





**Responsibility Statement**

This Prospectus has been reviewed and approved by the Directors of OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading.

**Statements of Disclaimer**

The Securities Commission Malaysia has approved the issue of, offer for subscription or purchase, or issue an invitation to subscribe for or purchase Units of the unit trust fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

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

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

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.**

**Additional Statements**

No Units will be issued or sold based on this Prospectus later than one (1) year after the date of this Prospectus.

Investors are advised to note that recourse for false or misleading statements or acts made in connection with this Prospectus is directly available through Sections 248, 249 and 357 of the Capital Markets and Services Act 2007.

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## DEFINITIONS

In this Prospectus, the following abbreviations or words shall have the following meanings unless otherwise stated:

Bursa Malaysia	The stock exchange managed or operated by Bursa Malaysia Securities Berhad.
Business Day	A day on which the Bursa Malaysia is open for trading and (i) a day which is a business day in Singapore (i.e. a day other than Saturdays, Sundays and public holidays); and (ii) a day which is a Dealing Day as defined in the prevailing prospectus of the United Gold and General Fund.
Deed	The deed dated 15 February 2008 and any other supplemental deeds that may be registered with the Securities Commission Malaysia from time to time, made between OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad) (as Manager) and HSBC (Malaysia) Trustee Berhad (as Trustee), wherein each party agrees to be bound by the provisions of the said deed.
Eligible Market	A market which is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes of the Fund. A non-exhaustive list of Eligible Markets includes stock exchanges, derivative exchanges, over-the-counter debt securities markets and money markets.
FIMM	Federation of Investment Managers Malaysia.
Fund	OSK-UOB Gold and General Fund.
Latest Practicable Date	20 June 2011.
Manager/Management Company	OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad)
Net Asset Value (NAV)	The Net Asset Value of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.
Net Asset Value of a Unit	The Net Asset Value of the Fund divided by the total number of Units in circulation at that valuation point.

Repurchase Price	The price payable by the Manager to an investor or a Unit Holder of the Fund pursuant to the repurchase of a Unit. The Repurchase Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund's relevant Business Day ("forward pricing") after the repurchase request is received by the Manager. A repurchase charge may be computed separately based on the net withdrawal amount/repurchase proceeds.
RM or Ringgit Malaysia	The lawful currency of Malaysia.
Securities Commission	Securities Commission Malaysia.
Selling Price	The price payable by an investor or a Unit Holder of the Fund for the purchase of a Unit. The Selling Price shall be the Net Asset Value per Unit as at the next valuation point of the Fund's relevant Business Day ("forward pricing") after the application for Units is received by the Manager. A sales charge will be computed separately based on the net investment amount/purchase amount.
Trustee	HSBC (Malaysia) Trustee Berhad.
UGGF	United Gold and General Fund.
Unit	Means a unit of the Fund.
Unit Holder	The person(s) for the time being registered under the provisions of the Deed as the holder of Units and person(s) jointly so registered.
UOBAM	UOB Asset Management Ltd, Singapore.

## **CORPORATE DIRECTORY**

### **MANAGER**

*OSK-UOB Investment Management Berhad  
(formerly known as OSK-UOB Unit Trust  
Management Berhad)*

### **BRANCHES**

#### ***Petaling Jaya Office***

*32A, Jalan SS2/63  
47300 Petaling Jaya  
Selangor Darul Ehsan  
Tel: 03-7877 3733 Fax: 03-7877 8733*

#### ***Penang Office***

*20-E Penang Street  
10200 Penang  
Tel: 04-264 5639 Fax: 04-264 5640*

#### ***Butterworth Office***

*2677, Jalan Chain Ferry  
Taman Inderawasih  
13600 Prai, Penang  
Tel: 04-390 0022 Fax: 04-390 0023*

#### ***Ipoh Office***

*4<sup>th</sup> Floor, 21 – 25,  
Jalan Seenivasagam, Greentown  
30450 Ipoh, Perak  
Tel: 05-242 4311 Fax: 05-242 4312*

#### ***Melaka Office***

*581B, Taman Melaka Raya  
75000 Melaka  
Tel: 06-284 4211 Fax: 06-292 2212*

#### ***Batu Pahat Office***

*53, 53-A and 53-B Jalan Sultanah  
83000 Batu Pahat, Johor  
Tel: 07-438 0271 Fax: 07-438 0277*

### **MANAGER'S DELEGATE**

*OSK Investment Bank Berhad  
20<sup>th</sup> Floor, Plaza OSK  
Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2333 8333 Fax: 03-2175 3333  
Website: [www.osk.com.my](http://www.osk.com.my)*

### **REGISTERED AND PRINCIPAL OFFICE**

*5<sup>th</sup> Floor, Plaza OSK, Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2164 3036 Fax: 03-2164 4226  
E-mail: [oskuob\\_hq-enquiry@my.oskgroup.com](mailto:oskuob_hq-enquiry@my.oskgroup.com)  
Website: [www.oskuob.com.my](http://www.oskuob.com.my)*

#### ***Johor Bahru Office***

*2<sup>nd</sup> Floor, 21 & 23  
Jalan Molek 1/30, Taman Molek  
81100 Johor Bahru, Johor  
Tel: 07-358 3587 Fax: 07-358 3581*

#### ***Kuantan Office***

*B 32-34, 2<sup>nd</sup> Floor, Lorong Tun Ismail 8  
Sri Dagangan II  
25000 Kuantan, Pahang  
Tel: 09-517 3611 Fax: 09-517 3612*

#### ***Kota Bharu Office***

*1<sup>st</sup> Floor, No. 3953-J, Jalan Kebun Sultan  
15350 Kota Bharu, Kelantan  
Tel: 09-741 8539 Fax: 09-741 8540*

#### ***Kota Kinabalu Office***

*Tingkat 5, Wisma BSN Sabah  
Jalan Kemajuan, Karamuning  
88000 Kota Kinabalu, Sabah  
Tel: 088-248 211 Fax: 088-232 312*

#### ***Miri Office***

*Lot 1268, First Floor  
Centre Point Commercial Centre  
Jalan Melayu  
98000 Miri, Sarawak  
Tel: 085-422 788 Fax: 085-415 243*

#### ***Kuching Office***

*Lot 172, Section 49, K.T.L.D  
Jalan Chan Chin Ann  
93100 Kuching, Sarawak  
Tel: 082-245 611 Fax: 082-242 712*

### **TRUSTEE**

*Fund Services,  
HSBC (Malaysia) Trustee Berhad  
13<sup>th</sup> Floor, Bangunan HSBC, South Tower,  
No 2, Leboh Ampang, 50100 Kuala Lumpur  
Tel: 03-2075 7800 Fax: 03-2026 1273*

**TRUSTEE'S DELEGATE (local)**

*The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through :*

*HSBC Nominees (Tempatan) Sdn Bhd  
No. 2 Leboh Ampang, 50100 Kuala Lumpur  
Tel: 03-2070 0744 Fax: 03-2072 9787*

**TRUSTEE'S DELEGATE (foreign)**

*HSBC Institutional Trust Services (Asia) Limited  
6th Floor, Tower One  
HSBC Centre*

*1 Sham Mong Road  
Kowloon, Hong Kong  
Tel: 852-2533 6333 Fax: 852-2869 6120*

**FEDERATION OF INVESTMENT MANAGERS MALAYSIA**

*(formerly known as Federation of Malaysian Unit Trust Managers)*

*19-07-3, 7<sup>th</sup> Floor,  
PNB Damansara, 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur  
Tel: 03-2093 2600*

**AUDITORS OF THE MANAGER & AUDITORS OF THE FUND**

*Ernst & Young  
Level 23A Menara Milenium  
Jalan Damanlela Pusat Bandar Damansara  
50490 Kuala Lumpur  
Tel: 03-7495 8000*

**BOARD OF DIRECTORS**

- 1. Dr Choong Tuck Yew  
(Independent Non-Executive Director)*
- 2. Encik Izlan Bin Izhab  
(Independent Non-Executive Director)*
- 3. Ms Eliza Ong Yin Suen  
(Non-Executive Director)*
- 4. Dato' Nik Mohamed Din Bin Datuk Nik Yusoff (Non-Executive Director)*
- 5. Mr Thio Boon Kiat (Non-Executive Director)*
- 6. Ms Lim Suet Ling (Alternate Non-Executive Director to Mr Thio Boon Kiat)*
- 7. Mr Ho Seng Yee (Executive Director)*

**MEMBERS OF INVESTMENT COMMITTEE**

- 1. Dr Choong Tuck Yew  
(Independent Committee Member)*
- 2. Encik Izlan Bin Izhab  
(Independent Committee Member)*
- 3. Ms Eliza Ong Yin Suen (Committee Member)*
- 4. Dato' Nik Mohamed Din Bin Datuk Nik Yusoff (Committee Member)*
- 5. Mr Ho Seng Yee (Committee Member)*

**SOLICITORS**

*Messrs Naqiz & Partners  
No. 42A, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur  
Tel: 03-2095 1188*

**SECRETARIES**

*Ms Chua Siew Chuan (MAICSA 0777689)  
Ms Chin Mun Yee (MAICSA 7019243)  
Securities Services (Holdings) Sdn Bhd  
Level 7, Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Tel: 03-2084 9000*

**PRINCIPAL BANKER**

*United Overseas Bank (Malaysia) Berhad  
No. 10 - 12 Medan Pasar  
50020 Kuala Lumpur  
Tel: 03-2078 8344*

**TAX ADVISER**

*KPMG Tax Services Sdn Bhd  
Level 10, KPMG Tower  
8, First Avenue, Bandar Utama  
47800 Petaling Jaya  
Tel: 03-7721 3388*

## CHAPTER 1: KEY DATA SECTION

*Investors are advised that the following section is only a summary of the Fund's salient information and investors should read and understand the whole Prospectus before making any investment decisions.*

<b>1.1 Fund Information</b>		<b>Pages</b>
Name of Management Company	OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad).	41
Name of Trustee	HSBC (Malaysia) Trustee Berhad.	51
Name of Fund	OSK-UOB Gold and General Fund.	-
Fund Category	Feeder fund.	-
Fund Type	Growth fund.	-
Investment Objective	This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.	13
Principal Investment Strategy	<p>The Fund will invest principally in one of the funds managed by UOB Asset Management Ltd, Singapore (“UOBAM”), that is the United Gold and General Fund (“UGGF”). UGGF, launched in June 1995 is a collective investment scheme domiciled in Singapore. Both UOBAM and UGGF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. UGGF invests in companies involved in the mining and exploration of precious metals, energy and base metals.</p> <p>Its indicative asset allocation is as follows:</p> <p>At least 95% of Net Asset Value</p> <ul style="list-style-type: none"><li>- Investments in the units of United Gold and General Fund.</li></ul> <p>2% - 5% of Net Asset Value</p> <ul style="list-style-type: none"><li>- Investments in liquid assets including money market instruments and deposits with financial institutions.</li></ul>	13
Benchmark	70% FTSE Gold Mines Index (RM) 30% HSBC Global Mining Index (RM)	14

**CHAPTER 1: KEY DATA SECTION**

		<b>Pages</b>
Principal Risks of the Target Fund	<ul style="list-style-type: none"> <li>▪ Market risk</li> <li>▪ Foreign exchange risk</li> <li>▪ Political risk</li> <li>▪ Derivative risk</li> <li>▪ Liquidity risk</li> <li>▪ Small capitalisation companies risk</li> <li>▪ Single country, sector and regional risk</li> </ul>	11
Principal risks of the Fund	<ul style="list-style-type: none"> <li>▪ Management risk</li> <li>▪ Foreign investment risks such as currency risk and country risk</li> </ul>	11
Investor Profile	<p>This Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>(i) wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;</li> <li>(ii) wish to diversify their investment portfolio from traditional asset classes; and</li> <li>(iii) are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.</li> </ul>	-
Distribution Mode	<p>Distributions, if any, after deduction of taxation and expenses (i.e. net distribution) will be reinvested to purchase additional Units based on the Net Asset Value of a Unit as at the first Business Day when Units are quoted ex-entitlement. Allotment of such Units shall be within two (2) weeks thereafter.</p>	34
Distribution Policy	<p>Consistent with the Fund’s objective to achieve long term capital appreciation, distributions will therefore be of secondary importance. Distributions, if any, will be reinvested after deduction of taxation and expenses.</p>	-
Current Approved Fund Size	800 million Units.	-
Commencement Date	21 July 2009.	-
Financial Year End	30 June.	21

## 1.2 Fees and Charges

*This table describes the charges that you may directly incur when you buy or redeem Units:*

<b>Charges</b>		<b>Pages</b>	
(i)	Sales Charge by distribution channels	25	
	Institutional Unit Trust Adviser (IUTA)	Up to 5.50% of investment amount.	
	Tied (Retail) Agent	Up to 5.50% of investment amount.	
	Direct Sales (Direct Investment with Fund House)	Up to 5.50% of investment amount.	
	An investor can expect differing sales charge to be levied when buying Units from the various distribution channels and within each distribution channel, subject to the maximum sales charge stipulated herein. This is due to the different levels of services provided by each distribution channel and / or the size of the investment undertaken.		
(ii)	Repurchase Charge	None.	26
(iii)	Dilution fee/ Transaction cost factor	None.	-
(iv)	Any other charges payable directly by the investors		-
	Switching Fee	RM25.00 per switch or the difference in sales charge between the switching funds on the amount to be switched, where applicable.	26
	Transfer Fee	RM5.00 per transfer.	27

*This table describes the fees that you may indirectly incur when you invest in the Fund:*

<b>Fees and Expenses</b>		<b>Pages</b>	
(i)	Annual management fee	1.80% per annum of Net Asset Value before deducting the Manager's and Trustee's fees for that particular day.	27
(ii)	Annual trustee fee	0.08% per annum of Net Asset Value before deducting the Manager's and Trustee's fees for that particular day, subject to a minimum of RM18,000 per annum (excluding foreign custodian fee and charges). Further, if the Trustee is the counterparty for a hedge transaction in relation to the Fund, then an additional fee of 0.03% per annum of the amount hedged or the security value under the hedge, whichever is higher, is payable to the Trustee.	27
(iii)	Expenses directly related to the Fund	Auditors' fees, custodial charges, other relevant professional fees, cost of distribution of interim/annual reports, tax certificates, reinvestment statements and other notices to Unit Holders and taxes.	28
(iv)	Other fees payable indirectly by an investor (if any)	None levied by the Manager. However, as the Fund will invest in units of UGGF, there are also fees indirectly incurred by this Fund such as registrar fee, trustee fee, audit fee and custodian fee (payable to the auditors and custodian of UGGF) and other fees and charges which are incurred at the UGGF level.	28

**Note:** The Manager may, for any reason at any time, waive or reduce the amount of any fees (except the Trustee's fee) or other charges payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.

## CHAPTER 1: KEY DATA SECTION

		<b>Pages</b>
<b>1.3 Transactions Details</b>		
Minimum Initial Investment	RM1,000 or such other amount as the Manager may from time to time accept.	31
Minimum Additional Investment	RM100 or such other amount as the Manager may from time to time accept.	31
Minimum Repurchase Units	Any number of Units.	-
Restriction on Frequency of Repurchase	No restrictions.	
Minimum Investment Balance	100 Units or such other quantity as the Manager may from time to time decide.	32
Redemption Period	Redemption monies to be paid within ten (10) days after receipt by the Manager of the request to repurchase.	-
Cooling-Off Period	Unit Holders have the right within six (6) business days <sup>#</sup> and shall be effective from the date of receipt of the application by the Manager, to obtain a refund of their investment, subject to eligibility.	32
	<sup>#</sup> These are the working days when the Manager is open for business.	
Switching Facility and Frequency of Switching	<ul style="list-style-type: none"> <li>▪ Available</li> <li>▪ Minimum amount for a switch is RM1,000.</li> <li>▪ There are no restrictions as to the number or frequency of switching.</li> <li>▪ Minimum Investment Balance at all times must be one hundred (100) Units after the switch.</li> </ul>	26 & 33
Transfer Facility	Available. In the event of a partial transfer, both the transferor and the transferee must each hold a Minimum Investment Balance of one hundred (100) Units after the transfer.	27 & 33
Dealing Hours	9:00 a.m. to 4:00 p.m. (Malaysia time) on any business day.	-
<b>1.4 Other Information</b>		
Deed/Supplemental Deed	The Deed in respect of the Fund is dated 15 February 2008.	36

*There are fees and charges involved and investors are advised to consider them before investing in the Fund.*

*Unit price and distributions payable, if any, may go down as well as up.*

*For information concerning certain risk factors which should be considered by prospective investors, see “risk factors” commencing on page 9.*

*Past performance of the Fund is not an indication of its future performance.*

## CHAPTER 2: RISK FACTORS

### 2.1 General Risks of Investing in Unit Trusts

The following are the risks involved in investing in this Fund:

#### General Risks

- a) *Management Risk* This risk refers to the expertise of the Manager in managing the Fund. Inadequate expertise will jeopardize the investment of Unit Holders through the risk of reduced returns and in some cases the Unit Holders may also lose the capital invested in the Fund.
- b) *Inflation/Purchasing Power Risk* The purchasing power of Unit Holders' money may not keep pace with inflation. There is a risk that Unit Holders' investment returns will be reduced by inflation.
- c) *Liquidity Risk* The ability of a Fund to honour requests for redemption or to pay back Unit Holders' investments in a timely manner is subject to the Fund's holding of adequate liquid assets and /or its ability to borrow on a temporary basis as permitted by the relevant laws.
- d) *Loan Financing Risk* Investors should assess the inherent risk of investing with borrowed money which should include the following:
- i) the ability to service the loan repayments and the effect of increase in interest rates on the loan repayments; and
  - ii) (in a case where Units are used as collateral to the loan) the ability to provide additional Units should Unit prices fall beyond a certain level.
- [Please see Unit Trust Loan Financing Risk Disclosure Statement in the Application Form]
- e) *Risk of Non-Compliance* The risk that the Manager will not follow the provisions set out in the Deed or the law that governs the Fund or its own internal procedures, or will act fraudulently or dishonestly, may result in the Fund being mismanaged and may affect the Unit Holders' investment.
- f) *Returns are not Guaranteed* There is no guarantee on the investment returns to Unit Holders. Unlike fixed deposits which carry a specific rate of return, the Fund does not provide a fixed rate of return.



### 2.2 Specific Risks when Investing in this Fund

As this Fund invests at least 95% of its Net Asset Value in the target fund, UGGF, it is subject to the management risk of the management company and investment manager of UGGF. Poor management of UGGF will jeopardize the investment of this Fund in UGGF and in turn, the Unit Holders' investment as elaborated under Management Risk set out in section 2.1.

In addition, as UGGF is domiciled in Singapore and is denominated in Singapore Dollars, this Fund may be subject to currency and country risk. Changes in rates of exchange between currencies may cause the value of this Fund's investments in UGGF to diminish or increase which in turn will affect the value of Unit Holders' investments.

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

Investors may also refer to Currency Risk and Country Risk elaborated under section 2.1.

Furthermore, investments in UGGF are subject to the following risks:

#### Market Risk

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

#### Foreign Exchange Risk

UGGF is denominated in Singapore dollars. Where investments are made by UGGF in the form of foreign currency denominations, fluctuations of the exchange rates of other foreign currencies against the Singapore dollar may affect the value of the units of UGGF. In the management of UGGF, UGGF's managers adopt an active currency management approach. However, the foreign currency exposure of UGGF may not be fully hedged depending on circumstances of each case. Such considerations shall include but are not limited to the outlook on the relevant currency, the costs of hedging and the market liquidity of the relevant currency.

#### Political Risk

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

#### Derivatives Risk

As UGGF may (subject to the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore) be investing in financial derivative instruments for efficient portfolio management or hedging, it will be subject to risks associated with such investments. These financial derivative instruments include foreign exchange forward contracts, spot contracts (which shall, for the avoidance of doubt, exclude spot commodities) and equity index future contracts. Investments in financial derivative instruments may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed

## CHAPTER 2: RISK FACTORS

time, UGGF's investments may be liquidated at a loss. Therefore, it is essential that such investments in financial derivative instruments are monitored closely. UGGF's managers have the necessary controls for investments in financial derivative instruments and have in place systems to monitor the derivative positions for UGGF. Please also refer to section 3.10 (e) for more information.

### Liquidity Risk

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

### Small Capitalisation Companies Risk

Investments in small capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity. The result may be greater volatility in the share prices.

### Single Country, Sector and Regional Risk

Investments in single country, sector or regional funds may present greater opportunities and potential for capital appreciation, but may be subject to higher risks as they may be less diversified than a global portfolio.

***The above should not be considered to be an exhaustive list of the risks which investors should consider before investing in UGGF. Investors should be aware that an investment in UGGF may be exposed to other risks of an exceptional nature from time to time.***

The risk management strategies and techniques will be employed at the UGGF level with its investment strategy that involves diversification among its asset allocation of precious/ base metals mining and energy exploration stocks. Other risk management procedures of UGGF's managers are elaborated under section 3.10 (e).

## CHAPTER 3: INFORMATION ABOUT THE FUND

### 3.1 Objective

This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

Any material changes to the objective of this Fund require the Unit Holders' approval. For more information, investors should also refer to the target fund's investment objective and investment strategy (under section 3.10).

### 3.2 Strategy

The Fund will invest principally in one of the funds managed by UOB Asset Management Ltd, Singapore ("UOBAM"), that is the United Gold and General Fund ("UGGF"). UGGF, launched in June 1995 is a collective investment scheme domiciled in Singapore. Both UOBAM and UGGF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. UGGF invests in companies involved in the mining and exploration of precious metals, energy and base metals.

Its indicative asset allocation is as follows:

At least 95% of Net Asset Value

- Investments in the units of United Gold and General Fund.

2% - 5% of Net Asset Value

- Investments in liquid assets including money market instruments and deposits with financial institutions.

Although the Fund is passively managed, the investments in the Fund will be rebalanced from time to time to meet redemptions and to enable the proper and efficient management of the Fund. Specific risks associated with the Fund and the target fund are as elaborated in Section 2.2.

The Manager does not adopt a temporary defensive position for the Fund in response to adverse market, economic, political, or any other conditions as such defensive strategies are expected to be implemented at the target fund level when deemed necessary by the target fund's manager. The Manager does not adopt any temporary defensive positions as this will allow the Fund to best track the performance of the target fund. It also follows that if the target fund fails to adopt a successful defensive position in response to adverse market and economic conditions, there is a risk that the Fund will mirror the target fund's negative performance, if any. Also, investors should note that at all times the Fund is always subject to currency risk (which is elaborated under section 2.2).

This Fund is a feeder fund that invests at least 95% of its Net Asset Value in UGGF. The risk management strategies and techniques employed will be at the UGGF level together with its investment strategy that involves diversification among its asset allocation of securities of companies involved in the mining and exploration of precious metals, energy and the base metal as well as diversification across global markets as elaborated in Section 3.10.

Notwithstanding the above, the Manager may, in consultation with the Trustee and with the Unit Holders' approval, replace UGGF with another fund of a similar objective if, in the Manager's

## **CHAPTER 3: INFORMATION ABOUT THE FUND**

opinion, UGGF no longer meets this Fund's investment objective, or when acting in the interest of the Unit Holders.

The performance of this Fund is benchmarked against a composite benchmark comprising:

- 70% FTSE Gold Mines Index (RM)
- 30% HSBC Global Mining Index (RM)

The benchmark chosen for the Fund is consistent and corresponding to the target fund except that it is the Ringgit Malaysia equivalent of the target fund's benchmark to allow for similar comparison with the performance of the RM denominated Fund.

For ease of reference, investors may refer to Bloomberg L.P. or the Manager for this indicator.

### **3.3 Permitted Investment and Restrictions**

This Fund may invest in one collective investment scheme i.e. UGGF, financial derivatives, liquid assets (including money market instruments and deposits with any financial institutions) and any other investments permitted by the Securities Commission from time to time.

In undertaking the Fund's investment, the Fund must not invest in a fund-of-funds, a feeder fund or any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.

### **3.4 Collective Investment Schemes**

As this Fund is a feeder fund, it will invest predominantly in one collective investment scheme i.e. UGGF.

### **3.5 Financial Derivatives**

As UGGF is denominated in Singapore Dollars, the Manager may trade in financial derivatives, which include but is not limited to forwards and swaps, for the purpose of hedging this Fund's exposure to foreign currency. The primary interest is to protect the value of the portfolio. The Fund's net market exposure owing to its financial derivatives positions must not exceed the Fund's Net Asset Value.

### **3.6 Foreign Securities**

The Manager invests at least 95% of the Fund's Net Asset Value in units of UGGF, a collective investment scheme constituted in Singapore.

### **3.7 Liquid Assets**

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value of the Fund for the purpose of meeting redemptions and to enable the proper and efficient management of the Fund. However, this does not preclude the Manager from lowering or raising the liquid assets level from the stipulated level to allow the Manager to react to the prevailing market conditions and to manage investment risks when circumstances warrant it.

This Fund shall not borrow in connection with its activities or lend any of its cash or investments unless permitted by the relevant law pertaining to unit trusts. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption

## CHAPTER 3: INFORMATION ABOUT THE FUND

requests. Such borrowing shall not exceed ten (10) per cent of the Fund's Net Asset Value at the time the borrowing is incurred.

### 3.8 Fund Business Day

As the target fund into which the Fund invests (i.e. UGGF) is domiciled in Singapore which has its own business day policy, it is envisaged that although Bursa Malaysia is open for business, the Manager may declare certain days to be a non-Business Day. This is so when it is a non-business day in Singapore (i.e. Saturdays, Sundays and public holidays) and/or a day which is a non dealing day as defined in the prevailing prospectus of UGGF. This is to ensure that the valuation of the Fund for a particular Business Day will represent the valuation of UGGF for that Business Day. Investors will thus be given a fair valuation of the Fund at all times, be it when buying or redeeming Units.

### 3.9 Valuation of Assets

The Fund must be valued at least once every Business Day. However, the target fund in which this feeder fund invests in (i.e. UGGF) performs its valuation for the relevant business day on the day following the relevant business day.

Accordingly, the valuation of the Fund for the relevant Business Day will be conducted before 5.00 p.m. on the following day in which the Manager is open for business, when the valuation of UGGF for the day in question would have been obtained from Singapore.

As such, the daily price of the Fund for a particular Business Day will not be published in the newspaper on the next day but will instead be published the next following day (i.e. price will be two (2) days old). This will be specifically indicated in the newspapers.

#### Illustration

For the market close of 15 August 2011 (Monday), the valuation date will be the next day in which the Manager is open for business, that is, 16 August 2011 (Tuesday). Thus, the newspaper publication date for the price as at 15 August 2011 will be on 17 August 2011 (Wednesday).

Investors may however obtain the most current computed price by contacting the Manager directly or visiting our website, [www.oskuob.com.my](http://www.oskuob.com.my) [please refer to Section 7.2 (g) (Availability of Information on Investment)].

In undertaking any of the Fund's investments, the Manager will ensure that all the assets of the Fund will be valued appropriately, that is, at market value, failing which, such assets will be valued at fair value and at all times in compliance with the relevant laws (including approved accounting standards).

Accordingly:

- (i) The units of UGGF will be valued by reference to that manager's last published repurchase price of a unit for the relevant Business Day.
- (ii) Financial derivatives positions will be "marked to market" at the close of each trading day.
- (iii) Cash and deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and the interest/profits accrued thereon for the relevant period.

## CHAPTER 3: INFORMATION ABOUT THE FUND

- (iv) Foreign exchange translation of SGD/RM for a particular Business Day is determined based on bid rate quoted by Bloomberg at 4.00 p.m. (United Kingdom time) on the following business day in which the Manager is open for business or such other time as may be prescribed from time to time by the relevant laws.

Unless otherwise prescribed by the relevant laws (including approved accounting standards), the valuation method for an asset is to be determined by the Manager, verified by the auditors of the Fund and approved by the Trustee.

### 3.10 Information on United Gold and General Fund

#### (a) About United Gold and General Fund (“UGGF”)

UGGF is a non-specialised open-ended standalone unit trust constituted in Singapore. It was launched in June 1995. The manager of UGGF is UOB Asset Management Ltd, Singapore (“UOBAM”) and the trustee and custodian of UGGF is HSBC Institutional Trust Services (Singapore) Limited. Both UOBAM and UGGF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore.

#### (b) About UGGF’s manager

The managers of UGGF are UOB Asset Management Ltd (“UOBAM”), whose registered office is at 80, Raffle Place, UOB Plaza, Singapore 048624.

UOBAM is a wholly-owned subsidiary of UOB Group. UOBAM is regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289). Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for 25 years and as of 31 May 2011 manages about S\$16.50 billion in clients' assets. UOBAM also has investment operations in Malaysia and Thailand.

UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at 31 May 2011, UOBAM manages 52 unit trusts in Singapore, with total assets of about S\$3.37 billion under management. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

In terms of market coverage, UOBAM has acquired specialist skills in equity investment in Asian, Australian, European and US markets and major global sectors. In the bond markets, UOBAM covers the Organisation of Economic Co-operation and Development (OECD) countries to emerging markets. UOBAM's investment philosophy is to emphasise on securities selection using a bottom-up approach. UOBAM makes regular company visits and supplements its fundamental investment approach with quantitative tools to control risks and to aid in the portfolio construction process. UOBAM has also established itself as one of the leading players in structured credits and investment solutions, managing third party investments in global emerging market securities as well as global investment grade, non-investment grade and multi-sector credits.

In addition, UOBAM is committed to achieving consistently good performance. Since 1996, UOBAM has won numerous awards across global sectors including Gold and Mining.

As at 31 May 2011, UOBAM has a staff strength of over 210 including about 52 investment professionals in Singapore.

**(c) Investment Objective**

UGGF aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially\* in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc), base metals of all kinds (e.g. copper, aluminum, nickel, zinc, lead, tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal, alternative energy or other commodities or other minerals, and other authorised investments of UGGF (described in paragraph (e)).

\* having a guideline threshold of at least 50%.

**(d) Investment Strategy**

The majority of the companies in which the UGGF will invest in will be those that are competitive, well managed and offer attractive growth prospects over a multi-year investment horizon.

These companies will likely exhibit some or all of the following characteristics:

- Focus on industry sectors that exhibit higher growth on a global scale (not just because the local industry may be less mature than elsewhere)
- Local or regional leadership already in place and with ambitions to expand, not just to maintain that position
- High quality professional management at both senior and mid-level
- Products or services with a high added-value competitive edge (such as technology), and the ability and desire to invest to develop that advantage
- Focus on maximizing value for shareholders, using techniques such as EVA (“Economic Value Added”) and corporate risk management

These are likely to be leading industry leaders or globally competitive companies, which are found amongst mining predominant countries like Australia, North & South Americas, South Africa etc.

The investment approach is to invest in industries which exhibit positive macro fundamentals and similarly companies which possess robust micro qualities.

While the main focus will be on long term growth, UGGF will only invest in companies where valuation levels can be justified.

Positive macro and micro drivers are defined in terms of:

- Operating in industry with rational producers, disciplined industry supply
- Rising secular demand for its end product
- Scalability of business, exploitation of economies of scale
- Valuable business franchise
- Efficient distribution capability
- Research & development capability
- Financial strength
- High barriers to entry of competitors
- Astute management
- Shareholder focused and wealth-creation track record

**(e) Authorised Investments and Investment Restrictions of UGGF**

UGGF is authorised to invest in any of the following investments:-

- (a) any securities (including but not limited to shares, stocks, warrants, debentures, bonds and loans convertible into shares, depositary receipts of shares) denominated in any currency, of corporations whose business, in the opinion of UGGF's managers, is or is substantially in the mining or extraction of gold, silver, platinum or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), or base metals of all kinds (e.g. copper, aluminum, nickel, zinc, lead, tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal, alternative energy or other commodities or other minerals, whether or not such corporations are listed on any stock exchange;
- (b) any interest in any collective investment scheme whose investment objective is substantially similar to that of UGGF;
- (c) for the purposes of hedging or efficient portfolio management only, index futures, forward currency exchange contracts, spot contracts (which shall, for the avoidance of doubt, exclude spot commodities) or other securities, all of which shall either be listed on a recognised exchange (i.e. any duly licensed stock exchange, futures exchange or commodities exchange of sufficient repute as may be approved by the managers of UGGF) or an otc market (i.e. any over-the-counter market or over-the-telephone market in any country in any part of the world and in relation to any particular authorised investment shall be deemed to include any responsible firm, corporation or association in any country in any part of the world dealing in the authorised investment which the UGGF's managers may from time to time elect) or where any or all of them are not so listed, the transactions shall be with financial institutions which are properly regulated and supervised; and
- (d) any equities, bonds and money market instruments which the managers of UGGF may in their absolute discretion deem suitable.

**Investment restrictions of UGGF**

The investment guidelines for non-specialised funds issued by the Monetary Authority of Singapore under Appendix 1, Annex 1a and Annex 1b of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code") which guidelines may be amended from time to time, shall apply to the Fund.

The UGGF's managers may engage in securities lending transactions and invest in derivatives in the future and accordingly, may at such time in the future become subject to the provisions on securities lending and derivatives as set out in the Code.

**Risk management procedures of UGGF's managers**

- (a) UGGF's managers may use financial derivative instruments for the purposes of hedging existing positions in a portfolio or efficient portfolio management.
- (b) UGGF's managers will ensure that the exposure of UGGF to financial derivative instruments will not at any time exceed 100% of the value of the Deposited Property\* of the UGGF. Such exposure will be calculated by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

### CHAPTER 3: INFORMATION ABOUT THE FUND

\*Deposited Property means all cash, assets and other property for the time being held or deemed to be held upon the trusts of the deed of trust (as amended) constituting and relating to UGGF, i.e. the “UGGF Deed” but excluding any amount for the time being standing to the credit of the Distribution Account (defined in the UGGF Deed).

- (c) Description of risk management and compliance procedures and controls adopted by UGGF’s managers:
- (i) UGGF’s managers will implement various procedures and controls to manage the risk of the assets of UGGF. The decision to invest in any particular security or instrument on behalf of UGGF will reflect the UGGF managers’ judgment of the benefit of such transactions to UGGF and will be consistent with UGGF’s investment objectives in terms of risk and return.
  - (ii) *Execution of Trades.* Prior to each trade, UGGF’s managers will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions (if any) of UGGF, and that best execution and fair allocation of trades are done. UGGF managers’ middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of UGGF. In the event of any non-compliance, UGGF’s managers’ middle office is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
  - (iii) *Liquidity.* In the event there are unexpectedly large redemptions of units of UGGF, there may be a possibility that the assets of UGGF may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. The managers of UGGF will ensure that a sufficient portion of UGGF will be liquid assets such as cash and cash-equivalents to meet expected redemptions, net of new subscriptions.
  - (iv) *Counterparty exposure.* UGGF may have credit exposure to counterparties by virtue of positions in financial instruments (including financial derivative instruments) held by UGGF. To the extent that a counterparty defaults on its obligations and UGGF is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets, its income stream and incur extra costs associated with the exercise of its financial rights. UGGF’s managers will restrict their dealings with counterparties that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor’s, an individual rating of above C by Fitch Inc or a financial strength rating of above C by Moody’s Investors Service. If any approved counterparty fails this criterion subsequently, the UGGF’s managers will take steps to unwind UGGF’s position with that counterparty as soon as practicable.
  - (v) *Volatility.* To the extent that UGGF has exposure to financial derivative instruments that allow a larger amount of exposure to a security for no or a smaller initial payment than the case when the investment is made directly into the underlying security, the value of UGGF’s assets will have a higher degree of volatility. UGGF may use financial derivative instruments for hedging purposes for reducing the overall volatility of the value of its assets. At the same time, UGGF’s managers will ensure that the total exposure of UGGF to derivative positions will not exceed the net asset value of UGGF, as stated in the above paragraph (b) above of this section.
  - (vi) *Valuation.* UGGF may have exposure to over-the-counter financial derivative instruments that are difficult to value accurately, particularly if there are complex positions involved. UGGF’s managers will ensure that independent means of

### CHAPTER 3: INFORMATION ABOUT THE FUND

verifying the value of such instruments are available, and will conduct such verification on a regular basis, which is expected to be at least once a month.

- (d) UGGF's managers will ensure that the risk management and compliance procedures and controls adopted are adequate and that they have necessary expertise to control and manage the risks relating to the use of financial derivative instruments. UGGF's managers may modify the risk management and compliance procedures and control as they deem fit and in the interests of UGGF.

Prospectus of the UGGF is publicly available from UOBAM's website: [www.uobam.com.sg](http://www.uobam.com.sg).

#### (f) Performance of UGGF as at 31 May 2011

Performance	NAV of UGGF	UGGF Benchmark
1 month	-4.01%	-4.73%
3 months	-4.36%	-3.76%
6 months	-3.73%	-4.28%
1 year	10.82%	8.79%
3 years	2.12%	4.02%
5 years	10.39%	6.89%
10 years	17.45%	15.09%
Since inception of UGGF	5.62%	7.24%

Benchmark (BM): Since inception – Jan 97:100% FTSE Gold Mines Index;  
Feb 97 – June 01: 75% MSCI Gold Mines, 25% MSCI Metals Non-Ferrous;  
July 01-Present: 70% FTSE Gold Mines Index, 30% HSBC Global Mining Index

Source: Lipper, a Thomson Reuters Company, Bloomberg.

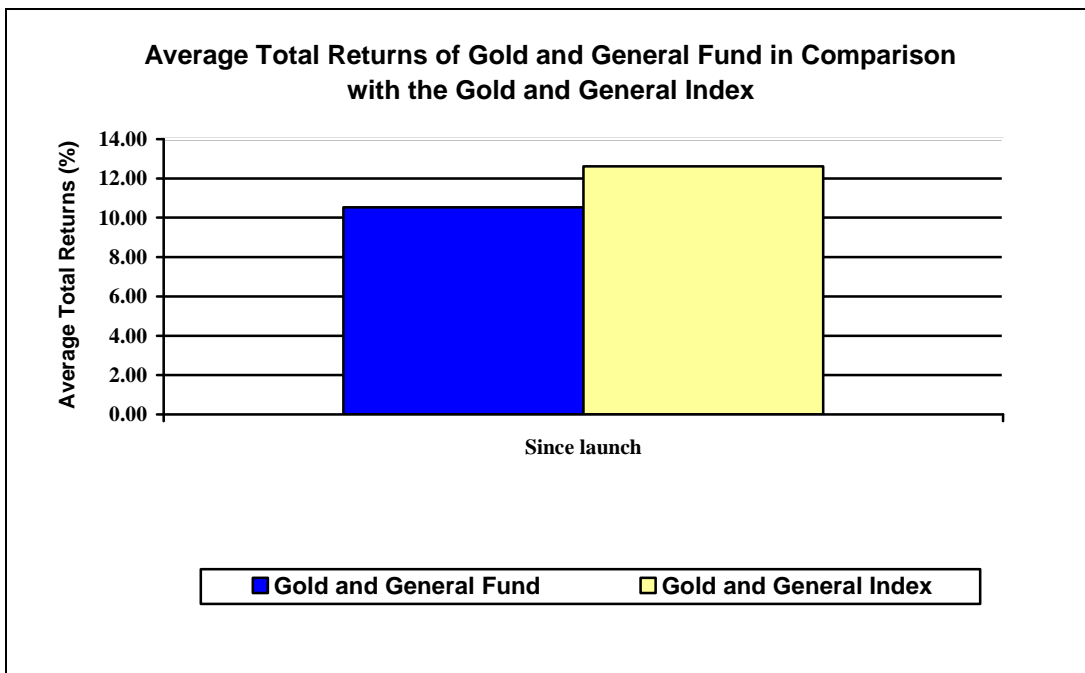
Performance as at 31 May 2011, SGD basis, with dividends and distributions reinvested, if any. Performance figures for 1 month till 1 year show the percentage change while those exceeding 1 year show the average annual compounded return.

**CHAPTER 4: PERFORMANCE OF THE FUND**

The Fund has been in operations since 21 July 2009 and the Fund’s financial year end is on 30 June. Its performance is as follows:

**4.1 Average Total Returns of the Fund**

	<b>Average Total Returns (%)**</b>
	<b>Since Launch 10/08/2009*-30/06/2010</b>
Net Asset Value per Unit	10.53
Gold and General Index - 70% FTSE Gold Mines Index - 30% HSBC Global Mining Index	12.62



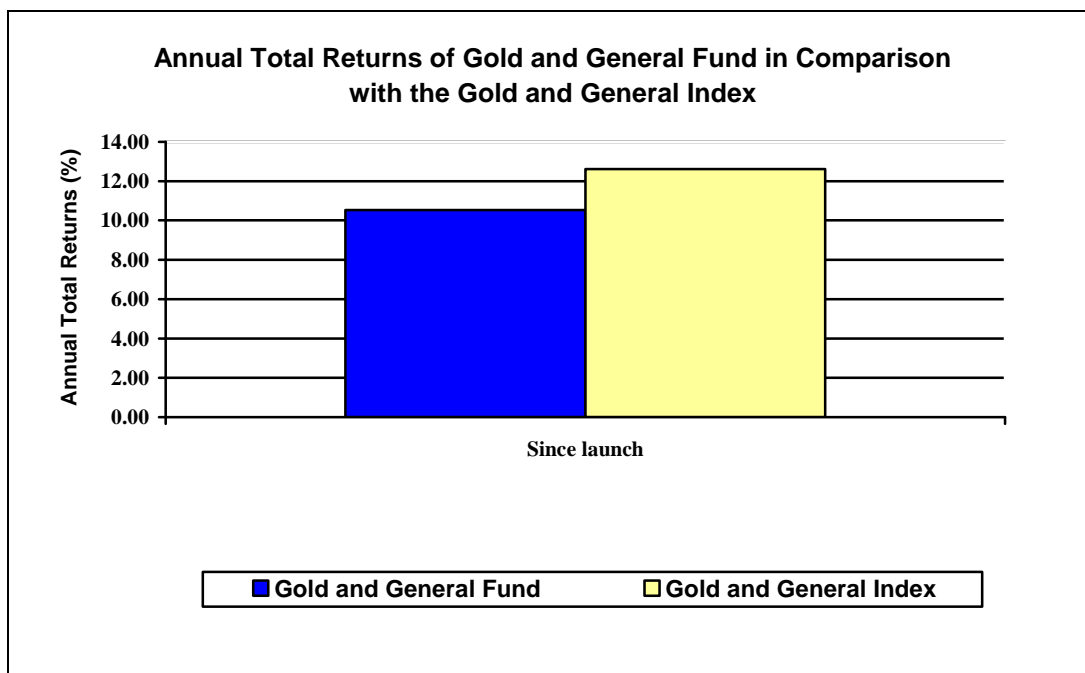
\*Being the last day of the Initial Offer Period.

\*\*The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, wherever applicable.

This is the Fund’s first financial reporting period. Since its launch date, the Fund recorded a gain of 10.53%. Comparatively, the benchmark recorded a gain of 12.62%. Thus, the Fund has to-date achieve its objective of providing investors with returns from its investment in a collective investment scheme that invests in securities of companies whose businesses are in the mining and exploration of precious metals, energy and base metals.

4.2 Annual Total Returns of the Fund

	Annual Total Returns** (%)
	Since Launch 10/08/2009*-30/06/2010
Net Asset Value per Unit	10.53
Gold and General Index - 70% FTSE Gold Mines Index - 30% HSBC Global Mining Index	12.62



\*Being the last day of the Initial Offer Period.

\*\* The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions payments and unit splits, whenever applicable.

Despite underperforming its benchmark in its first financial reporting, the Fund registered a positive return with a gain of 10.53% whilst its benchmark recorded a return of 12.62%.

## CHAPTER 4: PERFORMANCE OF THE FUND

### 4.3 Distribution Record

	Financial period 21/07/09 –30/06/10	
	Interim	Final
Gross distribution per unit (sen)	2.9190	2.5485
Net distribution per unit (sen)	2.8000	2.4900

The above final distributions were reinvested to purchase additional units in the Fund based on the Net Asset Value of a Unit as at the first Business Day when units in the Fund were quoted ex-entitlement.

### 4.4 Portfolio Turnover Ratio (PTR) of the Fund

PTR	Since Launch 21/07/2009 -30/06/2010
	1.67 times

This is the Fund's PTR for its first financial period since its commencement date and there are no comparative figures. The PTR for the financial period reflected the Fund's initial acquisition of its investments.

### 4.5 Asset Allocation

As at the latest financial period (i.e. 30 June 2010), the Fund was 95.38% invested in the target fund, UGGF, a foreign collective investment scheme with the remaining 4.62% invested in cash and deposits.

The asset allocations of the Fund were as follows:

	As at 30 June 2010 %
Foreign Collective Investment Scheme	95.38
Cash/ Deposits	4.62
	<b>100.00</b>

The asset allocation reflects the objective of the Fund, that is, to have maximum exposure to the target fund, UGGF.

*Past performance of the Fund is not an indication of its future performance.*

## CHAPTER 5: HISTORICAL FINANCIAL HIGHLIGHTS OF THE FUND

The summarised income statement and assets and liabilities of the Fund since its commencement on 21 July 2009 to 30 June 2010 are set out below:-

### 5.1 Audited Income Statement

	<b>21/07/2009 (date of inception) to 30/06/2010 RM</b>
Investment income	7,731,365
Expenses	(336,247)
Net income before tax	<u>7,395,118</u>
Income tax expense	-
Net income after tax	<u><u>7,395,118</u></u>

### 5.2 Audited Statement of Assets and Liabilities

	<b>As at 30 June 2010 RM</b>
Assets:	
Investments	91,085,019
Other assets	2,831,040
Total assets	<u>93,916,059</u>
Liabilities	<u>13,473</u>
<b>NAV Attributable to Unit Holders</b>	<u><u>93,902,586</u></u>
<b>NAV per unit</b>	<u>0.4977xd</u>

Supplementary information to the Fund's Income Statement and the Statement of Assets and Liabilities above:

### 5.3 NAV Attributable to Unit Holders

NAV Attributable to Unit Holders is represented by:

	<b>As at 30 June 2010 RM</b>
Unit Holders' contribution	92,431,009
Realised reserve	(210,216)
Unrealised reserve	1,681,793
Unit Holders' Funds	<u>93,902,586</u>

*Past performance of the Fund is not an indication of its future performance.  
The audited financial statements of the Fund are disclosed in the Fund's annual report  
and the annual report is available upon request.*

## CHAPTER 6: FEES, CHARGES AND EXPENSES

The cost to the investor of investing in the Fund is as follows:

### 6.1 Charges

The charges directly incurred by an investor when purchasing or redeeming Units are as follows:

#### (a) Sales Charge

The Manager will impose a sales charge which can be levied on an investor's net investment amount/purchase amount by the Manager's various distributors as follows:

Distributor	% of investment amount
Institutional Unit Trust Adviser (IUTA)	Up to 5.50%
Tied (Retail) Agent	Up to 5.50%
Direct Sales (Direct Investment with Fund House)	Up to 5.50%

**Please note that this Fund's investments in UGGF will be at its net asset value per unit. The sales charge for investing in UGGF will be waived by the managers of UGGF.**

An investor can expect differing sales charge to be levied when buying Units from the various distribution channels and within each distribution channel, subject to the maximum sales charge stipulated herein. This is due to the different levels of services provided by each distribution channel and / or the size of the investment undertaken.

#### Illustration (as at the Latest Practicable Date)

Say, an investor makes an investment of RM10,000.00 at a Selling Price of RM0.5319 and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,550.00 as follows:-

Investment amount	=	RM10,000.00
Add: sales charge levied @ 5.50%	=	RM 550.00
Total amount paid by the investor	=	<u>RM10,550.00</u>

The investor will be allotted with 18,800.53 Units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.5319}^*} = 18,800.53 \text{ Units}^{**}$$

\* Unit price is rounded to the nearest 4 decimal places.

\*\* Units computed are rounded to the nearest 2 decimal places.

From the sales charge received from investors, the Manager pays no more than the entire sales charge as mentioned above as selling commission to its distributors for the Fund.

**(b) Repurchase Charge**

The Manager of the Fund will not impose any repurchase charge on investors redeeming their investments.

Illustration (as at the Latest Practicable Date)

Say, an investor redeems 18,800.53 Units at the Repurchase Price of RM0.5319 (which is the Fund's Net Asset Value of a Unit as at the next valuation point), he would receive net proceeds of redemption of RM10,000.00 as follows:

Redemption proceeds (18,800.53 Units x RM0.5319)	=	RM10,000.00
Less: repurchase charge	=	(NIL)
Net amount payable to the investor	=	<u>RM 10,000.00</u>

**(c) Other Charges**

**(i) Switching of Units**

This is considered as a withdrawal of investment from the Fund and an investment into any of the unit trust funds under the management of the Manager that allows switching of Units. Unit Holders switching in from other funds under management (that allow switching) with a lower sales charge or Unit Holders switching out to other funds under management (that allow switching) with a higher sales charge will pay the difference in sales charge which is deductible from the redemption proceeds of the Units to be switched. In the event of a switch between funds that impose a similar sales charge, a switching fee of RM25.00 will be imposed and deducted from the redemption proceeds of the Units to be switched.

The Manager however, reserves the right to vary this fee or to vary the terms of the switching facility. Units of the fund to be switched into shall be purchased at the net asset value of a unit of that fund as at the next valuation point of the fund's relevant Business Day after the Form of Request to Switch is received by the Manager ("forward pricing").

Illustration (As at the Latest Practicable Date)

If a Unit Holder switches 5,000 units in **OSK-UOB Gold and General Fund** at the Repurchase Price of a Unit of RM0.5319 and wishes to invest in **OSK-UOB Big Cap China Enterprise Fund** at the Repurchase Price of RM0.4950 (where both funds have the sales charge of 5.50%).

Proceeds from Switch <b>(OSK-UOB Gold and General Fund)</b> (5,000 Units x RM 0.5319)	RM2,659.50
Less : Switching fee RM25.00	<u>RM(25.00)</u>
Net proceeds from Switch	<u>RM2,634.50</u>
Proceeds from <b>OSK-UOB Gold and General Fund</b> invested in <b>OSK-UOB Big Cap China Enterprise Fund :</b>	<u>RM2,634.50</u> <u>RM0.4950</u>
	= 5,322.22 units*

## CHAPTER 6: FEES, CHARGES AND EXPENSES

\* Units computed are rounded to the nearest 2 decimal places.

### (ii) Transfer of Units

The Manager charges a transfer fee of RM5.00 for each transfer.

## 6.2 Fees and Expenses

The fees and expenses indirectly incurred by an investor when investing in the Fund are as follows:

### (a) Manager's Fee

The Manager is entitled to a management fee of one point eight per cent (1.80%) per annum of the Net Asset Value calculated on a daily basis before deducting the Manager's and Trustee's fees for that particular day. A portion of this fee is paid to UOBAM. As this Fund invests in units of UGGF, any management fee charged to UGGF by the UGGF manager (UOBAM) in relation to the Fund's investments in UGGF will be fully refunded to this Fund. Accordingly, there is **NO DOUBLE CHARGING OF MANAGEMENT FEE**. This means that the Unit Holder will incur **ONLY ONE MANAGEMENT FEE and ONLY AT THE FUND'S LEVEL** i.e. one point eight per cent (1.80%) per annum of the Net Asset Value of the Fund.

#### Illustration

	As at 20 June 2011 RM	As at 21 June 2011 RM
Total Value of Investments	145,121,070.22	149,344,051.72
Liquid Assets	2,804,359.94	(2,894,218.11)
Other Assets	30,441,798.80	30,262,835.64
Total Assets	178,367,228.96	176,712,669.25
<u>Less:</u>		
Liabilities	(13,413,603.96)	(7,516,241.94)
Management & Trustee Fees	(137,623.13)	(146,112.28)*
Net Asset Value before deducting the Manager's and Trustee's fees for that particular day	164,816,001.87	169,050,315.03
<u>Less Adjustments:</u>		
Management Fee 1.8% per annum	(8,127.91)*	(8,336.73)
Trustee Fee 0.08% per annum	(361.24)*	(370.52)
Net Asset Value	164,807,512.72	169,041,607.78

\* The annual Management Fee and annual Trustee Fee calculated on 20 June 2011 will be accrued and taken into account for 21 June 2011 valuation.

### (b) Trustee's Fee

The Trustee is entitled to a trustee fee of zero point zero eight per cent (0.08%) per annum of the Net Asset Value calculated on a daily basis subject to a minimum of RM18,000 per annum (excluding foreign custodian fees and charges) before deducting the Manager's and Trustee's fees for that particular day. Further, if the Trustee is a counterparty for a hedge transaction in relation to the Fund, then an additional fee of 0.03% p.a. of the amount hedged or the security value under the hedge, whichever is higher, is payable to the Trustee.

#### Illustration

[Please see Section 6.2 (a) aforementioned]

**(c) Other Indirect Fees**

As the Fund will invest in units of UGGF, there are also other fees indirectly incurred by this Fund such as registrar fee, audit fee and custodian fee (payable to the auditors and custodian of UGGF) and other fees and charges which are incurred at the UGGF level.

The annual registrar fee of UGGF is 0.125%, subject always to a minimum of S\$2,500 per annum. The annual trustee fee of UGGF is currently not more than 0.05% (presently subject to a minimum of S\$5,000 per annum) with a maximum of 0.25% per annum subject always to a minimum of S\$15,000 per annum or such other lower sum as may be agreed from time to time between the UGGF's trustee and the UGGF's managers. The audit fee, custodian fee and other fees and charges may exceed 0.1% per annum, depending on the proportion that each fee or charge bears to the net asset value of the Fund. The audit fee payable is subject to agreement with the auditors of UGGF for each financial year of UGGF. The custodian fee payable is subject to agreement with the custodian of UGGF and will depend on the number of transactions carried out and the place at which such transactions are effected in relation to UGGF. Other fees and charges include goods and services tax, printing costs, professional fees and other out-of-pocket expenses. Based on the net asset value of UGGF as at 31 May 2010, the managers of UGGF anticipate that none of the other fees and charges for the current financial year (on assumption that such fees and charges would be similar to that incurred in the previous financial year), would exceed 0.1% per annum the net asset value of the UGGF.

As such, Unit Holders are indirectly bearing these expenses which are charged at the UGGF level.

*Investors should note the above higher fees arising from the layered investment structure of this Fund.*

**(d) Other Expenses Directly Related to the Fund**

In administering the Fund, there are expenses directly related to the Fund. These expenses include the cost of the auditors' fees and other relevant professional fees, custodial charges, cost of distribution of interim/annual reports, tax certificates, reinvestment statements and other notices to Unit Holders. In addition, there are expenses that are directly related and necessary to the business of the Fund as set out in its Deed, such as taxes, if any, that are also paid out of the Fund.

All expenses pursuant to the issuance of this Prospectus will be borne by the Manager.

**6.3 Reduction/ Waiver of Fees and Charges**

The Manager may, for any reason at any time, waive or reduce the amount of any fees (except the Trustee's fee) or other charges payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.

## CHAPTER 6: FEES, CHARGES AND EXPENSES

### 6.4 Total Annual Expenses Incurred by the Fund in the Preceding Financial Year

Financial year ended 30 June 2010.

Management Fee		Trustee Fee		Other Expenses		Total Annual Expenses	
RM	% *	RM	% *	RM	% *	RM	% *
269,872	0.37	55,468	0.08	10,907	0.01	336,247	0.46

Note: The lower fee was primarily due to the rebate of management fee received from the Fund's investment in UGGF, the target fund. The lower management fee was also due to a period of less than 12 months (21 July 2009 to 30 June 2010).

\* reflected as a percentage of average Net Asset Value for the financial period.

*The Fund's annual report is available upon request.*

### 6.5 Management Expense Ratio of the Fund since the Fund's Establishment

<b>OSK-UOB Gold and General Fund</b>	<b>Since Launch 21 July 2009 - 30 June 2010</b>
Management Expense Ratio (MER) (%)	0.46%

There were no comparative figures as this is the first financial period of the Fund.

*The Fund's annual report is available upon request.*

### 6.6 Policy on Rebates and Soft Commissions

It is the Manager's policy to credit all stockbroking rebates to the account of the Fund.

However, goods and services ("soft commissions") from any broker may be retained by the Manager only if the goods and services are of demonstrable benefit to the Unit Holders, such as research materials and computer software, which are incidental to the investment management activities of the Fund.

*There are fees and charges involved and investors are advised to consider them before investing in the Fund.*

## CHAPTER 7: TRANSACTION INFORMATION

### 7.1 Pricing

The Manager adopts a single pricing policy, i.e. the Selling Price and the Repurchase Price is the Net Asset Value per Unit.

#### 7.1.1 Computation of Selling Price

The Selling Price shall be the Net Asset Value of a Unit in the Fund as at the next valuation point of the Fund's relevant Business Day after the request for Units is received by the Manager ("forward pricing"). A sales charge will be computed separately based on the net investment amount/purchase amount.

##### Illustration (As at the Latest Practicable Date)

Daily Net Asset Value of the Fund	RM164,807,512.72
Units in Circulation	309,828,000
Net Asset Value of a Unit	$\frac{\text{RM164,807,512.72}}{309,828,000}$
	= RM0.5319*

\* Unit price is rounded to the nearest 4 decimal places.

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.5319 (which is the Fund's Net Asset Value of a Unit as at the next valuation point) and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,550.00 as follows:

Investment amount	RM 10,000.00
Add: sales charge levied by distributor @ 5.50%	RM 550.00
Total amount paid by investor	<u>RM 10,550.00</u>

The investor will be allotted with 18,800.53 Units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.5319}} = 18,800.53^{**} \text{ Units}$$

\*\*Units computed are rounded to the nearest 2 decimal places.

#### 7.1.2 Computation of Repurchase Price

The Repurchase Price shall be the Net Asset Value of a Unit as at the next valuation point of the Fund's relevant Business Day after the request for repurchase is received by the Manager ("forward pricing"). The Manager will not impose any repurchase charge on the redemption amount/proceeds.

##### Illustration (As at the Latest Practicable Date)

Daily Net Asset Value of the Fund	RM 164,807,512.72
Units in Circulation	309,828,000

## CHAPTER 7: TRANSACTION INFORMATION

Net Asset Value of a Unit	<u>RM 164,807,512.72</u> 309,828,000
	= RM 0.5319*

\* Unit price is rounded to the nearest 4 decimal places.

Say, an investor redeems 18,800.53 Units at the Repurchase Price of RM0.5319 (which is the Fund's Net Asset Value of a Unit as at the next valuation point), he would receive net proceeds of redemption of RM10,000.00 as follows:

Redemption proceeds (18,800.53 Units x RM0.5319)	RM 10,000.00**
Less: repurchase charge	<u>NIL</u>
Total amount payable to investor	<u>RM 10,000.00</u>

\*\* Units computed are rounded to the nearest 2 decimal places.

### 7.1.3 Pricing Error Policy

The Manager shall ensure that the Fund and the Units are correctly valued and priced according to the Deed and all relevant laws. Where there is an error in the valuation of the Fund, any incorrect pricing of Units which is deemed to be significant will involve the reimbursement of money in the following manner:

- (a) by the Manager of the Fund, and/ or to the Unit Holders and/ or to the former Unit Holders; or
- (b) by the Fund to the Manager.

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the Net Asset Value of a Unit and the amount to be reimbursed is RM10.00 or more.

## 7.2 Transaction Details

### (a) How to Purchase and Redeem Units

When purchasing Units, investors must forward the following:

- 1) completed Application Form;
- 2) necessary remittance; and
- 3) relevant supporting documents such as a photocopy of their Identity Card (for an individual applicant) or certified true copies of the Certificate of Incorporation or Registration, Memorandum and Articles of Association or Constitution or By-Laws, and relevant resolutions (for a corporate applicant)

to the Manager's registered office or any of its branch offices, or to any of its authorised sales agents or participating Institutional Unit Trust Advisers (IUTAs) before their respective cut-off times.

The minimum initial investment of this Fund is RM1,000.00 and the minimum additional investment is RM100.00.

## CHAPTER 7: TRANSACTION INFORMATION

Please refer to our Directory of Outlets for Purchase and Sale of Units at the end of this Prospectus.

Similarly, Units can be redeemed by forwarding the completed Form of Request to Repurchase to the Manager's registered office or any of its branch offices, or to any of its authorised sales agents or participating IUTAs before their respective cut-off times.

For partial redemption, the balance of Units after the redemption must be at least one hundred (100) Units (the "Minimum Investment Balance"). There are no restrictions on the number of Units a Unit Holder can redeem out of his investments or the frequency of redemptions in a year. However, the Manager shall not be bound to comply with any request for redemption of Units if the balance of Units held after the redemption is less than the Minimum Investment Balance.

### (b) Cooling-off Period

The cooling-off right refers to the right of an investor to obtain a refund of his investment if he so requests within the cooling-off period. The cooling-off right is only given to an investor, other than those listed below, who is investing in any unit trust funds managed by the Manager for the first time:

- (i) a corporation or institution;
- (ii) a staff of the Manager; and
- (iii) persons registered to deal in the unit trust funds of the Manager.

The refund to the investor pursuant to the exercise of his cooling-off right shall not be less than the sum of:

- a) the Net Asset Value of the Units on the day the Units were purchased; and
- b) the sales charge originally imposed on the day the Units were purchased.

The cooling-off period shall be within six (6) business days<sup>#</sup> and shall be effective from the date of receipt of the application by the Manager.

<sup>#</sup>These are the working days when the Manager is open for business.

#### Illustration (As at the Latest Practicable Date)

An investor investing with the Manager for the first time invests RM10,000.00 in the Fund on 20 June 2011 at the Selling Price of RM0.5319 (i.e. the Net Asset Value of a Unit) and paid a sales charge of 5.50% as follows:

Investment amount	RM 10,000.00
Add: sales charge levied by distributor @ 5.50%	RM 550.00
Total amount paid by investor	<u>RM 10,550.00</u>

$$\begin{aligned} \text{The total number of units the investor is entitled to} &= \frac{\text{RM10,000}}{\text{RM0.5319}} \\ &= 18,800.53^{**} \text{ Units} \end{aligned}$$

<sup>\*\*</sup>Units computed are rounded to the nearest 2 decimal places.

## CHAPTER 7: TRANSACTION INFORMATION

On 22 June 2011 (within the cooling-off period), the investor decides to withdraw his investment by exercising his cooling-off right.

The amount to be refunded to the investor is:

$$\begin{aligned} &= \text{Net Asset Value of the Units purchased on 20 June 2011} + \text{sales charge paid by the investor on 20 June 2011} \\ &= (18,800.53 \text{ Units} \times \text{RM}0.5319) + \text{RM}550.00 \\ &= \text{RM}10,000.00 + \text{RM}550.00 \\ &= \text{RM}10,550.00 \end{aligned}$$

The cooling-off right allows investors the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.

Withdrawal proceeds will only be paid to the investors once the Manager has received cleared funds for the original investment. For investors who paid by cheque, the refund will be made upon clearance of the cheque.

### (c) Where Units can be Purchased or Redeemed

Units can be purchased or redeemed at the Manager's registered office or any of its branch offices convenient to you or from any of its authorised sales agents or participating IUTAs. For further information, please call our help-desk Free-Phone number: 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. - 6.15 p.m. or you may e-mail your enquiries to [oskuob\\_hq-enquiry@my.oskgroup.com](mailto:oskuob_hq-enquiry@my.oskgroup.com) or visit our website, [www.oskuob.com.my](http://www.oskuob.com.my).

Please refer to our Directory of Outlets for Purchase and Sale of Units at the end of this Prospectus.

Application forms, redemption forms and prospectuses are also available from these distributors.

### (d) How to Switch between Funds

Investors may switch between unit trust funds under the management of the Manager that allow switching of units by forwarding the completed Form of Request to Switch to the Manager's registered office or any of its branch offices, or to any of its authorised sales agents or participating IUTAs before their respective cut-off times. The minimum amount for a switch into another fund is RM1,000.00. There are no restrictions as to the number of switches a Unit Holder may perform or the frequency of switching. The Manager however, reserves the right to vary these terms.

### (e) How to Transfer Ownership of Units

Investors may transfer their holdings of Units to another investor by forwarding the completed Form of Transfer to the Manager's registered office or any of its branch offices or to any of its authorised sales agents or participating IUTAs before their respective cut-off times.

If the transferee is a new investor, he must also forward the following:

- 1) completed Application Form; and
- 2) relevant supporting documents such as a photocopy of his Identity Card (for an individual applicant) or certified true copies of the Certificate of Incorporation or Registration, Memorandum and Articles of Association or Constitution or By-Laws, and relevant resolutions (for a corporate applicant).

However, such transfer must be for a minimum of 100 Units and the Manager may decline to register any partial transfer of Units if the registration would result in the transferor or the transferee holding less than one hundred (100) Units. The Manager may also refuse an entry of transfer during the fourteen (14) days preceding a distribution date.

**(f) Unclaimed Monies**

Any unpresented payments will be filed with and paid to the Registrar of Unclaimed Moneys after the lapse of one year from the date of payment. Unit Holders will have to liaise directly with the Registrar of Unclaimed Moneys to claim their monies.

**(g) Availability of Information on Investment**

After purchasing Units, the value of the investment can be monitored easily as the Unit price is published daily in major newspapers and at our website, **www.oskuob.com.my**. The Manager will ensure the accuracy of the price to the press for publication. The Manager, however, will not be held liable for any error or omission in the price published as this is beyond the Manager's control. In the event of any conflict between the price published and the price computed by the Manager, the Manager's computed price shall prevail.

Unit Holders will receive an unaudited half year report and an audited annual report of the Fund from the Manager. The Manager may also issue updates either quarterly or semi-annually, on the performance of the Fund as and when appropriate.

In addition, the Manager has a help-desk service specially set-up to assist customers and investors in their enquiries pertaining to their investments. Customers or investors may call our help-desk Free-Phone number: 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. - 6.15 p.m. or you may e-mail your enquiries to **oskuob\_hq-enquiry@my.oskgroup.com**

Alternatively, investors may make enquiries on their investments via our E-Services at **www.oskuob.com.my**. Pre-registration for the E-Services is required and the registration form is available from the website.

Investors may also refer to FIMM for any queries/ concerns regarding their investments in Unit Trusts. The contact details of FIMM are listed in the corporate directory of this Prospectus.

***Investors are advised not to make payment in cash when purchasing Units via any institutional unit trust adviser/retail agent.***

### 7.3 Mode of Distribution

Distributions, if any, after deduction of taxation and expenses (i.e. net distribution) will be reinvested to purchase additional Units in the Fund based on the Net Asset Value of a Unit as at the first Business Day when Units are quoted ex-entitlement. Allotment of such Units shall be within two (2) weeks thereafter.

No sales charge will be imposed for any reinvestment of distribution into the Fund.

**7.4 Additional Information**

**(a) Anti Money Laundering Policy**

The Manager has in place a Know Your Client (KYC) Policy where procedures are in place to verify clients' identification by obtaining satisfactory evidence of the clients' identity and effective procedures are in place to verify the genuine clients before establishing a business relationship. Procedures are also in place to prevent the Manager from being used as a place to hold illegal funds for money laundering purposes. Where the mode of payments and investment pattern are not in line with the client's background, and there is a cause for suspicion, KYC procedures require a suspicious transaction report to be filed with the Financial Intelligence Unit of Bank Negara Malaysia.

**(b) Material Contracts**

There are no material contracts in respect of the Fund (including contracts not reduced into writing), not being contracts entered in the ordinary course of business which have been entered into within two (2) years preceding the date of this Prospectus.

**(c) Personal Data**

Personal information provided by or relating to a Unit Holder may be disclosed, processed, used, stored and / or transferred by / to the Manager, Manager's agents / delegates within or outside Malaysia, for the purposes of the provision of any services related to the Fund.

## **CHAPTER 8: SALIENT TERMS OF THE DEED**

The Deed constituting the Fund was entered into between the Manager and the Trustee on 15 February 2008. As at the date of this Prospectus, there were no supplementals to the Deed.

### **8.1 Rights and Liabilities of Unit Holders**

#### **8.1.1 Recognition of Unit Holders**

An investor is only recognised as a Unit Holder when his/her name appears in the register as a Unit Holder of Units in the Fund in which he/she has invested.

Accordingly, only investors whose applications for Units are successfully processed are recognised as Unit Holders.

#### **8.1.2 Rights of Unit Holders**

Unit Holders shall have the right in respect of the Fund in which they hold Units, amongst others, to the following:

- (a) to receive distributions of the Fund, participate in any increase in the capital value of the Units and to other rights and privileges as set out in the Deed;
- (b) to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a special resolution as provided for in the Deed;
- (c) to exercise the cooling-off right, if applicable; and
- (d) to receive annual reports, interim reports or any other reports of the Fund.

No Unit Holder shall be entitled to require the transfer to him of any assets comprised in the Fund or be entitled to interfere with or question the exercise by the Trustee or the Manager on his behalf of the rights of the Trustee as owner of such assets.

#### **8.1.3 Liabilities of Unit Holders**

The liability of Unit Holders shall be limited to their investment participation in the Fund. Unit Holders shall not be liable to indemnify the Trustee or the Manager against any liabilities whatsoever arising in respect of their duties and obligations as trustee and manager of the Fund which exceed the value of the assets of the Fund. Any claims against the Fund shall be entirely restricted to the Fund.

### **8.2 Fees, Charges, and Expenses Permitted By the Deed**

#### **8.2.1 Sales Charge and Repurchase Charge**

The Manager may impose a sales charge and a repurchase charge for the sale / repurchase of Units according to such rates and conditions disclosed in this Prospectus. The Manager is entitled to retain these charges. The maximum charges allowable by the Deed and the actual charges paid by Unit Holders are as follows:

## CHAPTER 8: SALIENT TERMS OF THE DEED

	Maximum Allowable Rate	Actual Rate Charged
Sales Charge	10.00% of the net investment/purchase amount	Up to 5.50% of the net investment/purchase amount
Repurchase Charge	5.00% of the net withdrawal amount/repurchase proceeds.	NIL.

### 8.2.2 Annual Management Fee

The Manager is permitted to charge to the Fund an annual management fee at the rate below:

Maximum Allowable Rate	Actual Rate Charged
2.50% of the Net Asset Value of the Fund	1.80% of the Net Asset Value of the Fund

The annual management fee charged to the Fund shall be at such rate agreed between the Manager and the Trustee, and as disclosed in this Prospectus.

The Trustee shall ensure that the annual management fee charged is reasonable having regard to:

- (a) the nature, quality and extent of the services provided by the Manager;
- (b) the amount of the management fee in relation to the size and composition of the investments of the Fund;
- (c) the success of the Manager in meeting the objective of that Fund;
- (d) the investment performance of the Fund in question; and
- (e) the maximum allowable rate.

### 8.2.3 Annual Trustee Fee

The Trustee is permitted to charge to the Fund an annual trustee fee at the rate below:

Maximum Allowable Rate	Actual Rate Charged
0.15% of the Net Asset Value of the Fund subject to a minimum of RM18,000 (excluding foreign custodian fees and charges). Further if the Trustee is the counterparty for a hedge transaction in relation to the Fund, then an additional fee of 0.03% is payable to the Trustee.	0.08% of the Net Asset Value of the Fund subject to a minimum of RM18,000 (excluding foreign custodian fees and charges). Further if the Trustee is the counterparty for a hedge transaction in relation to the Fund, then an additional fee of 0.03% is payable to the Trustee.

The rate of the annual trustee fee to be paid by the Fund to the Trustee shall be at such rate disclosed in this Prospectus. In addition to the annual trustee fee, the Trustee may be paid by the Fund any expense properly incurred by the Trustee in the performance of its duties and responsibilities and for taking into custody any assets or investments of the Fund. Such custodian fee is determined in consultation with the Manager and shall not exceed the relevant prevailing market rate.

### 8.2.4 Increase in Fees and Charges

Any increase in the actual sales charge, actual repurchase charge, annual management and annual trustee fees above the level disclosed in this Prospectus (but below the maximum rate prescribed in

## **CHAPTER 8: SALIENT TERMS OF THE DEED**

the Deed) can be made by way of a supplementary prospectus. However, any increase in the sales charge, annual management and annual trustee fees above the maximum rate prescribed in the Deed will require Unit Holders' prior consent and the issuance of a supplemental deed and a supplementary prospectus. In relation to the repurchase charge, any increase above the maximum allowable rate prescribed in the Deed can be made by way of a supplemental deed and supplementary prospectus.

### **8.2.5 Other Permitted Expenses of the Fund**

Only the expenses which are directly related and necessary to the business of the Fund may be charged to the Fund.

The expenses directly incurred by and charged to the Fund include but are not limited to the list of expenses disclosed in this Prospectus (Section 1.2 Fees and Charges and Section 6.2 Fees and Expenses).

Expenses associated with the management and administration of the Fund, such as general overheads and cost for services expected to be provided by the Manager shall not be charged to the Fund.

Expenses relating to the issue of this Prospectus may not be charged to the Fund, where the Manager imposes a sales charge. Accordingly, the Manager has borne all costs relating to the issuance of this Prospectus.

## **8.3 Removal, Replacement, and Retirement of the Manager and Trustee**

### **8.3.1 Removal or Replacement of the Manager**

The Manager may be removed / replaced by the Trustee on the grounds that the Manager:

- (i) has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose; or
- (ii) has had a receiver appointed; or
- (iii) has ceased to carry on business; or
- (iv) is in breach of any of its obligations or duties under the Deed or the relevant laws; or
- (v) has ceased to be eligible to be a management company under the relevant laws; or
- (vi) has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for the Trustee to remove or replace the Manager after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a special resolution.

The Manager may also be removed or be required to retire by the Unit Holders if a special resolution is passed at a meeting of the Unit Holders.

### **8.3.2 Retirement of the Manager**

The Manager may retire in favour of some other corporation upon giving the Trustee twelve (12) months written notice of the Manager's intent to do so, or such shorter time as the Manager and

## CHAPTER 8: SALIENT TERMS OF THE DEED

the Trustee may agree upon, provided such retirement is approved by the Securities Commission and retirement is in accordance with the terms and conditions under the Deed.

### 8.3.3 Removal / Replacement of the Trustee

The Trustee may be removed by the Manager if:

- (i) the Trustee has ceased to exist; or
- (ii) the Trustee has not been validly appointed; or
- (iii) the Trustee was not eligible to be appointed or to act as trustee under any relevant law; or
- (iv) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law; or
- (v) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment; or
- (vi) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or
- (vii) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law; or
- (viii) a special resolution is duly passed in accordance with the provisions of the Deed that the Trustee be removed in a meeting of Unit Holders.

### 8.3.4 Retirement of the Trustee

The Trustee may retire by giving at least twelve (12) months written notice to the Manager of the Trustee's intent to do so, or such shorter time as the Manager and the Trustee may agree upon, and appoint in its stead another trustee for the Fund who is approved by the Securities Commission.

## 8.4 Termination of the Fund

The Fund is of unlimited duration and shall continue until terminated:

- (a) By the Manager at any time in its absolute discretion subject to compliance with the relevant laws, which may include but is not limited to the following situations:
  - (i) Where approval for the Fund's establishment is revoked by the Securities Commission at any time.
  - (ii) Where an approved transfer scheme as defined under the relevant laws has resulted in the Fund being left with no asset.
- (b) By the Trustee if a Unit Holders meeting is summoned by the Trustee to pass a special resolution in order to terminate and wind-up the Fund and thereafter the Trustee must obtain an order from the court to confirm the said special resolution.
- (c) By the Unit Holders if a Unit Holders meeting is summoned by the Unit Holders to pass a special resolution to terminate and wind-up the Fund.

## **CHAPTER 8: SALIENT TERMS OF THE DEED**

### **8.5 Unit Holders Meeting (“Meeting”)**

A Meeting may be summoned by the Unit Holders, the Trustee or the Manager in accordance with the provisions of the Deed and any relevant laws. Any such Meeting will be conducted in accordance with the provisions of the Fund’s Deed and any relevant laws.

#### **8.5.1 Quorum**

The quorum required for a Meeting is five (5) Unit Holders of the Fund whether present in person or by proxy. However if the purpose of the Meeting is to pass a special resolution such as to remove the Manager and/or the Trustee, then the quorum must be five (5) Unit Holders whether present in person or by proxy who must hold in aggregate at least 25% of the Units in circulation at the time of the Meeting.

Where the Fund has only five (5) or less Unit Holders, the quorum required for a meeting is two (2) Unit Holders whether present in person or by proxy. But if the Meeting is convened to pass a special resolution such as to remove the Manager and / or the Trustee then the two (2) Unit Holders whether present in person or by proxy must hold in aggregate at least 25% of the Units in circulation at the time of the Meeting.

#### **8.5.2 Manner of Voting and Resolution**

Every Unit Holder entitled to attend the Meeting and to vote, may do so personally or by proxy. At a Meeting, every resolution of the Meeting shall be decided by a show of hands unless a poll is demanded or if the meeting is to determine on a matter of special resolution, in which case a poll should be taken. On a show of hands every Unit Holder who is present in person or by proxy shall have one vote.

A poll may be demanded on any resolution. If a poll is taken / demanded, every Unit Holder who is present in person or by proxy has one vote for every unit held by the Unit Holder. The Manager may attend any Meeting but must not exercise the voting rights for the Units it or its nominees hold in any Unit Holders’ Meeting, regardless of the party who requested for the Meeting and the matters that are laid before the Meeting.

A poll may be demanded by the Chairman of the Meeting, the Trustee, the Manager or by Unit Holders holding (or representing by proxy) between them not less than one-tenth (1/10) of the total number of Units then in issue.

Unless a poll is so demanded, a declaration by the Chairman of the result of the resolution shall be conclusive evidence of the fact whether in favour of or against such resolution.

All resolutions presented at the Meeting shall be passed by a simple majority except for special resolutions which require three-fourths (3/4) majority. Resolutions passed at the Meeting shall bind all Unit Holders whether or not they were present at the Meeting.

## CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND

### 9.1 The Manager

The Manager, OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad) (OSK-UOB), is a holder of a Capital Markets Services Licence for fund management activities and dealing in securities restricted to unit trusts issued under the Capital Markets and Services Act 2007. OSK-UOB, a joint-venture company between the OSK Group and the UOB Group, Singapore, was incorporated on 16 August 1995 with a current authorised and paid-up capital of RM10 million. The equity structure of OSK-UOB is as follows:

OSK Investment Bank Berhad	70%
United Overseas Bank (Malaysia) Bhd	30%
	<u>100%</u>

### 9.2 Board of Directors

The Board of Directors of the Manager are as follows:

1. Dr Choong Tuck Yew (Independent Non-Executive Director)
2. Encik Izlan Bin Izhab (Independent Non-Executive Director)
3. Ms Eliza Ong Yin Suen (Non-Independent Non-Executive Director)
4. Dato' Nik Mohamed Din Bin Datuk Nik Yusoff (Non-Independent Non-Executive Director)
5. Mr Thio Boon Kiat (Non-Independent Non-Executive Director)
6. Ms Lim Suet Ling (Non-Independent Alternate Non-Executive Director to Mr Thio Boon Kiat)
7. Mr Ho Seng Yee (Non-Independent Executive Director)

Members of the Board meet every 3 months or as and when the need arises in performing the following functions:

- Sets policies and guidelines of the Manager
- Oversees activities of the Manager
- Reviews performance, financial and audit reports of the Manager

### 9.3 Key Personnel

**Mr Ho Seng Yee**, Chief Executive Officer was appointed in November 2002 and holds a Bachelor of Economics Degree (Honours) in Business Administration from University Malaya and Capital Markets Services Representative's Licence. Mr Ho joined the senior ranks of the OSK Group in June 2000 and has considerable experience and knowledge of the securities and futures industry. Prior to that, he spent twenty four years in the commercial and financial services industry, predominantly in the financial arena. During that tenure, Mr Ho held various management positions and was actively involved in the sales and marketing of products and the development of new businesses. He is also a non-independent Executive Director of the Manager as well as a non-independent non-Executive Director of UOB-OSK Asset Management Sdn Bhd and OSK-UOB Islamic Fund Management Berhad.

**Mr Lee Seng Young**, Director / Head of Regional Operations, is a Fellow of the Association of Chartered Certified Accountants, United Kingdom, a Fellow of the CPA Australia, a Fellow of the Certified Public Accountant, Singapore and a Chartered Accountant, Malaysia. Mr Lee has over twenty five years experience in the unit trust industry. Prior to joining the OSK Group in 1994, he was with a financial services group and spent over ten years in its unit trust division. He has accumulated considerable knowledge of the unit trust industry being in-charge of the entire unit trust operations and his involvement in equity portfolio management together with fund managers from Seacorp-Schroders Capital Management Berhad where they jointly managed various investment portfolios. Before his involvement in the unit trust industry, he was attached to a reputable public accounting firm.

## CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND

**Ms Nor Azlina Mohd Akhir**, Vice President – Group Compliance, is the designated person responsible for compliance matters. She graduated with a Bachelor of Accounting (Honours) from the University of Malaya. Prior to joining the OSK Group in 2009, she held a senior management position at a local asset management company, overseeing its compliance functions. She was also previously attached to a foreign bank in Malaysia, where she was responsible for regulatory compliance matters of its conventional and Islamic banking business. Her other past experiences includes auditing of several asset management companies and financial institutions during her tenure with an international public accounting firm.

### 9.4 Funds under the Management of the Manager

The Manager commenced operations in 1996 with the launch of its maiden fund, OSK-UOB Equity Trust. As at the Latest Practicable Date, it has forty nine (49) unit trust funds and six (6) wholesale funds under its management with an aggregate fund size in excess of RM5.00 billion. As at the Latest Practicable Date the funds under its management are:-

	Name of Fund	Fund Type	Fund Category	Launch Date	Approved Fund Size (Units million)	Units in Circulation as at the Latest Practicable Date (Units million)
1	OSK-UOB Equity Trust	Growth	Equity	08.08.96	750	148.39
2	OSK-UOB Small Cap Opportunity Unit Trust	Aggressive Growth	Equity (Small-cap Fund)	20.04.98	1,000	59.93
3	OSK-UOB KidSave Trust	Income & Growth	Balanced	10.05.99	700	623.42
4	KLCI Tracker Fund	Index Tracking Fund	Equity	03.04.00	500	30.13
5	OSK-UOB Dana Islam	Growth	Equity (Islamic/Shariah-based Fund)	26.10.01	100	6.15
6	OSK-UOB Income Fund	Income	Bond	26.02.03	300	23.45
7	OSK-UOB Emerging Opportunity Unit Trust	Aggressive Growth	Equity	18.05.04	400	43.55
8	OSK-UOB Smart Series Funds consisting of: - OSK-UOB Smart Treasure Fund - OSK-UOB Smart Balanced Fund - OSK-UOB Smart Income Fund	Aggressive Growth Income and Growth Income	Equity Balanced Bond	07.09.04	1,000 (combined fund size)	319.06 9.87 26.04

**CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND**

	<b>Name of Fund</b>	<b>Fund Type</b>	<b>Fund Category</b>	<b>Launch Date</b>	<b>Approved Fund Size (Units million)</b>	<b>Units in Circulation as at the Latest Practicable Date (Units million)</b>
9	OSK-UOB Growth And Income Focus Trust	High Growth & Income	Equity (small cap)/ Bond	07.01.05	400	147.29
10	OSK-UOB Global Equity Yield Fund	Income and Growth	Equity	09.11.05	500	68.93
11	OSK-UOB Asia Pacific Fund	Growth	Equity	06.01.06	800	59.82
12	OSK-UOB Money Market Fund	Income	Money Market	20.01.06	1,000	393.04
13	OSK-UOB Global Allocation Fund	Growth	Feeder	27.03.06	400	37.88
14	OSK-UOB Resources Fund	Growth	Equity	16.05.06	750	556.92
15	OSK-UOB Global New Stars Fund	Growth	Equity	24.01.07	1,600	319.00
16	OSK-UOB Muhibbah Income Fund	Income & Growth	Balanced (Islamic/ Shariah-based Fund)	12.03.07	400	54.09
17	OSK-UOB Golden Dragon Fund	Growth & Income	Equity/Bond	08.05.07	2,000	692.50
18	OSK-UOB Asian Real Estate Fund	Growth	Equity	22.08.07	800	104.27
19	OSK-UOB Thematic Growth Fund	Growth	Dynamic	26.09.07	1,400	283.88
20	OSK-UOB Asia Active Allocation Fund	Growth & Income	Equity/Bond	23.10.07	800	266.68
21	OSK-UOB Institutional Islamic Money Market Fund	Income	Money Market (Islamic/ Shariah-based Fund)	01.11.07	600	25.34
22	OSK-UOB Big Cap China Enterprise Fund	Growth	Equity	03.12.07	1,300	540.92
23	OSK-UOB Asian Growth Opportunities Fund	Growth	Feeder	08.01.08	800	337.53
24	OSK-UOB Malaysia Dividend Fund	Income & Growth	Equity	04.03.08	1,200	140.62
25	OSK-UOB Global Capital Fund	Growth	Feeder	11.06.08	400	80.03

**CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND**

	<b>Name of Fund</b>	<b>Fund Type</b>	<b>Fund Category</b>	<b>Launch Date</b>	<b>Approved Fund Size (Units million)</b>	<b>Units in Circulation as at the Latest Practicable Date (Units million)</b>
26	OSK-UOB Capital Protected Equity Fund	Capital Protected	Fixed Income	01.08.08	200	23.89
27	OSK-UOB Cash Management Fund	Income	Money Market	04.09.08	450	279.39
28	OSK-UOB Energy Fund	Growth	Fixed Income	23.03.09	600	245.12
29	OSK-UOB Capital Protected One Advantage Fund	Capital Protected	Fixed Income	08.05.09	120	71.75
30	OSK-UOB Capital Protected Gold Guru Fund	Capital Protected	Fixed Income	01.07.09	120	8.20
31	OSK-UOB Gold and General Fund	Growth	Feeder	21.07.09	800	309.83
32	OSK-UOB Capital Protected China A-Share Fund	Capital Protected	Fixed Income	09.09.09	120	42.00
33	OSK-UOB Global Stimulus Fund	Growth	Fund-of-funds (ETFs)	15.09.09	400	22.24
34	OSK-UOB Capital Protected China A-Share Fund- Series 2	Capital Protected	Fixed Income	28.10.09	200	85.15
35	OSK-UOB ASEAN Fund	Growth	Equity	02.12.09	600	65.37
36	OSK-UOB Asia Consumer Fund	Growth	Feeder	18.01.10	400	163.63
37	OSK-UOB China-India Dynamic Growth Fund	Growth	Feeder	11.03.10	400	96.67
38	OSK-UOB Asian Recovery Fund	Growth	Fixed Income	27.04.10	120	1.44
39	OSK-UOB Capital Protected US Recovery Fund	Capital Protected	Fixed Income	10.05.10	100	3.40
40	OSK-UOB Flexifund China Solutions consists of :  - OSK-UOB Flexifund Equity China "A"  - OSK-UOB Flexifund Money Market RMB	Growth  Income	Wholesale-Feeder (Equity)  Wholesale-Feeder (Money Market)	11.05.10	200 (combined size)	9.01  2.74
41	OSK-UOB Asian Advantage Bond Fund	Growth	Bond	19.07.10	100	24.82
42	OSK-UOB Capital Protected World Mining Fund	Capital Protected	Fixed Income	17.08.10	100	22.46

## CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND

	Name of Fund	Fund Type	Fund Category	Launch Date	Approved Fund Size (Units million)	Units in Circulation as at the Latest Practicable Date (Units million)
43	OSK-UOB Capital Protected Asia Gaming & Hospitality Fund	Capital Protected	Fixed Income	05.10.10	100	47.80
44	OSK-UOB US Focus Equity Fund	Growth	Feeder	15.10.10	400	170.48
45	OSK-UOB Pre-IPO Fund	Growth	Wholesale (Equity)	04.01.11	50	55.10
46	OSK-UOB Asia Financials Fund	Growth	Feeder	11.01.11	400	156.04
47	OSK-UOB Capital Protected Sector Strategy Fund	Capital Protected	Fixed Income	01.03.11	100	21.80
48	OSK-UOB Indonesia Equity Growth Fund	Growth	Equity	04.04.11	200	30.35
49	OSK-UOB Multi-Asset Recovery Strategy Fund	Growth	Fund-of-funds (ETFs)	19.05.11	400	39.08
50	OSK-UOB US Legendary Fund	Growth	Wholesale (Equity)	25.05.11	120	3.84

The Manager has been in the industry for over fourteen (14) years and its personnel are very experienced in the administration and management of unit trust funds.

### 9.5 Summary of Financial Position of the Manager

	Year Ended 31 December (Audited)		
	2008 (RM)	2009 (RM)	2010 (RM)
Paid-up Share Capital	10,000,000	10,000,000	10,000,000
Shareholders' Funds	35,066,660	47,059,968	60,405,547
Revenue	62,991,873	77,992,341	88,928,856
Profit before tax	12,262,815	15,793,068	18,334,153
Profit after tax	8,930,170	11,993,308	13,327,713

### 9.6 Functions of the Manager

The Manager is responsible for the day-to-day management of the Fund in accordance with amongst others, the provisions of the Deed and the Manager's internal policies, and for the development and implementation of appropriate investment strategies. The main tasks performed by the Manager include:

## CHAPTER 9: THE MANAGEMENT AND ADMINISTRATION OF THE FUND

- Selecting and managing investments of the Fund
- Executing, supervising and valuing investments of the Fund
- Conducting the sale and repurchase of Units in the Fund
- Issuing reports and distributing income to Unit Holder
- Issuing reports on market and economic review, strategies and performances
- Keeping proper records of the Fund

In fulfilling these functions, the Manager has in place a strong and cohesive team of staff who are experienced in various aspects of the unit trust industry i.e. in the administration, marketing and fund management functions. The Head of each of the abovementioned divisions has 10 to 15 years relevant experience in their chosen field.

### 9.7 The Investment Committee

#### (a) Functions of the Investment Committee

Members of the Investment Committee meet every 3 months or as and when the need arises in performing the following functions:-

- Reviews the investment policies and guidelines of the unit trust funds
- Reviews the performance and portfolio of the unit trust fund
- Reviews the performance of the stock market and its outlook
- Reviews and approves the strategies recommended by the fund managers

#### (b) Members of the Investment Committee

**Dr Choong Tuck Yew** is an independent non-Executive Director of the Manager and independent Member of the Investment Committee. He possesses a DComSc (Hons), an MBA, and is a Chartered Accountant (Malaysia) as well as a Member of the Malaysian Institute of Certified Public Accountants. He is also a Fellow of the CPA Australia, a Fellow of the Malaysian Association of the Institute of Chartered Secretaries and Administrators, a Fellow of the Chartered Tax Institute of Malaysia and a Chartered Fellow, as well as a Chartered Audit Committee Director of the Institute of Internal Auditors Malaysia.

Dr. Choong is the Deputy Chairman of C&C Investigation Services Sdn. Bhd., a licensed private investigation agency approved by the Malaysian Ministry of Internal Security. Before his retirement, Dr. Choong was appointed by Bank Negara Malaysia as the Managing Director of Visia Finance Berhad, a licensed finance company (currently he is still a Director of the company). Prior to his secondment to Visia Finance Berhad, he was the Chief Manager in Bank Negara Malaysia, where he served for more than 25 years. Currently, Dr. Choong sits on the Boards of Poh Kong Holdings Berhad as a senior independent non-Executive Director and SCC Holdings Berhad as an independent non-Executive Director. He is also the Chairman of OSK Investment Bank Berhad and an independent non-Executive Director of OSK-UOB Islamic Fund Management Berhad.

**Encik Izlan Bin Izhah** is an independent non-Executive Director of the Manager and independent member of the Investment Committee. He is also a member of the Board of Governors of Research Institute of Investment Analysts Malaysia (“RIIAM”), a member of Bursa Malaysia Berhad’s Appeals Committee, an independent non-Executive Director of CIMB Aviva Takaful Berhad (formerly known as Commerce Takaful Berhad) and CIMB Aviva Assurance Berhad (formerly known as Commerce Life Assurance Berhad), the independent non-Executive Chairman of N2N Connect Berhad, an independent non-

Executive Director of K & N Kenanga Holdings Berhad, OSK-UOB Islamic Fund Management Berhad and UOB-OSK Asset Management Sdn Bhd, a non-independent non-Executive Director of Box-Pak (Malaysia) Berhad and a non-executive director of Kenanga Deutsche Futures Sdn Bhd. Encik Izlan graduated in law from the University of London and attended the Advanced Management Program at the University of Hawaii. Prior to his retirement, Encik Izlan held various key positions at Majlis Amanah Rakyat, Kompleks Kewangan Malaysia Berhad, Permodalan Nasional Berhad and Kuala Lumpur Stock Exchange, where he held the position of Executive Vice President, Corporate & Legal Affairs.

**Ms Eliza Ong Yin Suen** is a non-independent non-Executive Director of the Manager and a non-independent member of the Investment Committee. She joined OSK Holdings Berhad in 2002 as the Personal Assistant to Mr Ong Leong Huat, Group Managing Director/Chief Executive Officer of OSK Holdings Berhad. Prior to that, she worked in Australia with National Australia Bank Limited. During her tenure, she held various positions within the bank and gained exposure within the Global Credit Bureau (with portfolios in wholesale banking and bank and sovereign risk) as well as the Asset Structuring department. Ms Ong holds a Master of Business (Banking and Finance) from Monash University, Australia and is a senior associate member of Australasian Institute of Banking and Finance (AIBF), Certified Treasury and Finance Professional (CTFP) and a Certified Financial Planner. She is also a director of UOB-OSK Asset Management Sdn Bhd, OSK International Asset Management Sdn Bhd (formerly known as OSK Asset Management Sdn Bhd), Land Management Sdn Bhd, 3 Fairies Holdings Sdn Bhd, Regal Maridian Sdn Bhd, OSK International Asset Management Pte Ltd, OSK International Investment Pte Ltd and Echelon Sdn Bhd.

**Dato' Nik Mohamed Din bin Datuk Nik Yusoff** is a non-independent non-Executive Director of the Manager and a non-independent member of the Investment Committee. He is a lawyer by profession. He read law at Lincoln's Inn, London and was admitted to the English Bar in 1968. He then served as a Magistrate for the Malaysian Judicial Services in 1969. Thereafter, he joined private legal practice at Mah, Kok and Din as a lawyer for 13 years. In 1984, he left legal practice to join the stockbroking business and assumed the position of the Executive Chairman as well as a shareholder of OSK Investment Bank Berhad.

In 1985, Dato' Nik Mohamed Din was elected as Chairman and in 1988 appointed by the Ministry of Finance as the first Executive Chairman of the Kuala Lumpur Stock Exchange ("KLSE") (now known as Bursa Malaysia Securities Berhad) and he held this position for 12 years. Upon expiry of his 3<sup>rd</sup> term of appointment as Executive Chairman of the KLSE, Dato' Nik Mohamed Din returned to the OSK Group as an Executive Chairman of OSK Holdings Berhad and re-designated as Non-Independent Non-Executive Chairman on 28 December 2009.

Dato' Nik Mohamed Din is also the Executive Chairman of OSK Ventures International Berhad and OSK Property Holdings Berhad. He is also a director of OSK Investment Bank Berhad and QBE Insurance (Malaysia) Berhad and also the Chairman of Jerasia Capital Berhad. He also sits on the boards of several other private limited companies.

**Mr Ho Seng Yee** is a non-independent Executive Director of the Manager and non-independent Member of the Investment Committee. His profile is as aforementioned.

The aforementioned members of the Investment Committee were appointed on 21 July 2009, except that Dato' Nik Mohamed Din bin Datuk Nik Yusoff is appointed as a member of the investment committee on 21 July 2011.

**9.8 The Investment Team**

**Mr Ho Seng Yee** is the designated person responsible for the investment management of this Fund and the Fund's participation in futures contracts. He is a holder of a Capital Markets Services Representative's Licence. His profile is as aforementioned.

**Mr Francis Eng Tuck Meng**, Chief Investment Officer, is a CFA charter holder, holds a Bachelor of Economics degree with a double major in Actuarial Studies and Finance and a holder of a Capital Markets Services Representative's Licence. He has 14 years of experience in fund management and research. Prior to joining the firm, he was part of the equities research team with a securities firm.

**Mr Lee Seng Young** is a holder of a Capital Markets Services Representative's Licence. His profile is as aforementioned.

**Mr Lim Tze Cheng**, Vice President-Equity, is a Chartered Accountant and holds a Bachelor of Accounting degree with Distinction from University of Malaya. He is also a holder of the Capital Markets Services Representative's Licence. He was formerly the Head of Research of a boutique fund management house and has in-depth knowledge of the economies and companies in the ASEAN region. He has more than 7 years of experience in the research field, and was actively involved in improving the corporate governance of listed companies in the ASEAN region.

**Ms Chan Mei Lin** is a Portfolio Manager, holds a Bachelor of Business (Applied Accounting) from Oxford Brookes University, UK. She is a member of the Association of Chartered Certified Accountants and is a holder of a Capital Markets Services Representative's Licence. She began her career in 1997 with an audit firm and prior to joining the Manager in 2007, she was with one of the more established insurance company, specialising in investment compliance and finance.

**Mr Liew Kong Qian**, is a Portfolio Manager is a CFA charter holder, and holds a BSc. (Hons) Economics (First Class) degree from London School of Economics and a Capital Markets Services Representative's Licence. He has over 5 years of experience with South East Asia and Hong Kong equity research and portfolio management.

**Mr Sean Seah Chin Hock** is a Portfolio Manager, holds a Bachelor of Business Administration from Universiti Kebangsaan Malaysia and a Capital Markets Services Representative's Licence.. He has over 10 years of experience in the Malaysian capital market with commercial and investment banks.

**9.9 Manager's Disclosure of Material Litigation**

As at the Latest Practicable Date, the Manager is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Manager.

**9.10 Manager's Delegate**

The Manager has delegated certain functions to OSK Investment Bank Berhad ("OSKIB"), an institution licensed by Bank Negara Malaysia and the Securities Commission.

**(a) Corporate Information**

OSKIB commenced its business as a stockbroking partnership in 1963 under the name O.S.K. & Partners. Later, OSKIB was incorporated under the Companies Act 1965 on 5 April 1973 as a private unlimited company under the name O.S.K. & Partners Sdn. On 17 January 1981, OSKIB converted its status to that of a private limited company under the

name O.S.K & Partners Sendirian Berhad. Subsequently, it changed its name to O.S.K. Securities Sdn Bhd on 2 January 1996. Thereafter, on 3 January 1996, OSKIB was converted to a public company under the name of O.S.K. Securities Berhad and changed its name to OSK Securities Berhad on 27 November 2000.

OSKIB is a Participating Organisation of Bursa Malaysia Securities Berhad and was granted Universal Broker status on 12 April 2001. On 18 January 2007, it changed its name to OSK Investment Bank Berhad to facilitate the transformation into an investment bank.

OSKIB officially commenced business as an investment bank on 29 January 2007. It is licensed under the Capital Markets and Services Act, 2007 and the Banking and Financial Institutions Act, 1989 to engage in stockbroking, futures and options broking, corporate advisory, debt securities, treasury activities, corporate loans and other related activities.

At present, OSKIB has an authorised capital of RM1,000,000,000 comprising 1,000,000,000 ordinary shares of RM1.00 each and an issued and paid-up share capital of RM660,000,000 divided into 660,000,000 ordinary shares of RM1.00 each.

### (b) Board of Directors

Dr. Choong Tuck Yew  
Mr. Ong Leong Huat  
Mr. U Chen Hock  
Dato' Nik Mohamed Din Bin Nik Yusoff  
Dato' Abdul Majit Bin Ahmad Khan  
Mr. Foo San Kan  
Mr. Leong Keng Yuen  
Dr. Ngo Get Ping

### (c) Key Personnel in Respect of the Delegated Functions

**Ms Jeannie Yau Siew Foon**, Director/Head of Group Human Resources is an Associate of The Institute of Chartered Secretaries and Administrators. Ms Jeannie joined OSK in 1989 and has been in the Human Resources management position for more than 14 years. She oversees human resources functions, training and licensing. Her portfolio covers the entire OSK Group, which consists of three public-listed companies, OSK and 18 subsidiary companies. Ms Jeannie was also seconded to Hong Kong from 1997 to 1999 to oversee the Malaysian Desk and International Institutional Dealing of OSK Asia Holdings Limited, a subsidiary of OSK Holdings Berhad then. Prior to joining OSK, she was attached to Gainsford, Pole, Bett & Co, an accounting firm in London for 3 years.

**Mr Lee Kah Kim**, Associate Director/Head of Group Internal Audit, is a member of the Malaysian Institute of Certified Public Accountants and also a member of the Malaysian Institute of Accountants. He qualified as a CPA while working as an articled student in KPMG, Kuala Lumpur. He has served the UMW Group of Companies for about 24 years. His last position in UMW was the General Manager, Group Internal Audit.

**Mr Liew Kim Weng**, Associate Director/Head of Group Information Technology, graduated from University Science Malaysia with a Bachelor of Science in Computer Science in 1982. Prior to joining OSK, he has about 15 years working experience in the field of information technology where he was attached to Malaysia Mosaics Group of Companies, Mattel (KL) Sdn Bhd, Price Waterhouse and Goodyear Malaysia Berhad.

**(d) Functions of the Manager's Delegate**

The functions delegated by the Manager to OSKIB are:

- Human Resources and Administration functions;
- Internal Audit; and
- Information Technology (i.e. server management and email).

## CHAPTER 10: THE TRUSTEE OF THE FUND

The Trustee is HSBC (Malaysia) Trustee Berhad (Company No. 1281-T), a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13<sup>th</sup> Floor, Bangunan HSBC, South Tower, No.2, Leboh Ampang, 50100 Kuala Lumpur. The Trustee is a member of the HSBC Holdings Plc. group of companies and forms part of the global network of trust companies within HSBC Holdings Plc.

### 10.1 Financial Position

The Trustee has a paid-up capital of RM500,000.00. As at 31 December 2010, its shareholders' funds totalled RM23.33 million and it achieved a profit before tax of RM11.25 million.

The following is a summary of the past performance of the Trustee based on audited accounts for the last 3 years:

	Financial Year Ended 31 <sup>st</sup> December		
	2008 (RM)	2009 (RM)	2010 (RM)
Paid-up Share Capital	500,000	500,000	500,000
Shareholders' Funds	14,353,116	17,521,023	23,330,550
Turnover	17,843,570	18,006,590	20,989,037
Profit before Tax	10,470,535	10,930,880	11,253,763
Profit after Tax	7,754,577	8,200,407	8,314,528

### 10.2 Experience in Trustee Business

Since 1993, the Trustee has acquired experience in the administration of unit trusts and as at the Latest Practicable Date is the Trustee for 174 unit trust funds (including exchange traded funds and wholesale funds).

As at the Latest Practicable Date, the Trustee has a workforce of 57 employees consisting of 41 executives and 16 non-executives. A good number of the staff has been with the Trustee for many years. This element of continuity reflects an intrinsic characteristic of trust services. The Trustee also believes in building team and talents by recruiting new members with relevant experiences to replace the long serving retired colleagues.

Each client's account is under the supervision of a trust officer who is able to focus his personal attention on the administration of the account and reports directly to his manager.

The Trustee also has a Compliance Section whose responsibilities is to ensure that the Trustee's business is carried on in accordance with all relevant laws, codes, rules and standards of good market practice.

### 10.3 Board of Directors of the Trustee

Mr Jonathan William Addis  
Ms Lim Liang Hua  
Dato' Ranita Mohd Hussein  
Ms Zainon Baba  
Mr Alastair E Murray  
Ms On Bee Heong  
Ms Hew Su Chan (Alternate to Ms On Bee Heong)

### 10.4 Profile of Key Personnel

#### **Ms Lim Liang Hua – Managing Director**

She joined HSBC (Malaysia) Trustee Berhad in April 2004 and brings with her over 20 years of legal advisory and problem solving skills in the banking and financial services industry. She holds a Bachelor of Economics and Bachelor of Laws (LLB) from Monash University, Australia. She was admitted to practice as a Barrister & Solicitor in Victoria, Australia in 1984 and was called to the Malaysian Bar in 1985. She was in private practice for three years in the Klang Valley before joining the corporate sector, namely the banking and financial institutions industry. She was the Chief Legal Adviser and Company Secretary for the Phileo Allied Bank Group and the United Overseas Bank Group in Malaysia. Prior to her joining HSBC, she was Chief Executive Officer in an established trust company.

#### **Mr Yee Yit Seeng – Chief Operating Officer**

He joined HSBC (Malaysia) Trustee Berhad in July 1984. He holds a Diploma in Banking and Finance and is a Senior Associate of Institut Bank-Bank Malaysia. He has more than 22 years of experience in trust operations including client service, systems/projects & office administration, compliance, internal control & audit, and business development. He was also seconded to the HSBC Back-end Processing Office in Cyberjaya, Malaysia to support the global securities operations.

#### **Puan Maziah Yong – Head, Client Service**

She joined HSBC (Malaysia) Trustee Berhad in November 2007. She holds an Advanced Diploma In Law from Institut Teknologi MARA. Prior to her joining HSBC, she has more than 15 years working experience in trust administration, especially relating to unit trust schemes.

#### **Ms Lim Gim Lee – Head, Fund Administration**

She joined HSBC (Malaysia) Trustee Berhad in December 2008. She holds an Advanced Diploma in Business Administration - Institute of Business Administration and Management (IBAM). She was one of the pioneer staff in setting up two unit trust management companies and has more than 13 years working experience in the unit trust industry.

#### **Ms Vimala Mahathevan - Head, Business Support**

She joined HSBC (Malaysia) Trustee Berhad in January 2010. She holds a Diploma in Banking and Finance of Institut Bank-Bank Malaysia and a Diploma in Computer Studies from the National Centre of Computing and Information Technology (NCC). She has 9 years of general banking experience and 16 years of experience in the securities industry which includes overseeing the settlement operations for foreign institutional clients, client servicing, system implementation and being the liaison party with regulatory bodies such as Bursa Malaysia. Prior to joining HSBC Trustee, she was the Head of Settlement, HSBC Securities Services, Sub-Custody and Clearing, in Malaysia.

### **Ms Lau Sook Yee – Head, Compliance**

She joined HSBC (Malaysia) Trustee Berhad in September 2005. She has more than 20 years experience in banking and treasury operations in both merchant and commercial banks.

### **Ms Janice Chang Hui Ching – Head, Corporate Trust**

She joined HSBC (Malaysia) Trustee Berhad in November 2004. She holds a Bachelor of Business majoring in Economics & Finance from RMIT University, Australia. Prior to her joining HSBC, she has more than 7 years experience in Unit Trust Schemes and Corporate Bonds/Private Debt Securities in an established trust company.

### **Mr Yap Fook Meng – Head, Operational Risk Control and Administration**

He joined HSBC (Malaysia) Trustee Berhad in August 2007. He holds a Diploma in Banking and Finance and is a Senior Associate of Institut Bank-Bank Malaysia. He has more than 25 years experience in banking operations, including systems implementation and support with HSBC Bank Malaysia Berhad. Besides local banking experience, he had been seconded to other HSBC Group offices in United Kingdom and Brazil for systems implementation and support.

### **Ms Tang Su Yin - Head, Due Diligence**

She joined HSBC (Malaysia) Trustee Berhad in July 2010. She holds a LLB (Honours) from University of Hull, United Kingdom and a Master of Finance from Royal Melbourne Institute of Technology, Australia. She has more than 8 years experience in the unit trust industry which include compliance monitoring, legal advisory and product development.

### **Ms Ng Pek Wan - Head, Documentation**

She joined HSBC (Malaysia) Trustee Berhad in July 2010. She holds a Bachelor of Laws (LLB) from University of London and was called to the Malaysian Bar in 2000. Prior to joining HSBC, she was in private practice for almost 10 years with experience in commercial litigation and various corporate work.

### **Mr Ken Lore Kin Yip - Head, IT and Systems**

He re-joined HSBC (Malaysia) Trustee Berhad in November 2010. He holds an Advanced Certificate in System Support and a Degree in Computer Science. He has more than 10 years experience in managing systems; primarily providing system solutions to operation needs, system analysis and design including process re-engineering, project management of Trustee System for both Corporate and Retail clients.

### **Ms Tan Bee Nie – Head, Trustee Operations**

She re-joined HSBC (Malaysia) Trustee Berhad in Jan 2011. She holds a Diploma in Business Administration awarded by The Association of Business Executives (ABE), United Kingdom. She has 18 years experience in fund administration relating to unit trust schemes, including fund accounting and valuation, with unit trust management and trust companies.

### **Ms Joyce Lim – Manager, Business Development**

She joined HSBC (Malaysia) Trustee Berhad in June 2011. She holds a Bachelor of Science in Finance and International Business and a Master of Business Administration from the University of Bridgeport, Connecticut, USA. She has more than 15 years working experience in financial services, including retail banking, reinsurance, trustee, and unit trust industry.

## **10.5 Duties and Responsibilities of the Trustee**

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the Securities Commission's Guidelines on Unit Trust Funds ("Guidelines"). Apart from being the legal owner of the Fund's assets, the Trustee

## **CHAPTER 10: THE TRUSTEE OF THE FUND**

is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the Guidelines. In respect of monies paid by an investor for the application of units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

### **10.6 Trustee's Statement of Responsibility**

The Trustee has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under this Deed in relation to the Fund. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

### **10.7 Anti-Money Laundering and Anti-Terrorism Financing Provisions**

The Trustee has in place policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, willful default or fraud of the Trustee.

### **10.8 Statement of Disclaimer**

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

### **10.9 Trustee's Disclosure of Material Litigation**

As at the Latest Practicable Date, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegates.

### **10.10 Trustee's Delegates**

The Trustee has appointed The Hongkong And Shanghai Banking Corporation Ltd as custodian of the quoted and unquoted local investments of the Fund. The assets of the Fund are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. If and when the Fund should invest overseas, HSBC Institutional Trust Services (Asia) Limited will be appointed as the custodian of the foreign assets of the Fund. Both The Hongkong And Shanghai Banking Corporation Ltd and HSBC Institutional Trust Services (Asia) Limited are wholly owned subsidiaries of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with instructions from the Trustee.

## CHAPTER 10: THE TRUSTEE OF THE FUND

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

### Trustee's Delegates

- 1) The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Co. No. 258854-D)  
No 2 Leboh Ampang  
50100 Kuala Lumpur  
Telephone No: (603)20700744 Fax No: (603)20729787
- 2) HSBC Institutional Trust Services (Asia) Limited  
6th Floor, Tower One  
HSBC Centre  
No 1 Sham Mong Road  
Kowloon, Hong Kong  
Telephone No: (852)25336333 Fax No: (852)28696120

## CHAPTER 11: RELATED-PARTY TRANSACTION / CONFLICT OF INTEREST

Save as disclosed below, as at the Latest Practicable Date there are no existing or potential related-party-transactions involving the Fund, the Manager, the Trustee, promoters, vendors and/or persons connected to them.

Name of Party	Name of Related Party and Nature of relationship	Existing / Potential Related Party Transaction
The Manager	<p>1. OSK Investment Bank Berhad ("OSKIB"). OSKIB owns 70% of the Manager.</p>	<p>Delegate: OSKIB is the Manager's appointed delegate for its human resources and administration functions; internal audit and information technology (i.e. server management and email).</p> <p>Investment Banker: OSKIB provides financial services to the Manager such as treasury services.</p> <p>Distributor: OSKIB is one of the Manager's authorised distributor.</p> <p>Rental of office space: The Manager rents office space from OSKIB in Kota Kinabalu, Batu Pahat, Kuantan, Kuching, Pulau Pinang, Prai, Johor Bahru, Miri, and Kuala Lumpur.</p>
	<p>2. KE-ZAN Holdings Berhad ("KHB"). KHB is a wholly owned subsidiary of OSK Holdings Berhad ("OSK") while the Manager is a 70% owned subsidiary of OSKIB, which is in turn a wholly owned subsidiary of OSK.</p>	<p>Rental of office space: The Manager rents office space from KHB in Kuala Lumpur (headquarters) and Ipoh.</p>
	<p>3. United Overseas Bank (Malaysia) Berhad ("UOBM"). UOBM owns 30% of the Manager.</p>	<p>Banker: UOBM provides banking services and other financial services to the Manager.</p> <p>Distributor: UOBM is one of the Manager's authorised distributors.</p>

**CHAPTER 11: RELATED-PARTY TRANSACTION / CONFLICT OF INTEREST**

Name of Party	Name of Related Party and Nature of relationship	Existing / Potential Related Party Transaction
The Manager (cont'd)	4. UOB-OSK Asset Management Sdn Bhd ("UOBOSK"). United Overseas Bank (Malaysia) Berhad ("UOBM") owns 30% of the Manager. UOBOSK and UOBM are both under the United Overseas Bank group, Singapore.	Fund Management services: UOBOSK provides the Manager with investment support such as marketing, investment personnel, research, etc.
	5. iFAST Capital Sdn Bhd ("iFAST"). iFAST is a subsidiary of iFAST OSK Sdn Bhd which in turn is an associate company of OSKIB. The Manager is 70% owned by OSKIB.	Distributor: iFAST is one of the Manager's authorised distributor.
	6. HSBC Bank (Malaysia) Berhad ("HSBC Bank"). The Manager manages the Fund where the Trustee is the trustee of the Fund. The Trustee and HSBC Bank are both under the HSBC group of companies.	Distributor: HSBC Bank is one of the Manager's authorised distributors.  Banker: HSBC Bank provides banking services to the Manager.
The Fund	1. OSKIB. OSKIB owns 70% of the Manager.	Investment Banker: OSKIB may be providing financial services to the Fund such as treasury services, stock-broking services, debentures / money market instruments investments etc.  Distributor: OSKIB is one of the Manager's authorised distributors of the Fund.
	2. United Overseas Bank (Malaysia) Berhad ("UOBM"). UOBM owns 30% of the Manager.	Banker: UOBM may be providing financial services to the Fund such as treasury services, debentures / money market instruments investments, etc.  Distributor: UOBM is one of the Manager's authorised distributors of the Fund.
	3. iFAST Capital Sdn Bhd ("iFAST"). iFAST is a subsidiary of iFAST OSK Sdn Bhd which in turn is an associated company of OSKIB. The Manager is 70%-owned by OSKIB.	Distributor: iFAST is one of the Manager's authorised distributors of the Fund.

**CHAPTER 11: RELATED - PARTY TRANSACTION / CONFLICT OF INTEREST**

Name of Party	Name of Related Party and Nature of relationship	Existing / Potential Related Party Transaction
The Fund (cont'd)	<p>4. HSBC Bank (Malaysia) Berhad (“HSBC Bank”). The Trustee and HSBC Bank are both under the HSBC group of companies.</p>	<p>Banker: The Fund maintains a Statement Savings account with the HSBC Bank. HSBC Bank may also provide financial services to the Fund including treasury services, funding, debentures / money market instruments investments etc.</p> <p>Distributor: HSBC Bank is one of the authorised distributors of the Fund.</p>
	<p>5. HSBC Nominees (Tempatan) Sdn Bhd and HSBC Institutional Trust Services (Asia) Limited (“Trustee’s Delegates”). The Trustee and the Trustee’s Delegates are all under the HSBC group of companies.</p>	<p>Custodian: The Trustee’s Delegates will be the custodian of the Fund’s assets.</p>
	<p>6. UOB Asset Management Ltd Singapore (“UOBAM”) United Overseas Bank (Malaysia) Bhd (“UOBM”) owns 30% of the Manager. UOBM and UOBAM are both under the United Overseas Bank group, Singapore.</p>	<p>Target Fund: UOBAM is the manager of UGGF, the target fund in which the Fund feeds into.</p>

It is the Manager’s policy that all transactions with any related parties are entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties and that dealings with the related parties are transacted at arm’s length basis.

The Manager has in place policies and procedures to prevent and deal with any conflict of interest situations that may arise such as the regular disclosure of securities dealing by all employees, directors and members of the Investment Committee to the compliance unit for verification. In addition, there are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, sales administration and marketing. Policies and procedures are also in place to deal with any potential conflict of interest where members of the Investment Committee are also directors of other asset management companies. Where conflicts of interest arise, members of the Investment Committee will abstain from making a decision.

## CHAPTER 11: RELATED-PARTY TRANSACTION / CONFLICT OF INTEREST

Save as disclosed below, as at the Latest Practicable Date the directors and the two substantial shareholders of the Manager, OSK Investment Bank Berhad (“OSKIB”) and United Overseas Bank (Malaysia) Berhad (“UOBM”) do not have any direct / indirect interest in other corporations carrying on a similar business.

- Ms Eliza Ong Yin Suen is the daughter of Mr Ong Leong Huat. Mr. Ong Leong Huat is a non-independent non-executive director and a major shareholder of OSK Holdings Berhad (“OSK”) which is the holding company of OSKIB. Ms Eliza Ong is also a Director of OSKIAM Pte Ltd, OSKII and OSKIAM Sdn Bhd.
- OSK International Asset Management Sdn Bhd (formerly known as OSK Asset Management Sdn Bhd) (“OSKIAM Sdn Bhd”) is a direct wholly-owned subsidiary of OSKIB while UOB-OSK Asset Management Sdn. Bhd. is a 30%-associated company of OSKIB.
- OSK International Investments Hong Kong Limited, an asset management company incorporated in Hong Kong, is a wholly-owned subsidiary of OSK Holdings Hong Kong Limited which in turn is a subsidiary of OSKIB.
- OSK International Asset Management Pte. Ltd. (formerly known as Stretto Capital Pte. Ltd) (“OSKIAM Pte Ltd”), a fund management company incorporated in Singapore is a wholly-owned subsidiary of OSK International Investments Pte. Ltd. (“OSKII”) which in turn is a wholly-owned subsidiary of OSKIB.
- Dr. Choong Tuck Yew is an independent non-executive director of OSKIB. He is also an independent non-executive director of OSK-UOB Islamic Fund Management Berhad which is a 70%-owned subsidiary of the Manager.
- Dato’ Nik Mohamed Din Bin Datuk Nik Yusoff is a non-independent non-executive director of OSK, OSKIB, OSK International Asset Management Sdn. Bhd. and OSK REIT Management Sdn. Bhd.

The Trustee has in place policies and procedures to deal with conflict of interest, if any. The Trustee will not make improper use of its position as the owner of the Fund’s assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit Holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

### **Other Declarations**

Messrs. Naqiz & Partners has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Solicitors for the Manager.

KPMG Tax Services has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the Tax Adviser for the Fund.

## **CHAPTER 12: TAX ADVISER'S LETTER ON THE TAXATION OF THE FUND AND UNIT HOLDERS**

(Prepared for inclusion in this Prospectus)

20 June 2011

### **Private and confidential**

The Board of Trustees /Directors  
OSK-UOB Investment Management Berhad  
(formerly known as OSK-UOB Unit Trust Management Berhad)  
5<sup>th</sup> Floor Plaza OSK  
Jalan Ampang  
50450 Kuala Lumpur

Dear Sirs

### **Re: Taxation of the Fund and Unit Holders**

This letter has been prepared for inclusion in the Prospectus to be dated 21 July 2011 in connection with the offer of units in the OSK-UOB Gold and General Fund ("the Fund"):-

#### **Taxation of the Fund**

The Fund is treated as a unit trust for Malaysian tax purposes. The taxation of the Fund is therefore governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 ("the Act").

Subject to certain exemptions, the income of the Fund in respect of investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is liable to Malaysian corporate income tax at the rate of 25%. Investment income derived from sources outside Malaysia and received in Malaysia by a resident unit trust is exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

Capital gains from the realisation of investments (whether local or foreign) by the Fund will not be subject to income tax.

With effect from Year of Assessment ("YA") 2008, the single-tier company income tax system ("single-tier system") replaced the previous dividend imputation system. Under the previous dividend imputation system, generally taxable Malaysian dividend income received by the Fund would have suffered a tax deduction at source. Such tax deducted would generally be available for set-off either wholly or partly against the tax liability of the Fund under the dividend imputation system. Any excess over the tax liability would generally be refundable to the Fund. Under the single-tier system, dividend income (which is paid or credited under the single-tier system) received by the Fund will be exempted, and there will be no tax deducted at source available to the Fund in respect of such dividend income. Saving and transitional provisions apply during the period from 1 January 2008 to 31 December 2013.

During such transitional period, the Fund may receive dividends which are paid under the dividend imputation system and/or dividends which are paid or credited under the single-tier system. During the transitional period, only dividends (which are paid under the dividend imputation system) paid in the form of cash on ordinary shares (held continuously for 90 days or more, but the 90 days condition does not apply to dividends received from shares in public listed companies) would be entitled to the tax deducted at source. The tax deducted at source will generally be available for set-off either wholly or partly against the tax liability of the Fund. Other non-ordinary shares dividends received by the Fund would be exempted from tax.

## CHAPTER 12: TAX ADVISER'S LETTER ON THE TAXATION OF THE FUND AND UNIT HOLDERS

Interest income earned by the Fund from the following are exempt from tax:-

- any savings certificates issued by the Government of Malaysia; or
- securities or bonds issued or guaranteed by the Government of Malaysia; or
- debentures or Islamic Securities, other than convertible loan stock, approved by the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- bonds or securities issued by Pengurusan Danaharta Nasional Berhad; or
- a bank or financial institution licensed under the Banking and Financial Institutions Act 1989 or Islamic Banking Act 1983; or
- Islamic securities originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved by the Securities Commission or the Labuan Financial Services Authority.

Any income received by the Fund from a Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc will be exempt from tax.

Any income received by the Fund from a Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad will be exempt from tax (with effect from YA 2010).

Discount or profit received by the Fund from sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad is exempt from tax.

Discounts earned by the Fund from the following are also exempt from tax:-

- securities or bonds issued or guaranteed by the Government of Malaysia; or
- debentures or Islamic Securities, other than convertible loan stock, approved by the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

Under the dividend imputation system, deductions in respect of the Fund's expenses such as manager's remuneration, maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage are generally allowed based on a prescribed formula subject to a minimum of 10 percent and a maximum of 25 percent of the total of these expenses. Under the single-tier system, expenses incurred by the Fund in relation to dividend income (which is paid or credited under the single-tier system) are disregarded. Saving and transitional provisions apply during the period from 1 January 2008 to 31 December 2013.

### **Taxation of Unit Holders**

Unit holders are taxed on an amount equivalent to their share of the total taxable income of the Fund, to the extent that this is distributed to them. The income distribution from the Fund may carry with it applicable tax credits proportionate to each unit holder's share of the total taxable income in respect of the tax paid by the Fund. Unit holders will be entitled to utilise the tax credit as a set-off against the tax payable by them. Any excess over their tax liability will be refunded to the unit holders. No other withholding tax will be imposed on the income distribution of the Fund.



## **CHAPTER 13: EXPERTS' REPORTS**

There are no Experts' Reports in respect of this Fund as no experts (i.e. any party providing advice to the Manager) apart from the Tax Adviser were appointed for the Fund.

## **CHAPTER 14: CONSENT**

- (a) The Trustee (HSBC (Malaysia) Trustee Berhad), the Manager's Delegate (OSK Investment Bank Berhad), the Solicitors (Messrs Naqiz & Partners) and UOB Asset Management Ltd, Singapore have given their written consents to the inclusion of their names in the form and context in which they appear in this Prospectus and have not, before the date of issue of this Prospectus, withdrawn such consents.
- (b) The Tax Adviser, KPMG Tax Services Sdn Bhd has given its written consent to the inclusion of its letter on Taxation of the Fund and Unit Holders in the form and context in which it appears in this Prospectus and has not, before the date of issue of this Prospectus, withdrawn such consent.

## **CHAPTER 15: APPROVALS AND CONDITIONS**

There are no other approvals required, sought or pending from any relevant authorities in respect of the Fund.

## **CHAPTER 16: DOCUMENTS AVAILABLE FOR INSPECTION**

For a period of not less than twelve (12) months from the date of this Prospectus, the following documents or copies thereof, where applicable, may be inspected by Unit Holders without charge at the registered office of the Manager and/or the Trustee or such other place as the Securities Commission may determine:

- (a) Deed of the Fund;
- (b) Material contract or document referred to in this Prospectus;
- (c) The latest annual and interim reports of the Fund;
- (d) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus;
- (e) The latest audited accounts of the Manager and the Fund for the current financial year (where applicable);
- (f) The audited accounts of the Manager and the Fund for the last 3 financial years (or from the date of incorporation/commencement if less than 3 years), preceding the date of this Prospectus;
- (g) Consent given by experts or persons whose statement appears in this Prospectus; and
- (h) Writ and relevant cause papers for all current material litigation and arbitration disclosed in the Prospectus.

## **CHAPTER 17: DIRECTORS' DECLARATION**

This Prospectus in relation to OSK-UOB Gold and General Fund dated 21 July 2011 has been reviewed and approved by the Directors of OSK-UOB Investment Management Berhad (formerly known as OSK-UOB Unit Trust Management Berhad) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omissions of other facts which would make any statement in this Prospectus false or misleading.

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**DR CHOONG TUCK YEW**

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**IZLAN BIN IZHAB**

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**ELIZA ONG YIN SUEN**

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**DATO' NIK MOHAMED DIN BIN  
DATUK NIK YUSOFF**

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**LIM SUET LING**  
as Alternate Non-Executive Director to  
**THIO BOON KIAT**

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**HO SENG YEE**

## DIRECTORY OF OUTLETS FOR PURCHASE AND SALE OF UNITS

OSK-UOB Investment Management Berhad's (formerly known as OSK-UOB Unit Trust Management Berhad) Registered/Principal Office and Branches:  
(Kindly refer to the Corporate Directory for details.)

Or call our help-desk Free-Phone number: 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. - 6.15 p.m. or e-mail your enquiries to **oskuob\_hq-enquiry@my.oskgroup.com** or visit our website, **www.oskuob.com.my**.

### OSK-UOB Tied (Retail) Agents

Tel: 03-2171 2755

### Participating Institutional Unit Trust Advisers (IUTAs)

<b>OSK Investment Bank Berhad</b> 20th Floor, Plaza OSK Jalan Ampang 50450 Kuala Lumpur Tel : 03-2333 8333	<b>Affin Bank Berhad</b> Menara Affin 80 Jalan Raja Chulan 50200 Kuala Lumpur Tel: 03-2055 9000
<b>AmBank Berhad</b> Level 30, Menara AmBank No.8, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel: 03-2167 3000	<b>AmPrivate Banking,</b> Am Investment Bank Berhad 18 <sup>th</sup> Floor, Bangunan Am Bank Group 55 Jalan Raja Chulan 50200 Kuala Lumpur Tel: 03-2036 1300
<b>CIMB Bank</b> Menara Bumiputra – Commerce, 11, Jalan Raja Laut 50350 Kuala Lumpur Tel: 1300 880 900	<b>CIMB Wealth Advisor</b> No.50, 52 & 54, Jalan SS21/39, Damansara Utama 47400 Petaling Jaya Tel: 03-7718 5042
<b>ECM Libra</b> 1st Floor, West Wing Bangunan ECM Libra 8 Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel: 03-2089 1888	<b>Hong Leong Bank Berhad</b> Level 3A, Wisma Hong Leong 18 Jalan Perak 50450 Kuala Lumpur Tel: 03-2773 0300
<b>HSBC Bank Malaysia Berhad</b> 2, Leboh Ampang 50100 Kuala Lumpur Tel: 03-8321 5202	<b>iFast Capital Sdn Bhd</b> Level 28, Menara Standard Chartered No.30, Jalan Sultan Ismail, 50250 Kuala Lumpur Tel: 03-2149 0500

<p><b>MAAKL Mutual Berhad</b>  1.03 Mezzanine Floor  Menara MAA  12 Jalan Dewan Bahasa  50460 Kuala Lumpur  Tel: 03-2146 9588</p>	<p><b>Philip Mutual Berhad</b>  B-2-7 Megan Avenue II  12, Jalan Yap Kwan Seng,  50450 Kuala Lumpur  Tel: 03-2715 9802</p>
<p><b>United Overseas Bank (Malaysia) Berhad</b>  Level 13, Menara UOB  Jalan Raja Laut  50350 Kuala Lumpur  Tel: 03-2612 8121</p>	<p><b>RHB Bank Berhad</b>  Any RHB branch outlets  Tel: 03-9206 8188  <a href="http://www.rhbbank.com.my">http://www.rhbbank.com.my</a></p>