis and performance calculations are based on an NAV-to-NAV pricing (adjusted to take into account any Preliminary Charge and Realisation Charge).

(2) "**NAV-to-NAV (unadjusted)**" - Performance calculations are based on NAV-to-NAV basis (without adjustments).

(3) Performance figures of the Trust are calculated in Singapore dollars and on the basis of dividends (if any) reinvested taking into account all charges which would have been payable upon such reinvestment. For periods exceeding one (1) year, calculations are on an average annual compounded basis.

(4) The investment policy of the Trust was amended substantially with effect from 3 April 2018. You should therefore note that there are limitations in using the past performance shown above as a proxy for the future performance of the Trust, especially from 3 April 2018.

There is no benchmark against which the performance of the Trust will be measured, as there is no appropriate benchmark available against which the performance of the Trust may be measured due to the nature of its investment strategy. Prior to 3 April 2018, the benchmark of the Trust was a composite of 40% 3-month SIBOR, 30% MSCI World Index and 30% MSCI Singapore Index.

As at 31 May 2023, Class I has not been incepted and a track record of at least one (1) year is not available in respect of Class I.

The past performance of the Trust is not necessarily indicative of its future performance.

17.2 Expense ratio for the year ended 31 December 2022

The expense ratio of Class A is 0.93%.

The expense ratio of Class I is not available as there are no audited figures for this class for the purpose of computing the expense ratio.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore ("**IMAS**") guidelines for the disclosure of expense ratios and based on figures in the Trust's latest audited accounts. The following expenses (where applicable) are excluded from the calculation of the expense ratio:

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

17.3 Turnover ratio for the year ended 31 December 2022

The turnover ratio of the Trust is 0.67%.

The turnover ratios of the underlying funds in which the Trust will substantially invest are:

(a) 64.68% for SGB-ETF; and
(b) 6.81% for MSCI-ETF.

Turnover ratio is calculated based on the lesser of purchases or sales of underlying investments of the Trust or the underlying funds (as the case may be) expressed as a percentage of daily average Value of the Trust or daily average net asset value of the relevant underlying fund (as the case may be).

18. Soft Dollar Commissions and Arrangements

18.1 We and the Sub-Managers (each, a "**manager**" and collectively referred to in paragraphs 18 and 19 as "**managers**") may receive or enter into soft-dollar commissions or arrangements in respect of the Trust. The managers will comply with applicable regulations and industry standards on soft-dollars. The soft-dollar commissions that the managers may receive include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

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

18.3 The managers will each not accept or enter into soft dollar commissions or arrangements unless such soft-dollar commissions or arrangements would, in the opinion of the relevant manager, assist in its management of the Trust, provided that the relevant manager will, to the extent of its management of the Trust, 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 or arrangements.

18.4 The managers may directly or indirectly enter into arrangements with the brokers, to transfer (either immediately or after a time delay) portions of the payments they receive for the purchase or sale of assets to third parties that will then provide research or analytical services to the managers. These arrangements (called "commission-sharing agreements") are used by the managers for the purpose of managing the Trust. The managers will use the services specified above in accordance with the conditions set out in paragraphs 18.1 to 18.3.

18.5 Currently, the management companies, the investment managers and the sub-portfolio managers of SGB-ETF and MSCI-ETF do not intend to receive soft dollar or cash commissions or other rebates from brokers or dealers in respect of transactions for the account of each relevant underlying fund and do not intend to enter into commission-sharing arrangements in respect of each relevant underlying fund.

19. Conflicts of Interest

To the best of our knowledge, the managers are not in any position of conflict in relation to the Trust. The managers and their directors are not in a position of conflict when managing the Trust and other funds as the various funds have different investment universes and investment restrictions. To the extent that there are overlapping investment objectives, the managers will, as far as is practicable, endeavour to allocate the same securities holdings in such overlapping areas on a pro-rata basis among the funds.

The managers and the Trustee will conduct all transactions with or for the Trust at arm's length. Subject to the Code, the associates of the managers and/or associates of the Trustee may be engaged to provide banking, brokerage or financial services to the Trust; or buy, hold and deal in any investments; or enter into contracts or other arrangements with the managers and/or the Trustee and they may make profits from these activities. Any such services will be provided on an arm's length basis.

The managers and their directors, their related entities and employees may hold Units in the Trust.

The directors of the managers may from time to time, act as (or be a director or employee of) entities which provide services to the Trust. It is therefore possible that the directors may in the course of their business, directorships or occupation, have potential conflicts of interest with the Trust. In such instances, the directors will have regard to their duties and obligations as directors of the managers.

20. Reports

The financial year-end for the Trust is 31 December.

The following documents will be prepared and sent (by post or electronic means, as may be permitted under the Code) or made available to Holders within the periods stated below:

Document	Period
Annual report, annual accounts and the auditor's report on the annual accounts	Three (3) months of the financial year-end
Semi-annual accounts and semi-annual reports	Two (2) months of the financial half-year end

The periods stated above may be extended if permitted by MAS.

You may obtain hard copies of the reports and accounts from us upon request.

21. Exemptions from Liability

The Deed contains certain exemptions and indemnities in favour of the Trustee and/or us. Some of these provisions are extracted below for your information:

(a) The Trustee and the Managers shall incur no liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.

(b) The Trustee and the Managers shall each be entitled to act in any manner by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. Neither the Trustee nor the Managers shall incur any liability to the Holders for doing or (as the case may be) failing to do any act or thing by reason of the above. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed, neither the Trustee nor the Managers shall be under any liability therefor or thereby.

(c) Neither the Trustee nor the Managers shall be responsible for any authenticity of any signature or of any seal affixed to any transfer or form of application, endorsement or other document (sent by mail, facsimile, electronic mail or otherwise) affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Managers respectively shall nevertheless be entitled but not bound to require that the signature of any Holder to any document required to be signed by him under or in connection with the Deed shall be verified to its or their reasonable satisfaction.

(d) Any indemnity expressly given to the Trustee or the Managers in the Deed is in addition to and without prejudice to any indemnity allowed by law; provided nevertheless that any provision of the Deed shall be void insofar as it would have the effect of exempting the Trustee or the Managers from or indemnifying them against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or trust of which they may be guilty in relation to their duties where they fail to show the degrees of diligence and care required of them having regard to the provisions of the Deed.

(e) Nothing contained in the Deed shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustee separately from acting as managers or as trustee of trusts separate and distinct from the Trust.

(f) Neither the Trustee nor the Managers 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 constitution of the meeting or the passing of the resolution or that for any reason the resolution was not binding upon all the Holders.

(g) Prior to 11 December 2015, the Trustee shall be responsible for the safe custody of the Deposited Property. Any Authorised Investments forming part of the Deposited Property shall, whether in bearer or registered form, be paid or transferred to or to the order of the Trustee forthwith on receipt by the Managers and be dealt with as the Trustee may think proper for the purpose of providing for the safe custody thereof. The Trustee may from time to time upon notification in writing to the Managers appoint such person or persons as it thinks fit (including itself or its Associates (as defined in the Deed)) as agents, nominees, custodians or sub-custodians in respect of any of the Authorised Investments, and the fees and expenses of such agents, nominees, custodians and sub-custodians shall be paid out of the Deposited Property. Any Authorised Investment in registered form shall as soon as reasonably practicable after receipt of the necessary documents by the Trustee, be registered in the name of the Trustee and/or its nominee and shall remain so registered until disposed of pursuant to the provisions of the Deed. Subject as aforesaid, the Trustee shall retain the documents of title to all Authorised Investments held upon the trusts of the Deed in its possession in safe custody.

With effect from 11 December 2015, the Trustee shall be responsible for the safe custody of the Deposited Property. Any Authorised Investments forming part of the Deposited Property shall, whether in bearer or registered form, be paid or transferred to or to the order of the Trustee forthwith on receipt by the Managers and be dealt with as the Trustee may think proper for the safe custody thereof. The Trustee may from time to time upon notification in writing to the Managers appoint such person or persons as it thinks fit (including itself or its Associates (as defined in the Deed)) as agents, nominees, custodians (where the Trustee is not acting as custodian) or (if the Trustee is acting as custodian) sub-custodians in respect of any of the Deposited Property, and the fees and expenses of such agents, nominees, custodians and sub-custodians (collectively "**Custodians**" and each, a "**Custodian**") shall be paid out of the Deposited Property. Any Authorised Investment in registered form shall as soon as reasonably practicable after receipt of the necessary documents by the Trustee, be registered in the name of the Trustee and/or its nominee and shall remain so registered until disposed of pursuant to the Deed. Subject as aforesaid the Trustee shall retain the documents of title to all Authorised Investments held upon the trusts of the Deed in its possession in safe custody.

The Trustee may at any time procure that:

(i) the Trustee;
(ii) any officer of the Trustee jointly with the Trustee;
(iii) any nominee appointed by the Trustee;
(iv) any such nominee and the Trustee;
(v) any custodian, joint custodian or sub-custodian appointed;
(vi) any company operating a depository or recognised clearing system in respect

of the Deposited Property; or

(vii) any broker, financial institution or other person with whom the sum is deposited in order to satisfy any requirement to deposit margin or security,

take delivery of and retain and/or be registered as proprietor of any Authorised Investments in registered form held upon the trusts of the Deed.

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 agent, 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 and the applicable law prevailing in such market) 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.

(h) The Trustee may act upon any advice of or information obtained from the Managers or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant, broker, lawyer, agent or other person as aforesaid or of the Managers. Any such advice or information may be obtained or sent by letter, telegram, telex, facsimile or electronic form and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, telegram, telex, facsimile or electronic form although the same contains some error or is not authentic.

(i) 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 which may result from any securities lending transaction effected pursuant to Clause 14(Q) of the Deed and shall be indemnified out of and have recourse to the Deposited Property in respect thereof.

(j) The Managers shall be entitled to exercise all rights of voting conferred by any of the Deposited Property in what they may consider to be in the best interests of the Holders, but neither the Managers 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 the Managers whether in person or by proxy, and neither the Trustee nor the Managers 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 the Trustee or Managers 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 the Managers or by any such proxy or attorney.

(k) The Trustee shall not be under any liability on account of anything done or suffered to be done by the Trustee in good faith in accordance with or in pursuance of any request or advice of the Managers.

(l) With effect from 3 April 2018, to the extent not prohibited by any applicable law or regulatory requirement, the Trustee and the Managers shall at all times not be liable for indirect, special or consequential loss or damage (including without limitation, loss of profits) or punitive damages arising under or in connection with the Deed, whether in contract, in tort, by law or otherwise.

(m) With effect from 3 April 2018, neither the Trustee nor the Managers shall be liable or responsible for any loss of or damage to any documents in their possession or for any failure to fulfil its respective duties under the Deed or for any loss, damage, claim, cost or expense resulting from or caused by or directly or indirectly due to a Force Majeure Event (as defined in the Deed).

22. Other Material Information

22.1 Information on investments

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

22.2 Distributions

Distributions will be at our sole discretion. We currently do not intend to make distributions for the Trust.

22.3 Investment guidelines

The investment guidelines issued by MAS under Appendix 1 of the Code[9] apply to the Trust. MAS may update or amend these investment guidelines at any time.

22.4 Termination

The Trust does not have a fixed maturity. However, the Trust or any class may be terminated in accordance with Clause 33 of the Deed. In particular, we may, in our absolute discretion, by notice in writing in accordance with the Deed:

(a) terminate the Trust or Class A if the aggregate Value of the Deposited Property of the Trust or Class A (as the case may be) is less than S$10,000,000;

(b) terminate the Trust or any class if any law shall be passed, any authorisation revoked or withdrawn or any direction given by MAS which renders it illegal or in our opinion impracticable or inadvisable to continue the Trust or class (as the case may be);

(c) terminate any class (other than Class A) if the aggregate Value of the Deposited Property in respect of that class shall fall below S$5,000,000; or

(d) terminate the Trust or any class if MAS so directs pursuant to the SFA.

22.5 Waiver of minimum subscription and realisation amounts for intermediaries

In the interests of reducing the transactional costs to the Trust, we may permit the netting of daily subscriptions and realisations made through nominee distributors and through investments in insurance-linked products (the "**intermediaries**"). The resulting net subscription or realisation (as the case may be) will be accepted even if the amount falls below the minimum

[9] The latest version may be found on the website of MAS, http://www.mas.gov.sg.

subscription / realisation amount (the "**Minimum Amount**") stated at paragraphs 10.2 and 13.2 of this prospectus respectively. Investors subscribing for or realising Units through such intermediaries are still required to meet the Minimum Amount requirements and there is therefore no distinction between investors who deal directly with us or through intermediaries.

22.6 Value of Authorised Investments

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

(a) a Quoted Investment, shall be calculated by reference to the price appearing to us or other agent on our behalf to be the official closing price or the last known transacted price on a Recognised Stock Exchange at the time of calculation for the Quoted Investment in question;

(b) 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 (c) and (d) below), shall be calculated by reference to:

(i) the initial value thereof being the amount expended in the acquisition thereof; or

(ii) the last available prices quoted by reputable institutions in the over-the-counter or telephone market at the time of calculation (or at such other time as we may from time to time after consultation with the Trustee determine), and where there is no such over-the-counter or telephone market, the price of the relevant Investment quoted by a person, firm or institution making a market in that Investment, if any (and if there shall be more than one such market maker, then such market maker as we may designate); or

(iii) the sale prices of recent public or private transactions in the same or similar Investments, valuations of comparable companies or discounted cash flow analysis, as may be determined to represent the fair value of such Investment, and in the valuation of such Investment, we may take into account relevant factors including without limitation, significant recent events affecting the issuer such as pending mergers and acquisitions and restrictions as to saleability or transferability;

(c) 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;

(d) a unit or share in a unit trust or mutual fund or collective investment scheme shall be valued at the bid price per unit or share, or if no bid price per unit or share is published or available, then at their latest available net asset value per unit or share; and

(e) an Investment other than as described above, shall be valued in such manner and at such time as we after consultation with the Trustee shall from time to time determine.

Provided that, if the quotations referred to in (a), (b) or (d) above are not available, or if the value of the Authorised Investment determined in the manner described in (a), (b), (c), (d) or (e) above, in our opinion, does not represent a "fair value" of such Authorised Investment, then the value shall be such value as we may consider in the circumstances to be fair and is approved by the Trustee and we shall notify the Holders of such change if required by the Trustee.

Please refer to the Deed for details on the valuation of the assets comprised in the Trust and for the full meaning of the terms **Value, Authorised Investments, Quoted Investments, Unquoted Investments, Recognised Stock Exchange** and **Investment.**

22.7 Goods and services tax

Where any GST is payable by the Trustee or us in relation to services rendered to the Trustee or us in connection with the exercise of the powers and discretion and/or the performance of the obligations of the Trustee or us under the Deed, we or the Trustee (as the case may be) shall be reimbursed out of the Deposited Property. Where any GST is payable in connection with the services rendered by the Trustee or us pursuant to the Deed, such GST shall be paid out of the Deposited Property.

22.8 Protection of client information

Client information provided by you to the Trustee and/or us (whether directly or through our authorised distributors) in connection with the subscription for and/or holding of Units (the "**Data**") may be held and/or used by us, the Trustee and/or the Trustee's and our related corporations (each a "**Recipient**") and/or any third party engaged by the Recipient to provide administrative, computer or other services. Each Recipient may collect, use and disclose such Data for the purposes which may include:

(a) administrating and managing the Trust (including maintaining the Register) and performing their obligations and duties;

(b) processing applications for subscriptions, realisation and exchange of Units and payments to you;

(c) crime and fraud detection, prevention, investigation and prosecution including monitoring for late trading and market timing practices, fraud, money laundering, terrorist financing, bribery and any unlawful activities;

(d) monitoring and recording calls and all communications for training and investigation;

(e) complying with the Recipients' internal policies, procedures, management and control (including maintenance of information systems) and carrying out audits;

(f) complying with any legal, governmental or regulatory requirements of any relevant jurisdiction, or any codes of practice or guidelines (including any disclosure or notification requirements, any tax reporting requirements, and any checks, surveillance and investigation);

(g) complying with the requirements or directions of any regulatory authority or court of competent jurisdiction;

(h) any legal purposes (including but not limited to enforcing legal rights, obtaining legal advice and dealing with any court proceedings or dispute resolutions);

(i) providing client-related services, including customer support and dissemination of notices and reports;

(j) evaluating investors' credit and eligibility profile and from time to time carrying out statistical analysis and market research and monitoring and analysing the Trustee's and/or our businesses;

(k) facilitating any proposed or actual business assignment, transfer, participation or sub-participation in any of the Trustee's and/or our rights or obligations in respect of Holders; and

(l) any other reasonable purposes.

Subject to applicable laws and regulations, such Data may be transferred to other countries or territories outside Singapore. Such Data may be retained after your Units have been realised.

Please contact us and/or our authorised distributors if there is any change to the Data provided in the application form or if you wish to provide relevant updated information.

Your application to subscribe for Units and/or continued participation in the Trust would be deemed to constitute consent to the collection, use and disclosure of the Data. You may object to the collection, use, and disclosure of your Data. However, we are entitled to reject your application to subscribe for Units if you so object.

You may, after consenting to the collection, use and disclosure of your Data, withdraw your consent by giving notice in writing to us. However, by withdrawing your consent, you are deemed to have requested for the realisation of all your Units. Further, such withdrawal will not prevent the continued use or disclosure of Data for compliance with any legal, governmental or regulatory requirements of any relevant jurisdiction or such other purposes as may be permitted by law or regulation.

Please note that any objection or notice of withdrawal of consent should be given to us. Any such notice given to our agents or distributors is not effective notice to us.

22.9 Foreign Account Tax Compliance Act and Common Reporting Standard

The Trust may be required to perform due diligence on its Holders, report information on certain persons and withhold parts of certain payments to certain Holders as required by local laws, regulations or contractual obligations with other jurisdictions' tax authorities.

The Foreign Account Tax Compliance Act ("**FATCA**"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the United States ("**foreign financial institutions**" or "**FFIs**") to pass information about "Financial Accounts" held by "Specified U.S. Persons", directly or indirectly, to the United States tax authorities, the Internal Revenue Service ("**IRS**"), on an annual basis. The definitions of "Financial Accounts" and "Specified U.S. Persons" may be found in the IGA (as defined below). A 30% withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement.

Singapore has signed a Model 1 intergovernmental agreement with the United States on 9 December 2014 with respect to FATCA ("**IGA**"). Pursuant to the IGA, Singapore-based financial institutions (such as us) will report information on Financial Accounts held by Specified U.S. Persons to the Inland Revenue Authority of Singapore ("**IRAS**"), which will in turn provide the information to IRS.

The Trust may also be required to identify certain reportable persons under the Organisation for Economic Co-operation and Development ("**OECD**") Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard ("**CRS**").

CRS, endorsed by the OECD and the Global Forum for Transparency and Exchange of Information for Tax Purposes, is an internationally agreed standard for the automatic exchange of information on financial accounts between jurisdictions with the objective of detecting and deterring tax evasion through the use of offshore bank accounts.

In Singapore, the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 require financial institutions to conduct due diligence (including the collection, review and retention of financial account information) and report financial account information relating to specified persons from jurisdictions with which Singapore has a "competent authority agreement" ("**CAA**") to the IRAS. Such information may subsequently be exchanged with Singapore's CAA partners. Singapore may enter into further CAAs, or the relevant authorities may enact further legislation or impose further requirements, which will form part of the CRS.

In order for the Trust to comply with relevant obligations under FATCA and CRS (and to avoid having to withhold tax on distributions and redemptions), we or the Trustee may require additional information, documents and self-certifications from investors and may need to report that information to the IRAS, who will thereafter automatically transfer this information to certain relevant foreign tax authorities periodically. You are deemed to consent to such disclosure by us, the Trustee, our/its service providers, our/its related corporations and/or our/its affiliated entities, and agree to provide any such additional information, self-certifications or documents required by the Trustee and/or us. We may seek the relevant information from agents and intermediaries (e.g. authorised distributors) that hold Units on your behalf, but they may be legally unable to provide such information. Therefore, please allow such intermediaries and agents to disclose such information on your behalf. If the required information is not provided or obtained, we and/or the Trustee may take such appropriate action as allowed under the Deed (e.g. compulsorily realise Units).

Whilst attempts will be made to satisfy the obligations imposed on the Trust to avoid the imposition of the FATCA withholding tax, no assurance can be given that these obligations will always be satisfied. If the Trust becomes subject to a withholding tax as a result of FATCA, the Trust may suffer a loss.

If you hold Units through intermediaries (e.g. authorised distributors), you should confirm the FATCA compliance status of the intermediaries to ensure that there will be no withholding tax on your investment returns. If any tax liability is attributable to a particular Holder, we may compulsorily realise such number of Units of the Holder to discharge such tax liability. Please refer to paragraph 13.7 of this prospectus for further information on compulsory realisation.

Please note that the tax provisions and regulations may change. You should consult your tax advisers regarding the impact of FATCA and/or CRS on your situation.

23. Queries and Complaints

If you have questions concerning your investment in the Trust, you may call us at telephone number (65) 6439 3821.

iFAST-DWS PREMIER SELECT TRUST

PROSPECTUS REQUIRED PURSUANT TO THE SECURITIES AND FUTURES ACT

Signed:

Lim Chung Chun
Director

Wong Soon Shyan
Director

Lim Wee Kiong
Director

Kok Chee Wai
Director

Ng Loh Ken Peter
Director

Ling Peng Meng
Director