

SUPPLEMENTARY MASTER PROSPECTUS

This supplementary master prospectus is dated 12 September 2018, which must be read together with the master prospectus dated 6 October 2017 for:-

Name of the Funds	Constitution Date of the Funds
RHB Gold and General Fund	15 February 2008
RHB Asia Consumer Fund	11 October 2009
RHB China-India Dynamic Growth Fund	12 November 2009
RHB Emerging Markets Bond Fund	29 September 2011
RHB Multi Asset Regular Income Fund	1 March 2012
RHB Leisure, Lifestyle & Luxury Fund	30 May 2012
RHB Entrepreneur Fund	24 March 2014

MANAGER

RHB Asset Management Sdn Bhd (174588-X)
(A member of RHB Banking Group)

Trustees

HSBC (Malaysia) Trustee Berhad (1281-T)
(A member of the HSBC Group)

TMF Trustees Malaysia Berhad (610812-W)

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SUPPLEMENTARY MASTER PROSPECTUS DATED 12 SEPTEMBER 2018 WHICH IS TO BE READ TOGETHER WITH THE MASTER PROSPECTUS DATED 6 OCTOBER 2017.

Responsibility Statement

This supplementary master prospectus dated 12 September 2018 (“Supplementary Master Prospectus”) has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Supplementary Master Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Funds and a copy of this Supplementary Master Prospectus and its master prospectus dated 6 October 2017 (collectively, “the Prospectuses”) have been registered with the Securities Commission Malaysia.

The authorisation of the Funds, and registration of these Prospectuses, should not be taken to indicate that Securities Commission Malaysia recommends the Funds or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in the Prospectuses.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of RHB Asset Management Sdn Bhd, the management company responsible for the Funds and takes no responsibility for the contents in the Prospectuses. The Securities Commission Malaysia makes no representation on the accuracy or completeness of the Prospectuses, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

Additional Statements

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

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Effective from 1 July 2018, RHB Entrepreneur Fund is listed as an approved fund under EPF Members' Investment Scheme.

Consequently, the following information has been amended:

1. UPDATING THE REGISTERED & PRINCIPAL OFFICE OF THE MANAGER.

The registered & principal office of the Manager in the Corporate Directory on page 6 of the Master Prospectus is hereby deleted and replaced with the following:

REGISTERED & PRINCIPAL OFFICE

Registered office: Level 10, Tower 1 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur	Principal office: Level 8, Tower 2 & 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel: 03-9205 8000 Fax: 03-9205 8100 E-mail: rhbam@rhbgroup.com Website: www.rhbgroup.com
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2. AMENDMENT TO INFORMATION ON PARTICIPATION IN FINANCIAL DERIVATIVES BY RHB ENTREPRENEUR FUND (“ENT”).

The information on participation in financial derivatives by RHB Entrepreneur Fund in section 1.7.11 Financial Derivatives on page 106 of the Master Prospectus is hereby amended and replaced as follows:

The Manager may participate in financial derivatives, when appropriate. The category of financial derivatives to be participated in shall be the currency futures contracts, currency forwards and currency swaps or any other categories and/or types of financial derivatives that may be allowable by the relevant authorities from time to time. The Fund's participation in financial derivatives is basically to hedge the portfolio's exposure to foreign currency. The benefit of any upside from the currency movement is limited as the primary interest is to protect the value of the portfolio. When participating in such instruments, the Manager will monitor the derivative valuation and credit ratings of the financial institutions as counterparty to the instruments, where applicable and take appropriate actions to mitigate any risk associated with such instruments. This may extend to unwinding of derivative instruments in the event where there is a need to terminate current position due to reversal in market movement, redemptions in units or upon downgrade of the credit ratings of the financial institutions. The Fund's investments in financial derivatives (if any) shall always be subject to the restriction stipulated in section 1.7.8 (f) and (i).

3. AMENDMENT TO FEES AND CHARGES DISCLOSURE OF THE FUNDS.

Section 4.1 (a) Sales Charge on page 131 of the Master Prospectus is hereby amended and replaced with the following:

4.1 Charges

The charges directly incurred by an investor when purchasing or redeeming units of the respective Funds are as follows:

(a) Sales Charge

GGF ACF CHINDIA ENT

The Manager will impose a sales charge¹ which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) by the Manager's various distributors as follows:

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Distributor	% of investment amount
IUTA	Up to 5.50%
Tied (Retail) Agent	Up to 5.50%
Direct Sales (Direct Investment with the Manager)	Up to 5.50%

Note: Investor who invests via the EPF Members' Investment Scheme, where applicable will be levied a sales charge of up to 3.00% of the investment amount (or such other rate that may be determined by the EPF from time to time).

In respect of **GGF**: **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 manager of UGGF.**

In respect of **ACF**: **Please note that this Fund's investments in UACF will be at its net asset value per unit. The sales charge for investing in UACF will be waived by the manager of UACF.**

In respect of **CHINDIA**: **Please note that this Fund's investments in UCIDGF will be at its net asset value per unit. The sales charge for investing in UCIDGF will be waived by the manager of UCIDGF.**

4. UPDATING THE INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS OF THE MANAGER OF THE FUNDS.

The information on the board of directors of the Manager in section 7.2 on page 154 of the Master Prospectus is hereby deleted in its entirety and replaced with the following:

7.2 Board of Directors

The board of directors of the Manager takes an active part in the affairs of the Manager and the unit trust funds under its management. The board of directors of the Manager meets at least once every three (3) months to receive recommendations and reports on investment activities from the investment committee, set policies and guidelines of the Manager and to review performance, financial and audit reports of the Manager. Additional meetings shall also be convened, should the need arises.

The board of directors of the Manager is as follows:

1. Mr. Yap Chee Meng (Independent non-executive chairman)
2. Encik Abdul Aziz Peru Mohamed (Senior independent non-executive director)
3. Ms. Ong Yin Suen (Non-independent non-executive director / managing director)
4. Mr. Chin Yoong Kheong (Independent non-executive director)
5. Dr. Ngo Get Ping (Independent non-executive director)

5. THE MASTER PROSPECTUS REMAINS IN FULL FORCE SUBJECT TO THE AMENDMENTS IN THIS SUPPLEMENTARY MASTER PROSPECTUS

Subject only to the variations herein contained and such other alterations as may be necessary to make the Master Prospectus consistent with this Supplementary Master Prospectus, the Master Prospectus shall remain in full force and effect and shall be read and construed and be enforceable as if the terms of this Supplementary Master Prospectus were inserted therein by way of addition or substitution as the case may be.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS SUPPLEMENTARY MASTER PROSPECTUS DATED 12 SEPTEMBER 2018 WHICH IS TO BE READ TOGETHER WITH THE MASTER PROSPECTUS DATED 6 OCTOBER 2017.

RHB ASSET MANAGEMENT SDN BHD 174588-X
Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur
Tel:603-9205 8000 Fax: 603-9205 8100
Toll Free No:1-800-88-3175 Website: www.rhbgroup.com

Individual Joint Corporate Staff Application

In compliance with the Capital Markets and Services Act 2007, this form should not be circulated unless accompanied by the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) (if any). Investor(s) should read and understand the contents of the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) if any before completing this form. Please complete in **BLOCK LETTERS** only, and tick(✓) where applicable. For 1st time Investor(s), this form is required to be completed.

PARTICULARS OF INDIVIDUAL APPLICANT / CORPORATE APPLICANT

You MUST be 18 years old and above as at the date of this application. Please provide a copy of your NRIC or Passport.

Name of Individual/ Corporate Applicant
(as in NRIC/Passport No./Certificate of Incorporation)

NRIC No. (new) - - NRIC No.(old)/Passport No./Company Registration No.

Date of Birth / Incorporation (DD/MM/YYYY) - - Country of Birth / Incorporation

Nationality / Country of Incorporation Malaysia(n) Others (please specify country)

Permanent Resident Status Malaysian Others (please specify country) Permanent Resident No.

Permanent Address
(as in NRIC/Passport No./Certificate of Incorporation)

Post Code Town / City

State Country

Correspondence/ Mailing Address
(complete if different from permanent address)

Post Code Town / City

State Country

Tel No. Country Code Area Code Residence / House Mobile -

Country Code Area Code Office ext Fax No.

Email Address

By providing your email address to RHB Asset Management Sdn Bhd ("RHBAM"), you have consented to receive communications and/or information from RHBAM relating to your investment via email. Notices delivered via email to applicant are deemed sent and received on the date such email is sent.

(To be completed if Individual Applicant)

Mother's Maiden Name

Gender Male Female Bumiputera Status Yes No

Race Malay Chinese Indian Others

Marital Status Single Married Widowed Divorced No. of Dependants (please indicate if any)

Education Level Primary Secondary STPM / Diploma /PreU Degree Post Graduate Others

Source of Income Employed (Permanent/Contract) Own business Savings/ Inheritance Others(please specify)

Employer's/Company's Name

Employer's/Company's Tel No. Occupation/ Designation

Employer's/Company's Office In Malaysia Outside Malaysia (please specify)

Nature of Business of Applicant/ Applicant's Employer Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify)

Annual Income Below RM20,000 RM20,001 - RM60,000 RM60,001 - RM120,000 RM120,001 - RM180,000 RM180,001 - RM240,000 RM240,001 and above

Estimated Net Worth Below RM50,000 RM50,001 - RM100,000 RM100,001 - RM200,000 RM200,001 - RM500,000 RM500,001 - RM1,000,000 RM1,000,001 - RM3,000,000 Above RM3,000,000

(To be completed if Corporate Applicant)

Does your company own total net assets of more than RM10 million or its equivalent in foreign currencies? Yes No

Nature of Business of Applicant/Applicant's Employer: Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related
 Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

Company Status: Bumiputra Controlled Non-Bumiputra Controlled Non-Malaysian Controlled

Company Source of Income: Disposal of non-core business/asset/investments Fund raising exercise such as right issue Cash in hand/surplus funds/working capital

Contact Person (1)

Designation _____ Department _____

Tel No. _____ ext _____ Fax No. _____

Office Email Address _____

Contact Person (2)

Designation _____ Department _____

Tel No. _____ ext _____ Fax No. _____

Email Address _____

PARTICULARS OF JOINT INDIVIDUAL APPLICANT (not applicable for EPF Investment Scheme "EPF")

Name of Joint Applicant (as in NRIC/Passport/Birth Certificate) _____

NRIC No. (new) _____ - _____ - _____ NRIC No.(old)/Passport No./Birth Certificate No. _____

Date of Birth (DD/MM/YYYY) _____ - _____ - _____ Country of birth _____

Nationality: Malaysian Others (please specify) _____

Permanent Resident Status: Malaysian Others (please specify) _____ Permanent Resident No. _____

Bumiputera Status: Yes No Gender: Male Female

Relationship to Individual Applicant: Parent Spouse Child Sibling Others _____

Employer's/Company's Tel No. _____ Occupation/ Designation _____

Employer's/Company's Office: In Malaysia Outside Malaysia (please specify) _____

Nature of Business of Applicant/Applicant's Employer: Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related
 Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

Annual Income: Below RM20,000 RM20,001 - RM60,000 RM60,001 - RM120,000
 RM120,001 - RM180,000 RM180,001 - RM240,000 RM240,001 and above

Estimated Net Worth: Below RM50,000 RM50,001 - RM100,000 RM100,001 - RM200,000
 RM200,001 - RM500,000 RM500,001 - RM1,000,000 RM1,000,001 - RM3,000,000 Above RM3,000,000

Permanent Address (as in NRIC/Passport No.) _____

Post Code _____ Town / City _____

State _____ Country _____

Correspondence/ Mailing Address (complete if different from permanent address) _____

Post Code _____ Town / City _____

State _____ Country _____

Tel No. _____ Country Code _____ Area Code _____ Residence / House _____ Mobile _____ - _____

INVESTMENT OBJECTIVE & EXPERIENCE

Investment Objective

Capital Growth Regular Income Capital Protection Education Wealth Accumulation Retirement

Investment Experience

Unit Trust _____ year(s) Trading on Bursa Malaysia _____ year(s)
 Futures / Options _____ year(s) Others _____ year(s)
 No experience

Investment Time Frame

Long Term (> 5 years) Medium (3-5 years) Short Term (< 3 years)

PARTICULARS OF INSURANCE (RHB EQUITY TRUST FUND ONLY)

Name of Beneficiary (as in NRIC/Passport/Birth Certificate) _____

NRIC No. (new) _____ - _____ - _____ NRIC No.(old)/Passport No./Birth Certificate No. _____

Relation to Applicant _____

RHB PRIVACY NOTICE

I/We understand that RHB Asset Management Sdn Bhd ("RHBAM") will use, collect, record, store, share and/or process my/our personal information, including, without limitation, my/our contact details, background information, financial data, tax residency and other information relevant to my/our application for the product and / or service which

- (a) I/We have provided in this form or through any other contact with RHB Banking Group (which shall include its holding company, subsidiary(s), and any associated company(s), including any company as a result of any restructuring, merger, sale or acquisition), or
- (b) has been obtained from analysis of my/our payment and other transactions/services within the RHB Banking Group, or
- (c) has been obtained from third parties such as employers, joint applicants/accountholders, guarantors, legal representatives, industry/financial related associations, government/regulatory authorities, credit bureaus or credit reporting agencies, retailers, social networks and fraud prevention agencies or other organizations

for any and/or all of the following purposes ("Purpose"), if applicable:

- (i) providing this product and/or service and notifying me/us about important changes or developments to the features;
- (ii) updating and managing the accuracy of RHB Banking Group's records;
- (iii) prevention, detection or prosecution of crime, and complying with legal and regulatory obligations;
- (iv) assessment and analysis including credit / lending / insurance risks / behaviour scoring / market and product analysis and market research;
- (v) communications and ensuring customer satisfaction, which may include conducting surveys to improve the quality of our products and services, responding to inquiries and complaints and to generally resolve disputes;
- (vi) determining the amount of my/our indebtedness and recovering debt that I/We owe to RHBAM;
- (vii) maintaining my/our credit history for present and future reference;
- (viii) enabling an actual or proposed assignee of RHBAM, or participant or sub-participant of RHBAM to evaluate my/our transactions which are intended to be the subject of the assignment, participation or sub-participation;
- (ix) cross-selling, marketing and promotions of products and/or services of RHB Banking Group and its strategic alliances;
- (x) for RHBAM's corporate events (including networking events, launching of products, etc)/contests, of which photographs / images of I/We may be captured and may be used for RHBAM's publications; or
- (xi) protecting RHB Banking Group's interests and other ancillary or related purposes.

I/We understand and acknowledge that it is necessary for RHBAM to process my/our personal information for the Purpose, without which RHBAM will not be able to provide the product/service that I/We have requested from RHBAM and to notify I/We about important changes or developments to the products/services. Where I/We have provided RHBAM with sensitive personal information (in particular, information consisting my/our physical/mental health for applications of insurance products/services), I/We hereby provide RHBAM with my/our express consent to process the same in the manner described in this Privacy Notice. I/We may exercise my/our options in respect of receiving marketing materials (including cross-selling, marketing and promotions as described above) at any time by contacting our Customer Service at 03 - 9205 8000.

I/We understand that RHBAM may disclose my/our personal information (or sensitive personal information, if applicable) to other companies within the RHB Banking Group, service providers, merchants and strategic partners, vendors including debt collection agencies, professional advisers, industry/financial related associations, credit bureaus or credit reporting agencies and fraud prevention agencies, governmental agencies, other financial institutions and any of their respective agents, servants and/or such persons, whether located within or outside Malaysia for the Purpose, if applicable, subject at all times to any laws (including regulations, standards, guidelines and/or obligations) applicable to RHBAM. I/We further understand that I/We may request for correction (if my/our personal information is inaccurate, outdated, incomplete, etc), access to (a prescribed fee may be charged), or deletion (if I/We no longer have any existing products/services with RHB Banking Group) of my/our personal information or limit the processing thereof at any time hereafter by submitting such request via post, email or fax to the following address:

Customer Service

RHB Asset Management Sdn Bhd

Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Contact: +603-9205 8000 Facsimile: +603-9205 8100 Email: rham@rhbgroup.com

I/We acknowledge that RHB Banking Group may modify or update its Privacy Notice from time to time, a copy of which is available at www.rhbgroup.com and that I/We may channel any complaints or inquiries I/We may have in the manner indicated above.

ACKNOWLEDGEMENT AND CONSENT

- By providing my/our personal information and signature, I/We consent to RHBAM processing my/our personal information for any necessary disclosures and overseas transfers of my/our personal information to relevant third parties, for the Purpose, if applicable.
- I/We agree to the disclosure and/or transfer of my/our personal information to relevant third parties as a result of any restructuring, sale or acquisition of any company within the RHB Banking Group, provided that the recipient uses my/our personal information for the Purpose, if applicable.
- I/We also represent and warrant that I/We have sufficiently obtained the consent of third party individual(s) (e.g. family, spouse, related parties, supplementary cardholder and/or emergency contact persons, etc) whose personal information I/We have disclosed to RHBAM to allow RHBAM to process the same in relation to the Purpose, if applicable.

[This paragraph is only applicable to the authorized signatory(s)/contact person(s) of RHBAM's corporate customer(s), if any]

- As the authorized signatory(s)/contact person(s) of RHBAM's corporate customer, you understand that personal information of the directors, individual shareholders, employees, other authorised signatories, individual guarantors, individual security providers, suppliers/vendors and/or related parties etc, may be collected and processed by RHBAM for the purpose of the commercial transactions between the corporate customer and RHBAM. You represent and warrant that you are entitled to provide the said personal information to RHBAM and/or the appropriate consent have been obtained to allow RHBAM to process the said personal information for the purpose.

[This paragraph is only applicable to parent/legal guardian/next-of-kin/authorized representative of Junior Accountholder(s), if any]

- If you are providing consent as parent / legal guardian / next-of-kin / authorized representative of a junior applicant, you understand that the personal information of the junior applicant will be processed by RHBAM for the Purpose described above.

NOTIS PRIVASI RHB

Saya/Kami faham bahawa RHB Asset Management Sdn Bhd ("RHBAM") akan menggunakan, mengumpul, merekod, menyimpan, berkongsi dan/atau memproses maklumat peribadi saya/kami, termasuk, tanpa had, butir-butir pengenalan saya/kami, maklumat latar belakang, data kewangan, pendudukan cukai dan maklumat lain yang berkaitan dengan permohonan anda untuk produk dan / atau perkhidmatan yang

- (a) telah saya/kami berikan di dalam borang ini atau melalui sebarang perhubungan lain dengan Kumpulan Perbankan RHB (termasuk syarikat induk, syarikat-syarikat subsidiari, dan mana-mana syarikat yang berkenaan, termasuk mana-mana syarikat yang terhasil daripada mana-mana penyusunan semula, penggabungan, jualan atau pengambilalihan) atau
- (b) diperolehi daripada analisis pembayaran saya/kami dan urusniaga/perkhidmatan yang lain dalam Kumpulan Perbankan RHB, atau
- (c) diperolehi daripada pihak ketiga seperti majikan, pemohon bersama/pemegang-pemegang akaun, penjamin-penjamin, wakil-wakil perundangan, persatuan-persatuan berkaitan industri/kewangan, pihak-pihak berkuasa kerajaan, biro-biro kredit atau agensi-agensi pelaporan kredit, penjual-penjual, rangkaian-rangkaian sosial dan agensi-agensi pencegahan penipuan atau organisasi-organisasi lain,

untuk mana-mana dan/atau semua tujuan-tujuan yang berikut ("Tujuan"), jika berkaitan:

- (i) menyediakan produk dan/atau perkhidmatan ini dan memaklumkan saya/kami tentang sebarang perubahan penting atau perkembangan tentang ciri-ciri produk dan/atau perkhidmatan tersebut;
- (ii) mengemaskini dan menguruskan ketepatan rekod Kumpulan Perbankan RHB;
- (iii) pencegahan, pengesanan atau pendakwaan jenayah, dan pematuhan obligasi-obligasi perundangan dan peraturan;
- (iv) penilaian dan analisis termasuk pemarkahan kredit / pinjaman / risiko insurans / kelakuan, analisis pasaran dan produk dan penyelidikan pasaran;
- (v) perhubungan dan memastikan kepuasan pelanggan, yang mungkin termasuk menjalankan kajian-kajian meningkatkan kualiti produk-produk dan perkhidmatan-perkhidmatan kami, membalas kepada pertanyaan dan aduan serta untuk menyelesaikan percanggahan secara umumnya;
- (vi) menentukan jumlah hutang saya/kami dan pemungutan hutang yang saya/kami berhutang kepada RHBAM;
- (vii) mengekalkan sejarah kredit anda untuk rujukan semasa dan akan datang;
- (viii) membolehkan pemegang serah hak sebenar atau yang dicadangkan oleh RHBAM, atau peserta atau sub peserta RHBAM untuk menilai urus niaga saya/kami yang bertujuan untuk menjadi subjek penyerahhakan, penyertaan atau sub penyertaan;
- (ix) melindungi kepentingan Kumpulan Perbankan RHB dan tujuan sampingan atau tujuan lain yang berkenaan;
- (x) penjualan silang, pemasaran dan promosi produk dan/atau perkhidmatan Kumpulan Perbankan RHB dan rakan-rakan kongsi strategik; atau
- (xi) bagi acara-acara korporat RHBAM (termasuk acara rangkaian, pelancaran produk, dan lain-lain) / pertandingan, di mana gambar / imej saya/kami mungkin akan ditangkap dan boleh digunakan untuk penerbitan RHBAM.

Saya/Kami faham dan mengakui bahawa RHBAM perlu memproses maklumat peribadi saya/kami untuk Tujuan tersebut, tanpanya RHBAM tidak akan dapat menyediakan produk/perkhidmatan yang saya/kami minta daripada RHBAM dan untuk memaklumkan saya/kami tentang sebarang perubahan penting atau perkembangan tentang produk/perkhidmatan tersebut. Di mana saya/kami telah memberi RHBAM maklumat peribadi sensitif (khususnya, maklumat tentang kesihatan fizikal / mental saya/kami untuk permohonan bagi produk insurans / perkhidmatan), saya/kami dengan ini memberikan RHBAM persetujuan nyata saya/kami untuk memproses mengikut cara yang dinyatakan dalam Notis Privasi ini. Saya/Kami juga menjalankan pilihan saya/kami berkenaan dengan menerima bahan-bahan pemasaran (termasuk penjualan silang, pemasaran dan promosi seperti yang dinyatakan di atas) pada bila-bila masa dengan menghubungi Khidmat Pelanggan pada nombor 03-9205 8000.

Saya/Kami faham bahawa RHBAM mungkin akan mendedahkan maklumat peribadi saya/kami (atau maklumat peribadi sensitif, jika berkenaan) kepada syarikat-syarikat lain di dalam Kumpulan Perbankan RHB, penyedia-penyedia perkhidmatan, peniaga-peniaga dan rakan-rakan kongsi strategik, pembekal-pembekal termasuk agensi-agensi pemungutan hutang, penasihat-penasihat persatuan-persatuan berkaitan industri/kewangan, biro-biro kredit atau agensi-agensi pelaporan kredit dan pencegahan penipuan, agensi-agensi kerajaan, institusi-institusi kewangan yang lain dan mana-mana ejen, pekerja, dan/atau mana-mana orang mereka, sama ada bertempat di dalam atau di luar Malaysia untuk Tujuan tersebut, jika berkenaan, tertakluk pada setiap masa kepada mana-mana undang-undang (termasuk peraturan-peraturan, piawaian, garis panduan dan / atau obligasi) yang terpakai kepada RHBAM.

Saya/Kami juga faham bahawa saya/kami boleh meminta untuk membuat pembetulan (jika maklumat peribadi saya/kami adalah tidak tepat, ketinggalan zaman, tidak lengkap, dan lain-lain), akses kepada (fi yang ditetapkan mungkin dikenakan), atau untuk menghapuskan (jika saya/kami tidak lagi mempunyai apa-apa produk/perkhidmatan yang sedia ada dengan Kumpulan Perbankan RHB) ke atas maklumat peribadi saya/kami atau menghadkan pemrosesan itu pada bila-bila masa selepas ini dengan mengemukakan permintaan tersebut melalui pos, e-mel atau faks kepada alamat berikut:

Khidmat Pelanggan

RHB Asset Management Sdn Bhd

Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Nombor Telefon: 03-9205 8000 Nombor Fax: 03-9205 8100 Email: rham@rhbgroup.com

Saya/Kami mengakui bahawa Kumpulan Perbankan RHB boleh mengubahsuai atau mengemas kini Notis Privasi ini dari masa ke semasa, di mana salinannya boleh didapati di www.rhbgroup.com dan anda boleh menyalurkan sebarang aduan atau pertanyaan yang saya/kami mungkin ada dengan cara yang ditunjukkan di atas.

PENGIKTIRAFAN DAN KEBENARAN

- Dengan memberikan maklumat peribadi saya/kami berserta tandatangan, saya/kami mengizinkan RHBAM memproses maklumat peribadi saya/kami untuk mana-mana pendedahan yang diperlukan dan pemindahan maklumat peribadi saya/kami ke luar negara kepada pihak ketiga yang berkaitan, jika berkenaan.
- Saya/Kami bersetuju dengan pendedahan dan/atau pemindahan maklumat peribadi saya/kami kepada pihak ketiga yang berkaitan akibat daripada apa-apa penyusunan semula, penjualan atau pengambilalihan mana-mana syarikat dalam Kumpulan Perbankan RHB, dengan syarat bahawa penerima menggunakan maklumat peribadi saya/kami untuk Tujuan tersebut sahaja.
- Saya/Kami juga menyatakan dan menjamin bahawa saya/kami telah cukup memperoleh persetujuan individu-individu pihak ketiga (contohnya keluarga, pasangan, pihak-pihak berkaitan, pemegang kad tambahan dan/atau orang hubungan keceemasan, lain-lain) di mana maklumat peribadi mereka telah saya/kami dedahkan kepada RHBAM untuk membenarkan RHBAM membuat pemrosesan yang sama berhubung dengan Tujuan, jika berkenaan.

[Perenggan ini hanya terpakai kepada penandatangani yang diberi kuasa/orang yang boleh dihubungi daripada pelanggan-pelanggan korporat RHBAM, jika ada]

- Sebagai penandatangani yang diberi kuasa/orang yang boleh dihubungi daripada pelanggan korporat RHBAM, anda memahami bahawa maklumat peribadi pengarah-pengarah, pemegang-pemegang saham individu, pekerja-pekerja, penandatangani lain yang diberi kuasa, penjamin individu, penyedia keselamatan individu, pembekal-pembekal dan/atau pihak-pihak berkaitan dan lain-lain, boleh dikumpul dan diproses oleh RHBAM untuk tujuan transaksi komersial antara pelanggan korporat dengan RHBAM. Anda menyatakan dan menjamin bahawa anda berhak untuk memberikan maklumat peribadi tersebut kepada RHBAM dan / atau persetujuan yang sesuai telah diperolehi untuk membolehkan RHBAM memproses maklumat peribadi untuk tujuan tersebut.

[Perenggan ini hanya terpakai kepada ibu bapa/penjaga undang-undang/waris/wakil bagi pemegang-pemegang Akaun Junior, jika ada]

- Jika saya/kami memberikan persetujuan sebagai ibu bapa/penjaga undang-undang/waris/wakil bagi pemohon kanak-kanak, saya/kami faham bahawa maklumat peribadinya akan diproses oleh RHBAM untuk Tujuan yang dinyatakan di atas.

FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") AND COMMON REPORTING STANDARD ("CRS")

- "Foreign Account Tax Compliance Act (FATCA)" which was passed as part of the Hiring Incentives to Restore Employment (HIRE) Act, generally requires that foreign financial institutions and certain other non-financial foreign entities report on the foreign assets held by their U.S. account holders or be subject to withholding on withholdable payments. The HIRE Act also contained legislation requiring U.S. persons to report, depending on the value, their foreign financial accounts and foreign assets.
- RHB Asset Management Sdn Bhd ("RHBAM") and its related companies and affiliates are subject to and required to, or have agreed to comply with FATCA ("FATCA Reporting Requirement"). In view of this, RHBAM is required to collect information about each of its customers under the FATCA Reporting Requirement. If you are a U.S. Person, we may need to give the Inland Revenue Board of Malaysia ("IRBM") your account information, which may then be shared with the U.S. IRS.
- "Common Reporting Standard (CRS)" means the Standard for Automatic Exchange of Financial Account Information ("AEOI") in Tax Matters and was developed in response to the G20 request and approved by the Organisation for Economic Co-operation and Development (OECD) Council on 15 July 2014, calls on jurisdictions to obtain information from their financial institutions and automatically exchange that information with other jurisdictions on an annual basis. It sets out the financial account information to be exchanged, the financial institutions required to report, the different types of accounts and taxpayers covered, as well as common due diligence procedures to be followed by financial institutions.
- RHBAM and its related companies and affiliates are required to comply with the CRS Rules ("CRS Reporting Requirement") In view of this RHBAM is required to collect information about your tax residence(s) under applicable tax regulations. If you are not a tax resident of Malaysia, we may need to give the IRBM your account information, which may then be shared with other tax authorities of the CRS Participating countries.
- Each jurisdiction has its own rules for defining tax residences, and jurisdiction have provided information on how to determine if you are resident in a jurisdiction on the following website: - <http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>
- RHBAM are not allowed to give tax advice. Please consult your tax adviser if you require assistance in determining your tax residence(s).

EXCHANGE CONTROL DECLARATION BY NON-MALAYSIAN RESIDENT(S)/REGISTERED ORGANISATION(S)

I/We declare that I am/ we are Malaysian resident(s)/ Malaysian organisation

I/We declare that I am/ we are non-Malaysian resident(s) and I am/ we are permanent resident(s) of _____ (Country)

We declare that we are a non-Malaysian organisation and our organisation is incorporated in _____ (Country)

DECLARATION ON TAX RESIDENT STATUS

For Individual Applicant

I have been briefed and I hereby confirm I understand my tax residency/FATCA/CRS requirements. I hereby declare that I am :

For FATCA Status

- Non-US individual with no US indicia
- * Non-US individual with US indicia
- * US individual

For CRS Status

- Tax resident in Malaysia and do not have any foreign tax residency and/or foreign indicia
- * A foreign tax resident with foreign indicia (including Malaysia, if applicable)

* Please complete the Individual Self-Certification form provided

For Joint Individual Applicant

I have been briefed and I hereby confirm I understand my tax residency/FATCA/CRS requirements. I hereby declare that I am :

For FATCA Status

- Non-US individual with no US indicia
- * Non-US individual with US indicia
- * US individual

For CRS Status

- Tax resident in Malaysia and do not have any foreign tax residency and/or foreign indicia
- * A foreign tax resident with foreign indicia (including Malaysia, if applicable)

For Corporate Applicant, please complete the Entity Self-Certification/W8-Ben-E form (if applicable) provided

It is important for you to provide RHBAM with complete and accurate information in this form. If your circumstances change and any of the information provided in this form becomes incorrect please let RHBAM know immediately and provide an updated Self-Certification form.

DECLARATION FOR PERSONAL DATA PROTECTION ACT 2010 (Applicable for Individual / Corporate Applicant)

- I/We shall fully comply with the provisions of the Personal Data Protection Act 2010 ("the Act") applicable to the processing of personal data as defined in the Act and specifically, that all necessary consents have been obtained from individuals whose personal data may be disclosed to RHBAM or its representatives ("Disclosed Data") in respect of such disclosure to and processing by RHBAM and its representatives and that I/We will always furnish RHBAM or its representatives with up-to-date Disclosed Data.
- I/We shall procure any third party that processes Disclosed Data for or on behalf of me/us to agree in writing to the same terms that I/We agree in line with the Act and in this declaration.
- I/We shall immediately notify RHBAM in the event of any claim or complaint from any data subject of Disclosed Data and/or where there has been an event of non-compliance with the Act by me/us, whether discovered by me/us or forming the subject of an investigation and/or action by the relevant authorities.
- I/We shall indemnify RHBAM Banking Group against all proceedings, costs, expenses, liabilities or damages arising from my/our failure to comply with the Act with respect to Disclosed Data and the terms of this declaration. The remedies available to RHBAM contained in this clause are without prejudice to and in addition to any warranties, indemnities, remedy or other rights provided by law or any prior agreement.
- Based on the above declaration, I/We undertake that this declaration shall not be assigned without RHBAM's prior written consent; will be binding upon my/our servants, Unit Trust Scheme Consultant ("UTSC"), personal representatives, assigns and successor-at-law, will inure to the benefit of RHBAM and its successors and assigns; and shall supersede all prior representations, negotiations, arrangements, understandings or agreements and all other communications between RHBAM and me/us in connection with the processing and disclosure of Disclosed Data to RHBAM.

No delay or omission by RHBAM in exercising any right under this declaration will operate as a waiver of that or any other right. The covenants set out in this declaration are separate and severable and enforceable accordingly and whilst the restrictions are considered by the parties to be reasonable in all the circumstances as at the date hereof, it is acknowledged that restrictions of such a nature may be invalid because of a change in circumstances or other unforeseen reasons and accordingly, if any restrictions shall be adjudged to be void or ineffective for whatever reason but would be adjudged to be valid and effective if part of the wording thereof were deleted or the periods thereof reduced, such modifications shall be applied as may be necessary to make them valid and effective.

DECLARATIONS AND SIGNATURES (INDIVIDUAL / CORPORATE APPLICANT)

- I/We acknowledge that I/We have received, read and understood the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) (if any) for the Fund(s) to be invested in, the Terms and Conditions of this Form and I/We undertake to be bound by them for my/our all transactions with RHB Asset Management Sdn. Bhd. ("RHBAM").
- I/We acknowledge that I/We are aware of the fees and charges that I/We will incur directly or indirectly when investing in the Fund(s).
- I/We undertake to be bound by the provisions of the documents constituting the Fund(s) subscribed to as if I was/we were a party thereto.
- I am/We are 18 years old and above as at the date of this application. Copy/Copies of my/our NRIC/Passport is/are enclosed (applicable to individual).
- I/We declare and represent that as at the date hereof, I am/we are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us (applicable to individual).
- I am/We are duly authorised officer(s) of the Corporate, and warrant that the Corporate has the power and capacity to execute this account opening application and undertake transactions involving the Fund(s). Attached is a certified true copy of the Corporate's list of authorised signatories (applicable to corporate).
- I/We declare that I am/ we are neither engaged in any unlawful activity nor are my/our monies obtained from any illegal source or related to any illegal activity.
- I/We, as directors(s) of the Corporate do hereby declare that the Corporate is a legally incorporated Corporate. Copy of my/our Certificate of Incorporation is enclosed (applicable to corporate).
- I/We declare that I am/ we are in compliance and undertake that I/We will continue to comply with all applicable laws and regulations.
- I/We undertake to provide RHBAM with all information as it may require for the purpose of and in connection with completing the Account Application Form, including but not limited to, my/our/the Corporate and its group of companies' information on financial position, condition, operation, business or prospect, where applicable.
- I/We acknowledge that I/We shall keep RHBAM informed of any changes of the information stated in this Account Application Form.
- I/We undertake to provide such information and documents that RHBAM may require for the purpose of due diligence/enhanced due diligence as required under the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA 2001").
- In the absence of written explicit instructions, I/We acknowledge that instructions must be given by both of us (for joint application only).
- (Distribution Instruction as per Purchase/Switch Form) Depending on the Fund invested and subject to each respective Fund's Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) (if any), income distribution will either be reinvested into further units in the relevant fund or be paid out.
- I/We hereby declare and acknowledge that I/We have sole legal and proprietary right over all monies accompanying this application.
- I/We hereby agree to indemnify RHBAM against all actions, suits, proceedings, claims, damages and losses which may be suffered by RHBAM as a result of any inaccuracy of the declarations herein.
- We, the undersigned and representatives for the Corporate, do declare and represent that as at the date hereof, the Corporate is not wound up, no petition for winding-up has been filed against the Corporate nor any receiver has been appointed over any of its assets (applicable to corporate).

DECLARATIONS AND SIGNATURES (INDIVIDUAL / CORPORATE APPLICANT) (Continued)

- I/We declare that I/we have read and clearly understood the RHB Privacy Notice / Privasi Notis RHB in relation to the protection of personal data and hereby inscribe my / our signature as an attestation of my / our agreement and acknowledgement of the RHB Privacy Notice / Privasi Notis RHB.
- If there are any updates/changes that affect my/our tax residency/FATCA/CRS status, I/we further hereby agree to notify and furnish RHBAM with relevant foreign Tax Identification Number (TIN) and/or documentary evidence within 30 days of such change.
- I/We consent to and authorise RHBAM to perform any of the following, if applicable:
 - i. Withhold any applicable payments in the account(s);
 - ii. Report/disclose/exchange any information/ documents relating to my/our accounts/affairs to Inland Revenue Board Malaysia or any foreign tax authorities/inland revenue authorities in compliance with any tax requirements;
 - iii. Terminate (with prior notice of 7 Business Days) my/our contractual relationship(s) with RHBAM.

BANK ACCOUNT DETAILS (MANDATORY FOR E-PAYMENT OF INCOME DISTRIBUTION / REDEMPTION) - MYR Class Fund Only

Bank Name										
Account Holder Name										
Bank Account No.										
Account Type	<input type="checkbox"/> Savings Account	<input type="checkbox"/> Current Account	Account Ownership	<input type="checkbox"/> Single	<input type="checkbox"/> Joint					

Note:

- 1 Only one MYR currency bank account will be maintained in RHBAM's record at any one time.
- 2 Payment to third party is strictly not allowed.
- 3 For joint investment, bank account provided must consist of both applicants name and/or either one of the applicant's name as stated in this Account Application Form.

BANK ACCOUNT DETAILS (MANDATORY FOR E-PAYMENT OF INCOME DISTRIBUTION / REDEMPTION) - Foreign Currency Class Fund Only

Bank Name										
Account Holder Name										
Bank Account No.										
Account Type	<input type="checkbox"/> Savings Account	<input type="checkbox"/> Current Account	Account Ownership	<input type="checkbox"/> Single	<input type="checkbox"/> Joint					

Note:

- 1 Only one foreign currency bank account will be maintained in RHBAM's record at any one time.
- 2 Payment to third party is strictly not allowed.
- 3 For joint investment, bank account provided must consist of both applicants name and/or either one of the applicant's name as stated in this Account Application Form.

ALL APPLICANTS MUST SIGN THIS FORM

			For Joint Application, please tick (✓) account operating mode for future transactions <input type="checkbox"/> For Individual Applicant Only <input type="checkbox"/> For Joint Individual Applicant Only <input type="checkbox"/> Either Applicant to sign <input type="checkbox"/> Both Applicants to sign
Individual Applicant / Authorised Signatory (ies) Name : Date :	Joint Individual Applicant / Authorised Signatory (ies) Name : Date :	Company Stamp / Common Seal	

FOR UTSC/DISTRIBUTOR USE ONLY

FOR OFFICE USE ONLY

RHBAM / Distributor / Branch Code / Stamp _____ Name of Staff / UTSC / Distributor _____ Staff / UTSC Code _____ Signature of Staff / UTSC / Distributor _____ FIMM Code _____	Account No. _____ Transaction Sequence No. _____ Price of Transaction (RM / relevant currency) _____
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TERMS AND CONDITIONS

You are advised to read and understand the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) (if any) and deed(s) which shall be made available upon request before investing in the fund(s).

- 1 Minimum Investment
 - Initial and subsequent investment must be for a minimum amount stated in the relevant Master Prospectus(es) / Prospectus(es) and its Supplementary(ies) (if any).
- 2 Individual Applicant (Main Applicant)
 - Applicant must be 18 years old and above.
 - Please enclose a photocopy of your identity card or passport.
- 3 Joint Individual Applicant
 - Please enclose a photocopy of your identity card or passport.
 - If aged 18 years old and above, he/she is also required to sign the application form.
 - In the case of death of a joint-holder, the surviving holder will be the only person recognised by the Manager and the Trustee as having any title to or interest in the units held.
 - In the absence of written explicit instructions, I/we acknowledge that instructions must be given by both of us.
 - The Individual Applicant (Main Applicant) are held liable should there be any discrepancy in the instruction and/or information given by the Joint Individual Applicant to RHBAM.
- 4 Corporate Applicant
 - Please enclose a copy of the Memorandum and Articles of Association, Company's latest audited accounts, list of Authorised Signatories and Specimen Signatures.
 - For a Corporate, the Common Seal or the Company stamp will have to be affixed. If the Company stamp is used, an Authorised Officer must sign and state his/her representative capacity.
 - Certified True Copy (by company secretary, if applicable) of the Board Resolution, Form 11, Form 9, Form 13 (if applicable), Form 24, Form 44, Form 49, and latest Annual Return / latest Audited Financial Statement.
- 5 Rights of the Manager
 - The Manager reserves the right to accept or reject any application in whole or in part thereof and reject any Fund Application Form which is not completed in full and supported by the requested documents and payments.
- 6 Customer Care
 - If you require further information or clarification, please contact our Customer Service for assistance.
- 7 General Consent
 - I/We consent to and authorise RHB Banking Group (which shall include RHB Bank, its subsidiaries and associated companies), its respective directors, officers, employees and agents to disclose, share and/or verify information or documents pertaining to my/our company's information and data maintained with RHBAM, affairs, account(s), facility(ies), directors and/or substantial shareholders to and/or with the following parties including, without limitation:
 - i any companies within RHB Banking Group, whether within or outside Malaysia for any purpose including, without limitation to cross-selling, marketing and promotions of Services of the RHB Banking Group;
 - ii any authorities/regulators/parties as may be authorised by law or regulations to obtain such information or by court of law;
 - iii any party(ies) providing security for purposes of facility(ies) granted to you; agents of the RHB Banking Group, including without limitation, vendors, merchants and/or third party service providers by the RHB Banking Group wherever applicable;
 - iv auditors, legal counsels and/or other professional advisers in relation to the provision of services by the RHB Banking Group pursuant to this engagement, or in connection with the preparation of any facility or security documents, if applicable, or any action or proceeding for the recovery of monies due and payable by you, wherever applicable;
 - v credit bureaus and/or credit reporting agencies, fraud prevention agencies, debt collection agencies and industry/financial related associations; and
 - vi any potential assignee or other person proposing to enter into any contractual arrangement which requires the disclosure of such information.

All notices and other communications sent by or to the applicant shall be sent at the risk of the applicant. Unless due to willful default or negligence of the Manager, the Manager shall not be responsible for any inaccuracy, interruption, error, delay or failure in transmission or delivery of any notices via whatever means, or for any equipment failure or malfunction. The Manager shall not be liable for any direct or indirect consequential losses arising from the foregoing.

DEFINITION AND INTERPRETATION

"Controlling Person" are the natural person(s) who exercise control over an entity. Where that entity is treated as a Passive Non-Financial Entity ("Passive NFE") then a Financial Institution is required to determine whether or not these Controlling Persons are Reportable Persons. This definition corresponds to the term "beneficial owner" described in Recommendation 10 and the Interpretative Note on Recommendation 10 of the Financial Action Task Force Recommendations (as adopted in February 2012).

In the case of a trust, the Controlling Person(s) are the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, or any other natural person(s) exercising ultimate effective control over the trust (including through a chain of control or ownership). Under the CRS the settlor(s), the trustee(s), the protector(s) (if any), and the beneficiary(ies) or class(es) of beneficiaries, are always treated as Controlling Persons of a trust, regardless of whether or not any of them exercises control over the activities of the trust.

Where the settlor(s) of a trust is an Entity then the CRS requires Financial Institutions to also identify the Controlling Persons of the settlor(s) and when required report them as Controlling Persons of the trust.

In the case of a legal arrangement other than a trust, Controlling Person(s) means persons in equivalent or similar positions.

"Entity" means a legal person or a legal arrangement, such as corporation, organisation, partnership, trust or foundation.

"Participating Jurisdiction" means a jurisdiction with which an agreement is in place pursuant to which it will provide the information required on the automatic exchange of financial account information set out in the Common Reporting Standard.

"Personal Information" in respect of your and any Controlling Person, means: (i) where your and any Controlling Person is an individual, his/her full name, date and place of birth, residential address, mailing address, contact information (including telephone number), and any taxpayer identification number ("TIN"), social security number, citizenship(s), residency(ies) and tax residency(ies) or (if applicable) such other information as the RHB Banking Group may reasonably require regarding such Customer and any Controlling Person; (ii) where the Customer and any Controlling Person is a corporate/entity, its full name, date and place of incorporation or formation, registered address, address of place of business, tax identification number, tax status, tax residency, registered address, address of place of business, certification of its CRS status/classification or (if applicable) such other information as the RHB Banking Group may reasonably require regarding each of its substantial shareholders and controlling persons.

"Reportable Jurisdiction" is a jurisdiction with which an obligation to provide financial account information is in place.

"Tax Information" in respect of a Customer and any Controlling Person, means: (i) any documentation or information (and accompanying statements, forms, representations, waivers and consents as the RHB Banking Group may from time to time require or as the Customer and any Controlling Person from time to time give) relating, directly or indirectly, to the tax status of the Customer and any Controlling Person; (ii) Personal Information of the Customer and any Controlling Person; (iii) Account Information; and (iv) any other information received by any member of the RHB Banking Group in relation to the Customer, including (but not limited to) information collected and maintained pursuant to Anti-Money Laundering/ Know Your Customer (AML/KYC) procedures.

"Tax Resident" refers to the definition of tax residence by each participating jurisdiction as provided on [<https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/#id.en.347760>]. In general, you will find that tax residence is the country/jurisdiction in which you live. Special circumstances may cause you to be resident elsewhere or resident in more than one country/jurisdiction at the same time (dual residency). For more information on tax residence, please consult your tax adviser or the information at the OECD automatic exchange of information portal mentioned above.

"TIN" (including "functional equivalent") means Taxpayer Identification Number or a functional equivalent in the absence of a TIN. A TIN is a unique combination of letters or numbers assigned by a jurisdiction to an individual or an Entity and used to identify the individual or Entity for the purposes of administering the tax laws of such jurisdiction. Further details of acceptable TINs can be found at the following link [<https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-identification-numbers>].

Some jurisdictions do not issue a TIN. However, these jurisdictions often utilize some other high integrity number with an equivalent level of identification (a "functional equivalent"). Examples of that type of number include, for Entities, a Business/company registration code/number.

"US Person" refers to a US Person as defined in Section 7701 (a) (30) of the Internal Revenue Code and includes an individual who is a citizen or resident of the US.

PURCHASE / SWITCH FORM

Account No. _____

(for existing unit holders only)

Please tick (✓) if this is staff purchase

Purchase
 Switch
 Staff Application

In compliance with the Capital Markets and Services Act 2007, this form should not be circulated unless accompanied by the relevant Master Prospectus(es)/ Prospectus(es) and Supplementary(ies) (if any). Investor(s) should read and understand the contents of the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) if any before completing this form. **Please complete in BLOCK LETTERS only, and tick(✓) where applicable. For 1st time investors, please fill up the application form to be submitted with this form.**

INDIVIDUAL APPLICANT

Name of Individual Applicant _____

NRIC No. (new) _____

NRIC No.(old)/ Passport No. _____

Tel No. _____

Country Code

Area Code

Residence / House

Mobile _____

JOINT INDIVIDUAL APPLICANT (not applicable for EPF)

Name as in NRIC/Passport _____

NRIC No. (new) : _____

NRIC No.(old)/ Passport No. _____

Tel No. _____

Country Code

Area Code

Residence / House

Mobile _____

CORPORATE APPLICANT (not applicable for EPF)

Update on Corporation's documents

Remain as previous application

Name of Company _____

Company Registration No _____

Name of Contact Person(s) _____

Tel No: _____

Country Code

Area Code

Office

ext _____

Fax No. _____

DETAILS OF INVESTMENT APPLICATION

- Note:**
- Select a Distribution Instruction only if this is an initial investment in the relevant Fund(s) of RHB Asset Management Sdn Bhd ('RHBAM') and only if applicable. Depending on the Fund invested and subject to each respective Fund's Master Prospectus(es)/ Prospectus(es), and its Supplementary(ies) (if any), income distribution will either be reinvested into further units in the relevant fund or be paid out.
 - For investment in **RHB Equity Trust Fund**, kindly provide the insurance beneficiary details / change of beneficiary by filling up the Insurance Beneficiary Nomination/Change of Insurance Beneficiary Form.

Fund Name	***Plan Type	**Currency	Amount	****No. of years 1 - 5	Investment Type	*Distribution Instruction (not applicable for EPF)
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional	<input type="checkbox"/> Reinvest <input type="checkbox"/> Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional	<input type="checkbox"/> Reinvest <input type="checkbox"/> Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional	<input type="checkbox"/> Reinvest <input type="checkbox"/> Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional	<input type="checkbox"/> Reinvest <input type="checkbox"/> Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional	<input type="checkbox"/> Reinvest <input type="checkbox"/> Credit into bank account
TOTAL						

*Bank Account details for income distribution to be credited will be as per existing details maintained with RHBAM.

** specify the currency acronym eg. RM etc

*** Note: C - Cash Plan ; S - Savings Plan ; E - EPF Plan

**** Applicable for Regular Savings Plan

Notes to be read before completing this section:

- Cheque/bank draft should be crossed and made payable to "RHB ASSET MANAGEMENT SDN BHD" for all funds. You should write your full name and NRIC No. on the back of each cheque. The cheque(s)/ bank draft(s) must be attached with this Form.
- RHBAM is under no obligation to accept payments for investments via employees and / or Unit Trust Scheme Consultant ("UTSC") of RHBAM or any third party and may in its sole discretion reject such payments.
- Distribution Instruction will be defaulted as per the relevant Fund's Master Prospectus(es), Prospectus(es) and its Supplementary(ies) (if any), if no distribution instruction provided.
- If you are investing via Standing Instruction (i.e. for Regular Savings Plan), kindly fill up the Standing Instruction Form (i.e. RHB Direct Debit Authorisation Form for RHBAM) and/or of the relevant bank and attach it with this Form.

Payment Mode for investment :

Cheque/Bank Draft (Bank _____ No. _____) (Payable to "RHB Asset Management Sdn Bhd")

EPF Investment Scheme ("EPF"). Please provide a completed KWSP 9N Form.

Online Transfer [i.e. IBG / RENTAS], kindly indicate the bank account which you banked into:

	Fund Name	Bank	Account No.
1	<input type="checkbox"/> All Funds except for items 4 to 9 below	RHB	2-14129-00200777
2	<input type="checkbox"/> All Funds except for items 4 to 9 below	Maybank	514011-592181
3	<input type="checkbox"/> All Funds except for items 4 to 9 below	RHB Multi Currency (for foreign currencies)	6-14129-00007029
4	<input type="checkbox"/> RHB Cash Management Fund 1	RHB	2-14129-0021227-9
5	<input type="checkbox"/> RHB Islamic Cash Management Fund	RHB	2-64317-0000042-5
6	<input type="checkbox"/> RHB Money Market Fund	RHB	2-14231-00039055
7	<input type="checkbox"/> RHB Deposits Fund	RHB	2-14231-00039055
8	<input type="checkbox"/> RHB Cash Management Fund 2	RHB	2-14231-00039055
9	<input type="checkbox"/> Others _____		

FOR OFFICE USE ONLY

Account No. _____

Transaction Sequence No. _____

Price of Transaction
(RM/relevant currency) _____

Transaction Price Date _____

FOR UTSC / DISTRIBUTOR USE ONLY

RHBAM / Distributor

Branch Code / Stamp

Name of Staff / UTSC / Distributor _____

Staff / UTSC Code _____

FIMM Code _____

Signature of Staff / UTSC / Distributor _____

DETAILS OF SWITCHING APPLICATION

Please ensure you maintain the minimum amount required in the original Fund as stated in the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies) (if any).

SWITCH FROM	
Fund Name	No. of Units
1	
2	
3	
4	
5	

SWITCH TO	
Fund Name	*Distribution Instruction (not applicable for EPF)
1	<input type="checkbox"/> Reinvest <input type="checkbox"/> *Credit into bank account
2	<input type="checkbox"/> Reinvest <input type="checkbox"/> *Credit into bank account
3	<input type="checkbox"/> Reinvest <input type="checkbox"/> *Credit into bank account
4	<input type="checkbox"/> Reinvest <input type="checkbox"/> *Credit into bank account
5	<input type="checkbox"/> Reinvest <input type="checkbox"/> *Credit into bank account

*Bank Account details for income distribution to be credited will be as per existing details maintained with RHBAM. If there is any changes to the Bank Account details, kindly provide the latest details by filling up the Updating of Client's Particulars Form.

LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a unit trust fund with borrowed money is more risky than investing with your own savings. You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financing circumstances. You should be aware of the risk, which would include the following:-

- (i) The higher the margin of financing (that is, the amount of money you borrow for every Ringgit of your own money that you put in as deposit or down payment) the greater the loss or gain on your investment.
- (ii) You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
- (iii) If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where units are used as collateral) or pay additional amounts on top of your normal instalments. If you fail to comply within the prescribed time, your units may be sold towards the settlement of your loan.

(iv) Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are incurred instead. Whether you eventually realise a gain or incur loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take the loan. If you have doubts in respect of any aspect of this Risk Disclosure Statement or the terms of the loan financing, you should consult the institution offering the loan.

I / We acknowledge that I / We have read and understood the contents of the investment Loan Financing Risk Disclosure Statement. I / We do declare and represent that as at the date hereof, I / We am / are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us. With the completion of this form, it constitutes that I have read, understood and agreed to be bound by the notes, terms and conditions stated in this form. I also accept and acknowledge that RHB Asset Management Sdn Bhd has absolute discretion to reply on facsimile confirmation from me and undertake to indemnify and hold harmless RHB Asset Management Sdn Bhd, its employees and UTSC at all costs, expenses, loss of liabilities, claims and demands arising out of this confirmation.

DECLARATIONS AND SIGNATURES

- I / We acknowledge that I / We have received, read and understood the relevant Master Prospectus(es) / Prospectus and its Supplementary (ies) (if any) for the Fund(s) to be invested in, the Terms and Conditions of this Form and I/We undertake to be bound by them for my / our initial and subsequent transactions with RHB Asset Management Sdn Bhd ("RHBAM").
- I/We undertake to be bound by the provisions of the documents constituting the Fund(s) subscribed to as if I was/We were a party thereto.
- I/We acknowledge that I/We are aware of the fees and charges that I/We will incur directly or indirectly when investing in the Fund(s).
- I/We hereby declare and acknowledge that I/We have sole legal and proprietary right over all monies accompanying this application.
- I/We hereby agree to indemnify RHBAM against all actions, costs (including any legal cost incurred), suits, proceedings, claims, damages and losses which may be suffered by RHBAM as a result of any inaccuracy of the declarations and inaccurate information provided herein.

ALL APPLICANTS MUST SIGN THIS FORM

Individual Applicant / Authorised Signatory (ies) Name: Date :

Joint Individual Applicant / Authorised Signatory (ies) Name: Date:

Company Stamp / Common Seal

Master Prospectus

Name of the Funds

Date of Constitution

RHB Gold and General Fund	15 February 2008
RHB Asia Consumer Fund	11 October 2009
RHB China-India Dynamic Growth Fund	12 November 2009
RHB Emerging Markets Bond Fund	29 September 2011
RHB Multi Asset Regular Income Fund	1 March 2012
RHB Leisure, Lifestyle & Luxury Fund	30 May 2012
RHB Entrepreneur Fund	24 March 2014

This master prospectus is dated 6 October 2017.

Manager

RHB Asset Management Sdn Bhd (174588-X)
(A member of RHB Banking Group)

Trustees

HSBC (Malaysia) Trustee Berhad (1281-T)
(A member of the HSBC Group)

TMF Trustees Malaysia Berhad (610812-W)

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 109.



Responsibility Statement

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

Statements of Disclaimer

The Securities Commission Malaysia has authorised the Funds and a copy of this master prospectus has been registered with the Securities Commission Malaysia.

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

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

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

Additional Statements

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

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DEFINITIONS

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

Bursa Malaysia The stock exchange managed and operated by the Bursa Malaysia Securities Berhad.

Business Day
In relation to **GGF**:
A day in which Bursa Malaysia is open for trading and
(i) A day which is a business day in Singapore (i.e. 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.

In relation to **ACF**:
A day in which Bursa Malaysia is open for trading and a day which is a business day in Singapore (i.e. a day other than Saturdays, Sundays, public holidays and any day determined to be a non-business day by the manager of the target fund, the United Asia Consumer Fund).

In relation to **CHINDIA**:
A day in which Bursa Malaysia is open for trading and a day which is a business day in Singapore (i.e. a day other than Saturdays, Sundays, public holidays and any day determined to be a non-business day by the manager of the target fund, the United China-India Dynamic Growth Fund).

In relation to **EMBOND**:
A day in which the Bursa Malaysia is open for trading and a day which is a business day in Singapore (i.e. a day other than Saturdays, Sundays, public holidays and any day determined to be a non-business day by the manager of the target fund, the United Emerging Markets Bond Fund).

In relation to **MARI**:
A day (other than Saturdays, Sundays and public holidays) in which Bursa Malaysia and the foreign markets* are open for trading.

*foreign markets in which investments of the Fund having in aggregate values amounting to at least 50% of the Fund's Net Asset Value are invested therein.

In relation to **LLL**:
A day on which Bursa Malaysia is open for trading and/or banks in Kuala Lumpur are open for business. The Manager may declare certain business days to be a non-business day although Bursa Malaysia and/or the banks are open for business, if some foreign markets^ in which the Fund is invested in are closed for business.

^Note: Some foreign markets refer to the markets in which at least 50% of the Fund's Net Asset Value (in aggregate) is invested therein.

In relation to **ENT**:
A day (other than Saturdays, Sundays and public holidays) on which

Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business; and the markets in which at least 50% of the Fund's net asset value (in aggregate) invested therein, are also open for trading.

CUTA

Corporate Unit Trust Advisers.

Deed

RHB Gold and General Fund

Deed dated 15 February 2008 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 16 February 2015, third supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB Emerging Markets Bond Fund

Deed dated 29 September 2011 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 24 February 2015, third supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB Multi Asset Regular Income Fund

Deed dated 1 March 2012 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 26 February 2015, third supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB Asia Consumer Fund

Deed dated 11 October 2009 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 25 February 2015, third supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB China-India Dynamic Growth Fund

Deed dated 12 November 2009 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 25 February 2015, third supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB Leisure, Lifestyle & Luxury Fund

Master deed (conventional funds) dated 12 June 2008 (as amended via its supplemental master deed (conventional funds) dated 25 August 2008, second supplemental master deed (conventional funds) dated 12 December 2008, third supplemental master deed (conventional funds) dated 19 June 2009, fourth supplemental master deed (conventional funds) dated 18 August 2009, fifth supplemental master deed (conventional funds) dated 26 April 2010, sixth supplemental master deed (conventional funds) dated 28 June 2010, eighth supplemental master deed (conventional funds) dated 24 April 2012, ninth supplemental master deed (conventional funds) dated 7 March 2012, tenth supplemental master deed (conventional funds) dated 13 April

2012, eleventh supplemental master deed (conventional funds) dated 30 May 2012, fifteenth supplemental master deed (conventional funds) dated 30 April 2013 and sixteenth supplemental master deed (conventional funds) dated 24 September 2013, seventeenth supplemental master deed (conventional funds) dated 2 March 2015, eighteenth supplemental master deed (conventional funds) dated 20 May 2015, nineteenth supplemental master deed (conventional funds) dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

RHB Entrepreneur Fund

Deed dated 24 March 2014 as modified via its first supplemental deed dated 25 February 2015, second supplemental deed dated 3 August 2015 and any other supplemental deeds as may be registered with the Securities Commission from time to time.

deposit	Unless stated otherwise in this master prospectus, deposits refer to any deposits with a financial institution which are not embedded or linked to financial derivative instruments (structured deposits) and where applicable these are current accounts, short term money market deposits and short term deposits with financial institutions.
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.
EPF	Employees Provident Fund.
EPF Members' Investment Scheme	The investment schemes approved by the Minister charged with responsibility for matters relating to the Employees Provident Fund Board, subject to such terms and conditions as he thinks fit, which the Employees Provident Fund Board may, subject to any regulations and rules made under the Employees Provident Fund Act 1991, authorize an application for investment, made by a member of the EPF, partly any amount standing to the credit of such member of the EPF.
ETF	Exchange traded fund.
FIMM	Federation of Investment Managers Malaysia.
Fund (respectively) or Funds (collectively)	RHB Gold and General Fund (“ GGF ”); or RHB Asia Consumer Fund (“ ACF ”); or RHB China-India Dynamic Growth Fund (“ CHINDIA ”); or RHB Emerging Markets Bond Fund (“ EMBOND ”); or RHB Multi Asset Regular Income Fund (“ MARI ”); or RHB Leisure, Lifestyle & Luxury Fund (“ LLL ”); or RHB Entrepreneur Fund (“ ENT ”).

GST	Goods and services tax.
ICULS	Irredeemable Convertible Unsecured Loan Stock.
IUTA	Institutional Unit Trust Advisers.
Latest Practicable Date	31 July 2017.
Manager/Management Company	RHB Asset Management Sdn Bhd.
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 per Unit	The net asset value of the Fund divided by the total number of units in circulation at that valuation point.
REITs	Real Estate Investment Trusts.
Repurchase Charge	The price (before deducting any repurchase charge) payable by the Manager to a Unit Holder pursuant to the repurchase of a unit of a Fund. The Repurchase Price shall be the Net Asset Value per Unit of a Fund 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, if any, will be computed separately based on the withdrawal amount/repurchase amount. The implementation of GST is effective from 1 April 2015 at the rate of 6% and the repurchase charge payable (if any) is exclusive of GST.
RM or Ringgit Malaysia	The lawful currency of Malaysia.
Securities Commission ("SC")	Securities Commission Malaysia.
Selling Price	The price (before adding any sales charge) payable by an investor or a Unit Holder for the purchase of a unit of a Fund. 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 of a Fund is received by the Manager. A sales charge, where applicable, will be computed separately based on the investment amount/purchase amount, net of bank charges (if any). The implementation of GST is effective from 1 April 2015 at the rate of 6% and the sales charge payable (if any) is exclusive of GST.
SGD or Singapore dollars	The lawful currency of Singapore.
Trustee	HSBC (Malaysia) Trustee Berhad in respect of GGF , EMBOND and MARI . TMF Trustees Malaysia Berhad in respect of ACF , CHINDIA , LLL and ENT .

UACF	United Asia Consumer Fund.
UCIDGF	United China-India Dynamic Growth Fund.
UGGF	United Gold and General Fund.
UEM Bond Fund	United Emerging Markets Bond Fund.
Unit Holder(s)	The person(s) for the time being registered under the provisions of the Deed as the holder of units of a Fund and person(s) jointly so registered.
UOBAM	UOB Asset Management Ltd, Singapore.
USD or United States dollars	The lawful currency of United States of America.

CORPORATE DIRECTORY

MANAGER

RHB Asset Management Sdn Bhd

REGISTERED & PRINCIPAL OFFICE

Level 8, Tower 2 & 3

RHB Centre, Jalan Tun Razak

50400 Kuala Lumpur

Tel: 03-9205 8000

Fax: 03-9205 8100

E-mail: rhbam@rhbgroup.com

Website: www.rhbgroup.com

In respect of **GGF, EMBOND** and **MARI**:

TRUSTEE

HSBC (Malaysia) Trustee Berhad

13th Floor, Bangunan HSBC, South Tower

No. 2, Leboh Ampang

50100 Kuala Lumpur

Tel: 03-2075 7800 Fax: 03-2179 6511

In respect of **ACF, CHINDIA, LLL** and **ENT**:

TRUSTEE

TMF Trustees Malaysia Berhad

10th Floor, Menara Hap Seng

No. 1 & 3, Jalan P. Ramlee

50250 Kuala Lumpur

Tel: 03-2382 4288 Fax: 03-2026 1451

1. FUND INFORMATION

1.1 RHB Gold and General Fund

1.1.1 Fund Category

Feeder fund.

1.1.2 Financial Year End

30 June.

1.1.3 Name of Trustee

HSBC (Malaysia) Trustee Berhad.

1.1.4 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.

Any material change to the investment objective of this Fund requires the Unit Holders' approval. For more information, investors should also refer to the target fund's investment objective, investment focus and approach (under Section 1.1.12).

1.1.5 Investment Strategy

The Fund will invest principally in one of the funds managed by UOBAM, that is the 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 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 sales and redemptions transactions and to enable the proper and efficient management of the Fund. Specific risks associated with the Fund and the target fund, UGGF 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, i.e. UGGF when deemed necessary by the UGGF's manager. The Manager does not adopt any temporary defensive positions as this will allow the Fund to best

track the performance of UGGF. It also follows that if the UGGF 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 UGGF'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 2.1 and 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 1.1.12.

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 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); and
- 30% Euromoney Global Mining Index (formerly known as HSBC Global Mining Index) (RM)

The benchmark chosen for the Fund is consistent and corresponding to the target fund, UGGF, except that it is the Ringgit Malaysia equivalent of the UGGF'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. Investor should note that the risk profile of the Fund is different from the risk profile of the benchmark.

1.1.6 Distribution Policy

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.

*Note: "long term" in this context refers to a period of between 5 – 7 years.

1.1.7 Permitted Investments 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.

1.1.8 Collective Investment Schemes

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

1.1.9 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 benefit of any upside of currency movement is limited as 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 its Net Asset Value.

1.1.10 Foreign Securities

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

1.1.11 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 for purposes of accepting sales or to meet redemption payments and to enable proper and efficient management of the Fund.

This Fund shall not borrow in connection with its activities or lend any of its cash or investments unless permitted by the relevant laws pertaining to unit trust funds. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of the Net Asset Value at the time the borrowing is incurred.

1.1.12 Information on United Gold and General Fund

(a) About United Gold and General Fund ("UGGF")

UGGF is an open-ended standalone unit trust constituted in Singapore which is denominated in Singapore dollars. It was launched in June 1995. The manager of UGGF is UOBAM and the trustee of UGGF is HSBC Institutional Trust Services (Singapore) Limited. The custodian of UGGF is The Hongkong and Shanghai Banking Corporation Limited and/or such other custodian as may be appointed from time to time in respect of UGGF or any of its assets. UGGF is regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore.

(b) About UGGF's manager

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Monetary Authority of Singapore. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. UOBAM has two joint ventures: Ping An UOB Fund Management Company Ltd and UOB-SM Asset Management Pte Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at the Latest Practicable Date, UOBAM manages 57 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

UOBAM's investments team conducts independent and rigorous fundamental research within a proven investment process and framework. In equities, UOBAM's team has acquired specialist skills in investment in global markets and major global sectors. It combines a disciplined research effort that aims to identify and invest in high performing businesses at the right price, with a systematic model portfolio construction process, to

diversify sources of alpha to achieve more consistent performance over time. In fixed income, UOBAM's coverage spans a wide spectrum comprising G10 government bonds, developed market corporate bonds, Asia sovereigns and corporates, emerging market bonds and Singapore fixed income. In addition to independent research to uncover relative value opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

As at the Latest Practicable Date, UOBAM and its subsidiaries in the region have a staff strength of over 300 including about 50 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, 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, alternative energy or other commodities or other minerals, and other authorised investments of UGGF (described in paragraph (e)).

(d) Investment Focus and Approach

The majority of the companies in which 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 of UGGF

The authorised investments of UGGF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“Code”).

1 Permissible Investments

1.1 The UGGF’s underlying investments may only consist of the following permissible investments:

- a) transferable securities;
- b) money market instruments;
- c) eligible deposits;
- d) units in other schemes;
- e) financial derivatives; and
- f) shares or securities equivalent to shares that are not listed for quotation or quoted and have not been approved for listing for quotation or quotation on an organised exchange.

“organised exchange” refers to an exchange that is and organised market;

“organised market” refers to an exchange, over-the-counter market or government securities market:

- (i) that is of good repute;
- (ii) that is open to the public or a substantial number of market participants; and
- (iii) on which financial instruments are regularly traded.

1.2 For the purpose of paragraph 1.1,

a) “transferable securities” refer to:

- i) shares or securities equivalent to shares; and
- ii) bonds or other securitised debt instruments,

that meet the requirements of paragraph 1.3 but do not include:

- A) money market instruments; or
- B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.

b) “eligible deposits” refer to deposits with banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

Requirements of transferable securities

1.3 Transferable securities shall meet the following requirements:

- a) the maximum potential loss which may be incurred as a result of the investment is limited to the amount paid for it;
- b) the investment is liquid;
- c) the investment is subject to reliable and verifiable valuation on a daily basis; and
- d) there is appropriate information available to the market on the investment or, where relevant, on the portfolio.

Note

In determining whether information on a transferable security is appropriate, UGGF's manager should consider if the information available on the market is regular and accurate, as well as sufficient to analyse the investment. For example, reliance on annual or financial reports is acceptable if the UGGF's manager is of the view that it is appropriate.

Requirements on investments in other schemes

1.4 The UGGF may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

Notwithstanding paragraph 1.4(a), UGGF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:
 - i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant investment guidelines under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets the requirements set out in paragraph 1.3(a) to (d), for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in paragraph 1.4 (b) or (c).

1.5 UGGF may feed substantially into an underlying fund-of-funds but the underlying fund-of-funds should invest in other schemes directly and not through another fund-of-funds.

Requirements of financial derivatives

1.6 Financial derivatives shall meet the following requirements:

- a) The underlying consists of instruments referred to in paragraph 1.1, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times. The UGGF's manager shall also undertake in the trust deed of UGGF to settle such transactions in cash and disclose that fact in the UGGF's prospectus;
- b) the financial derivatives are liquid;
- c) the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and
- d) the financial derivatives shall not result in the delivery of investments other than those described in paragraph 1.1(a) to (f).

**Note: UGGF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

1.7 In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph 1.6 (c) refers to:

- a) a valuation made by the UGGF's manager of the target fund based on a current market value; or
- b) where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.

The valuation by the UGGF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Note

The party who carries out the verification shall be independent of the counterparty as well as the party responsible for the fund management function of UGGF.

(f) Investment limits and restrictions of UGGF

The investment limits and restrictions of UGGF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Spread of Investments

Single entity limit and group limit

1.1 UGGF should comply with the following limits:

- a) Investments in:
 - i) transferable securities; or
 - ii) money market instruments

issued by a single entity should not exceed 10% of UGGF's net asset value ("single entity limit").

- b) Aggregate investments in, or exposures to, a group of entities through:
 - i) transferable securities;
 - ii) money market instruments;
 - iii) eligible deposits; and
 - iv) counterparty risk exposures arising from the use of over-the-counter (“OTC”) financial derivatives

should not exceed 20% of UGGF’s net asset value (“group limit”). For the purposes of this paragraph, a group of entities refers to an entity, its subsidiaries, fellow subsidiaries and its holding company.

Short-term deposits

- 1.2 The group limit does not apply to placements of eligible deposits arising from:
 - a) subscription monies received at any point in time pending the commencement of investment by UGGF; or
 - b) liquidation of investments prior to the termination or maturity of UGGF, where the placing of these monies with various institutions would not be in the interests of participants.

Government and other public debt securities / money market instruments

- 1.3 The single entity limit of 10% may be raised to 35% of UGGF’s net asset value where:
 - a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of BBB by Fitch, Baa by Moody’s or BBB by Standard and Poor’s (including such sub-categories or gradations therein); and
 - b) not more than 20% of UGGF’s net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity or trust.
- 1.4 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.3 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit should revert to 10%.
- 1.5 The single entity limit of 10% does not apply where:
 - a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of AA by Fitch, Aa by Moody’s or AA by Standard and Poor’s (including such sub-categories or gradations therein); and
 - b) not more than 20% of UGGF’s net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity or trust.
- 1.6 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.5 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit as specified in paragraph 1.1 (a) or 1.3, as the case may be, should apply accordingly.

Unrated and non-investment grade corporate debt securities

- 1.7 The single entity limit of 10% in paragraph 1.1 (a) for bonds and other securitised debt instruments is lowered to 5% of UGGF's net asset value if the issuing entity or trust:
- a) is not rated; or
 - b) has a long-term rating below that of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein).
- 1.8 Notwithstanding paragraph 1.7 (a), UGGF's manager may rely on:
- a) the rating of an unrated issuer's parent company provided that an explicit guarantee by the parent company for the issuer is in place; or
 - b) its internal rating of an unrated issuer if UGGF's manager has satisfied UGGF's trustee that its internal rating is comparable to a rating issued by Fitch, Moody's or Standard & Poor's.

Commodity-backed debt securities

- 1.9 UGGF may invest in debt securities that are undated, secured by physical commodities, listed for quotation and traded on an organised exchange, subject to the limit in paragraph 1.12.

Investment in other schemes

Requirements on investments in other schemes

- 1.10 UGGF may invest in other schemes only if the underlying scheme is:
- a) an authorised or recognised scheme;

Note

UGGF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:
 - i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant appendices under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets the Code's requirements of transferable securities (see paragraph 1.3 of the Authorised Investments of UGGF) and, for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in

the above paragraph b) and c).

1.11 Investments in an underlying scheme which does not satisfy paragraph 1.10 (a) or (b) but satisfies:

- a) paragraph 1.10 (c) and is invested in permissible investments or real estate should not exceed 10% of the UGGF's net asset value; or
- b) paragraph 1.10 (c) and is invested directly in commodities is subject to the limit in paragraph 1.12.

Alternative exposure limit

1.12 Investments in:

- a) shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange;
- b) debt securities which are undated, secured by physical commodities, listed for quotation and traded on an organised exchange; and
- c) underlying schemes which do not satisfy paragraph 1.10 (a) or (b) but satisfy paragraph 1.10 (c) and are invested directly in commodities,

are subject to an aggregate limit of 10% of UGGF's net asset value.

Concentration limit

1.13 UGGF should not invest in more than:

- a) 10% of the total outstanding shares, or securities equivalent to shares, of any single entity or trust;
- b) 10% of each individual issuance of debt securities of any single issuing entity or trust, where such issuance is not part of a debt issuance programme; or where debt securities are issued under a debt issuance programme, 20% of each tranche, subject to a limit of 10% of the overall programme size; and
- c) 10% of the money market instruments of a single issuing entity or trust.

2 Global Exposure

2.1 The global exposure of UGGF to financial derivatives or embedded financial derivatives should not exceed 100% of its net asset value at all times.

2.2 UGGF's manager should calculate the global exposure of UGGF based on the:

- a) Commitment approach under the Code; or
- b) Value at risk (VaR) Approach (including any other variants of the VaR Approach) under the Code, subject to prior consultation with the Monetary Authority of Singapore ("Authority").

Commitment Approach

2.3 The global exposure of UGGF is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) the sum of the values of cash collateral received pursuant to:
 - i) the reduction of exposure to counterparties of OTC financial derivatives; and
 - ii) efficient portfolio management techniques relating to securities lending and repurchase transactions,and that are reinvested.

Netting arrangements

- 2.4 Netting arrangements may be taken into account to reduce UGGF's exposure to financial derivatives.
- 2.5 UGGF may net positions between:
 - a) financial derivatives on the same underlying assets, even if the maturity dates are different; or
 - b) financial derivatives and the same corresponding underlying asset, if those underlying assets are transferable securities, money market instruments or units in other schemes.

Hedging arrangements

- 2.6 Hedging arrangements may be taken into account to reduce UGGF's exposure to financial derivatives.
- 2.7 The marked-to-market value of transferable securities, money market instruments or units in schemes involved in hedging arrangements may be taken into account to reduce UGGF's exposure to financial derivatives.
- 2.8 For the purposes of the above paragraphs 2.6 and 2.7, the hedging arrangement shall:
 - a) not be aimed at generating a return;
 - b) result in an overall verifiable reduction of the risk of UGGF;
 - c) offset the general and specific risks linked to the underlying being hedged;
 - d) relate to the same asset class being hedged; and
 - e) be able to meet its hedging objective in all market conditions.
- 2.9 Notwithstanding paragraph 2.8, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

Exposure arising from reinvestment of cash collateral

- 2.10 If UGGF reinvests cash collateral received from counterparties of OTC financial derivatives, securities lending or repurchase transactions to generate a return in excess of high quality 3-month government bonds, it should include in its global exposure calculations the cash amount reinvested.

VaR Approach or its variants

- 2.11 UGGF's manager may apply to the Authority to use the VaR Approach or its variants to calculate the global exposure of UGGF instead of the commitment approach (paragraph 2.3).
- 2.12 The global exposure of UGGF should also take into account exposures arising from the reinvestment of cash collateral.
- 2.13 UGGF's manager shall comply with the guidelines in the Code on alternative approach for calculating global exposure – VaR Approach.

3 Use of Financial Derivatives

Requirements of financial derivatives

Financial derivatives shall meet the following requirements:

- a) *The underlying consists of instruments referred to in paragraph 1.1 of the Authorised Investments of UGGF, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times;*
- b) *the financial derivatives are liquid;*
- c) *the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and*
- d) *the financial derivatives shall not result in the delivery of investments other than permissible investments under the Code.*

**Note: UGGF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

In the case of OTC financial derivatives, reliable and verifiable valuation stated in the above paragraph (c) refers to:

- a) *a valuation made by UGGF's manager based on a current market value; or*
- b) *where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.*

The valuation by UGGF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Spread of underlying assets

- 3.1 The exposure of UGGF to the underlying assets of financial derivatives should be sufficiently diversified on a portfolio basis.
- 3.2 In the case where the underlying assets are transferable securities, money market instruments, eligible deposits or units in other schemes, the limits in the paragraphs

under item 1 stated herein, except for the concentration limits, apply on a portfolio basis.

Embedded financial derivatives

- 3.3 Where a transferable security or money market instrument embeds a financial derivative, the requirements in the paragraphs under item 2 and 3 stated herein apply to the embedded financial derivative.
- 3.4 Where the counterparty risk of the embedded derivative is or may be transferred to UGGF, the requirements in the paragraphs under item 4 stated herein also apply to the embedded financial derivative.
- 3.5 A transferable security or money market instrument is considered to be embedding a financial derivative if it contains a component which fulfills the following criteria:
- a) the component results in some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract to be modified according to a variable including but not limited to a specified interest rate, price of a financial instrument, foreign exchange rate, index of prices or rates, credit rating or credit index, and therefore vary in a way similar to a stand-alone financial derivative;
 - b) the component's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - c) the component has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
- 3.6 A transferable security or a money market instrument should not be regarded as embedding a financial derivative where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component should be deemed to be a separate financial instrument.
- 3.7 Where an instrument is structured as an alternative to an OTC financial derivative or tailor-made to meet the specific needs of UGGF, the instrument should be deemed as embedding a financial derivative.

Cover

- 3.8 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of UGGF should be covered as follows:
- a) in the case of financial derivatives which will, or may at the option of UGGF, be cash settled, UGGF should hold, at all times, liquid assets sufficient to cover the exposure;
 - b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, UGGF should hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If UGGF's manager deems the underlying assets to be sufficiently liquid, UGGF may hold as coverage other liquid assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

4 Counterparty of Financial Derivatives

OTC financial derivatives

- 4.1 The counterparty of an OTC financial derivative should be subject to prudential supervision by a financial supervisory authority in its home jurisdiction.
- 4.2 Subject to the group limit in paragraph 1.1, the maximum exposure of UGGF to the counterparty of an OTC financial derivative may not exceed:
- a) in the case of an eligible financial institution described in paragraph 4.3, 10% of UGGF's net asset value; or
 - b) in any other case, 5% of UGGF's net asset value
- ("counterparty limits").
- 4.3 For the purpose of paragraph 4.2, an eligible financial institution should have a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein). Alternatively, where the financial institution is not rated, UGGF should have the benefit of a guarantee by an entity which has a long-term rating of A (including sub-categories or gradations therein).
- 4.4 The exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by UGGF if the counterparty defaults and not on the basis of the notional value of the OTC financial derivative.

Recognition of collateral

- 4.5 The exposure to a counterparty may be construed as being lower if collateral is tendered to UGGF. The collateral should meet the following requirements:
- a) it is marked-to-market daily;
 - b) it is liquid;
 - c) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - d) it is not issued by the counterparty or its related corporations;
 - e) it is held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - f) it is legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
 - g) it can be fully enforced by the UGGF's trustee at any time;
 - h) it is free from all prior encumbrances; and
 - i) it cannot be sold or given as security interests.

- 4.6 Collateral may only consist of:
- a) cash;
 - b) money market instruments; or
 - c) bonds.
- 4.7 For the purpose of paragraph 4.6, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, a government, government agency or supranational, that has a long-term rating of AAA by Fitch, Aaa by Moody's or AAA by Standard and Poor's (including sub-categories or gradations therein).
- 4.8 Notwithstanding paragraph 4.6, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.
- 4.9 UGGF's manager should ensure that it has the appropriate legal expertise to put in place proper collateral arrangements, as well as appropriate systems and operational capabilities for proper collateral management.
- 4.10 Additional collateral should be provided to UGGF no later than the close of the next business day if the current value of the collateral tendered is insufficient to satisfy the counterparty limits in paragraph 4.2.

Reinvestment of collateral

- 4.11 Collateral obtained in the form of cash by UGGF may be reinvested subject to the following requirements:
- a) it is invested in financial instruments consistent with paragraphs 4.6 and 4.7;
 - b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - d) the investments are legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
 - e) the investments cannot be sold or given as security interests; and
 - f) the UGGF's manager is reasonably satisfied that any investment of cash collateral by UGGF will enable UGGF to meet its redemption obligations and other payment commitments.
- 4.12 Notwithstanding paragraph 4.11, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.
- 4.13 Non-cash collateral obtained by UGGF may not be reinvested.

Recognition of netting

- 4.14 UGGF may net its OTC financial derivative positions with the same counterparty through bilateral contracts for novation or other bilateral agreements between UGGF and its counterparty provided that such netting arrangements satisfy the following conditions:
- a) in the case of a bilateral contract for novation, mutual claims and obligations are automatically amalgamated in such a way that this novation fixes one single net amount each time novation applies and thus creates a legally binding, single new contract extinguishing former contracts;
 - b) UGGF has a netting arrangement with its counterparty which creates a single legal obligation, covering all included transactions, such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, UGGF would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to-market values of the individual included transactions;
 - c) UGGF's manager obtains written and reasoned legal opinions to the effect that, the netting arrangement is legally enforceable by UGGF against its counterparty, and in particular, in the event of a legal challenge, the relevant courts and administrative authorities would find that UGGF's claims and obligations would be limited to the net sum, as described in the above paragraph 4.14 (b), under:
 - i) the law of the jurisdiction in which the counterparty is incorporated and, if a foreign branch of an entity is involved, also under the law of the jurisdiction in which the branch is located;
 - ii) the law that governs the individual included transactions; and
 - iii) the law that governs the netting agreement;
 - d) UGGF's manager has procedures in place to ensure that the legal validity of the netting arrangement is kept under review in the light of possible changes in the relevant laws; and
 - e) UGGF's manager is reasonably satisfied that the netting arrangement is legally valid under the law of each of the relevant jurisdictions.

Exchange-traded financial derivatives

- 4.15 Financial derivatives which:
- a) are transacted on an exchange where the clearing house performs a central counterparty role; and
 - b) have trades which are characterised by a daily marked-to-market valuation of the financial derivative positions and subject to at least daily margining,

would not be subject to the counterparty limits in paragraph 4.2.

Margins

- 4.16 Any exposure arising from initial margin posted and the variation margin receivable from a counterparty relating to OTC or exchange-traded financial derivatives, which is not protected against insolvency of the counterparty, is to be included in the counterparty limit.

5 Efficient Portfolio Management (“EPM”) Techniques

Securities lending and repurchase transactions

- 5.1 UGGF may carry out the following activities for the sole purpose of EPM:
- a) securities lending; and
 - b) repurchase transactions.
- 5.2 UGGF may lend transferable securities and money market instruments:
- a) directly;
 - b) through a standardised lending system facilitated by a clearing house which performs a central counterparty role; or
 - c) through securities lending agents, who are recognised as specialists in securities lending.
- 5.3 Securities lending and repurchase transactions should be effected in accordance with good market practice.

Counterparty

- 5.4 The counterparty to a securities lending agreement or repurchase transaction should:
- a) be a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - b) have a minimum long-term rating of A by Moody’s, A by Standard and Poor’s or A by Fitch (including sub-categories or gradations therein). Alternatively, where the counterparty is not rated, it is acceptable if an entity which has and maintains a rating as stated above indemnifies UGGF against losses suffered as a result of the counterparty’s failure.
- 5.5 Where UGGF’s manager engages in securities lending and repurchase transactions with any of its related corporations, the UGGF’s manager should have effective arrangements in place to manage potential conflicts of interest.
- 5.6 The agreement between UGGF and the counterparty, either directly or through its agent, should require the counterparty to provide additional collateral to UGGF or its agent no later than the close of the next business day if the current value of the eligible collateral tendered is insufficient.

Recognition of collateral

- 5.7 The collateral should meet the following requirements:
- a) it is marked-to-market daily;
 - b) it is liquid;
 - c) it exceeds the value of the transferable securities or money market instruments transferred;
 - d) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - e) it is not issued by the counterparty or its related corporations;

- f) it is held by a custodian or agent which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - g) it is legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - h) it can be fully enforced by UGGF's trustee at any time;
 - i) it is free from all prior encumbrances; and
 - j) it cannot be sold or given as security interests.
- 5.8 For the purposes of securities lending and repurchase transactions, collateral may only consist of:
- a) cash;
 - b) money market instruments; or
 - c) bonds.

5.9 For the purpose of paragraph 5.8, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, an entity or trust that has a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein) (collectively, "eligible collateral").

5.10 Notwithstanding paragraph 5.8, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

Settlement

5.11 UGGF or its agent should receive eligible collateral before, or simultaneously with, the transfer of ownership of the transferable securities lent.

5.12 Upon termination of the securities lending or repurchase transaction, the eligible collateral may be remitted by UGGF or its agent after, or simultaneously with the restitution of the transferable securities lent.

Reinvestment of collateral

5.13 Collateral obtained in the form of cash by UGGF or its agent may be reinvested subject to the following requirements:

- a) it is invested in financial instruments consistent with paragraphs 5.8 and 5.9;
- b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
- c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;

- d) the investments are legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
- e) the investments cannot be sold or given as security interests; and
- f) UGGF's manager is reasonably satisfied that any investment of cash collateral by UGGF or its agent, will enable UGGF to meet its redemption obligations and other payment commitments.

5.14 Notwithstanding paragraph 5.13, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.

5.15 Non-cash collateral obtained by UGGF or its agent may not be reinvested.

Liquidity

5.16 UGGF's manager should ensure that:

- a) the volume of securities lending or repurchase transactions is kept at an appropriate level; and
- b) UGGF or its agent is entitled to terminate the securities lending or repurchase transaction and request the immediate return of its transferable securities lent without penalty, in a manner which enables UGGF to meet its redemption obligations and other payment commitments.

6 Borrowings

6.1 UGGF may borrow, on a temporary basis, for the purposes of meeting redemptions and bridging requirements.

6.2 UGGF may only borrow from banks licensed under Singapore's Banking Act (Cap. 19), finance companies licensed under Singapore's Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

6.3 The borrowing period should not exceed one month.

6.4 Aggregate borrowings for the purposes of paragraph 6.1 should not exceed 10% of UGGF's net asset value at the time the borrowing is incurred.

(g) Risk management procedures of UGGF's manager relating to the use of financial derivative instruments

- (a) UGGF's manager may use or invest in financial derivative instruments for the purposes of hedging existing positions in a portfolio, for efficient portfolio management or a combination of both purposes.
- (b) UGGF's manager will ensure that the global exposure of UGGF to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of UGGF's net asset value at all times. Such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of, the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

- (c) Below is a description of risk management and compliance procedures and controls adopted by UGGF's manager:
- (i) UGGF's manager 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 be based on the UGGF's manager's 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 manager will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions of UGGF, and that best execution and fair allocation of trades are done. UGGF's manager's middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions of UGGF. If there is any non-compliance, the middle office of UGGF's manager 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.* If there are unexpectedly large redemptions of units of UGGF, it is possible 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. UGGF's manager will ensure that a sufficient portion of UGGF will be in 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. Subject to the provisions of the Code, UGGF's manager will restrict their dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C or viability ratings of above bbb by Fitch Inc., a baseline credit assessment of above a3 by Moody's Investors Service, or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, UGGF's manager 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 manager will ensure that the total exposure of UGGF to derivative positions will not exceed the net asset value of UGGF, as stated in the paragraph (b) above.
 - (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 manager will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.

- (d) UGGF's manager will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that they have necessary expertise to control and manage the risks relating to the use of financial derivative instruments. UGGF's manager may modify the risk management and compliance procedures and controls as they deem fit and in the interests of UGGF but subject always to the requirements under the Code.
- (e) UGGF may net its over-the-counter derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code, and the UGGF's manager will obtain, or have obtained the legal opinions as stipulated in the Code.

Prospectus of the UGGF is publicly available from UOBAM's website: **www.uobam.com.sg**.

1.2 RHB Asia Consumer Fund**1.2.1 Fund Category**

Feeder fund.

1.2.2 Financial Year End

31 July.

1.2.3 Name of Trustee

TMF Trustees Malaysia Berhad.

1.2.4 Investment Objective

This Fund aims to achieve capital appreciation through investment in equities or equity-related securities of Asian (excluding Japanese) companies whose businesses are likely to benefit from or are related to growth in consumer spending in Asia.

Any material change to the investment objective of this Fund requires the Unit Holders' approval. For more information, investors should also refer to the target fund's investment objective, investment focus and approach (under Section 1.2.12).

1.2.5 Investment Strategy

The Fund will invest principally in one of the funds managed by UOBAM, that is the UACF. UACF launched in August 2009 is a collective investment scheme domiciled in Singapore. Both UOBAM and UACF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. UACF will invest in consumer staples* and consumer discretionary** companies which will allow for dynamic sector allocation between growth companies (e.g. consumer discretionary stocks) to income and dividend companies (e.g. consumer staples stocks).

*Consumer staples generally refer to necessities and basics such as household products, food & beverages and tobacco. These are products that are more related to consumer needs.

**Consumer discretionary generally refers to products and services that are more related to consumer wants, such as luxury goods, cars and high-end clothing etc.

Thus, this Fund's portfolio will be structured as follows:

At least 95% of Net Asset Value

- Investments in the units of United Asia Consumer 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 sales and redemptions transactions and to enable the proper and efficient management of the Fund. Specific risks associated with the Fund and the target fund, UACF, are 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, i.e. UACF, when deemed necessary by the UACF's manager. The Manager does not adopt any temporary defensive positions as this will allow the Fund to best

track the performance of UACF. It also follows that if the UACF 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 UACF'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 2.1 and 2.2).

This Fund is a feeder fund that invests at least 95% of its Net Asset Value in UACF. The risk management strategies and techniques employed will be at the UACF level together with its investment strategy that involves diversification with its dynamic sector allocation of companies' stocks as elaborated in Section 1.2.12.

Notwithstanding anything contained herein, the Manager may, in consultation with the Trustee and with the Unit Holders' approval, replace UACF with another fund of a similar objective if, in the Manager's opinion, UACF 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 50% MSCI AC Asia ex Japan Consumer Discretionary Index (RM) and 50% MSCI AC Asia ex Japan Consumer Staples Index (RM). The benchmark chosen for the Fund is consistent and corresponding to the target fund, UACF, except that it is the Ringgit Malaysia equivalent of UACF'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. and/or the Manager for this indicator. Investor should note that the risk profile of the Fund is different from the risk profile of the benchmark.

1.2.6 Distribution Policy

Consistent with the Fund's objective to achieve capital appreciation, distributions will therefore be of secondary importance. Distributions, if any, will be reinvested after deduction of taxation and expenses.

1.2.7 Permitted Investments and Restrictions

This Fund may invest in one collective investment scheme i.e. UACF, 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.

1.2.8 Collective Investment Schemes

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

1.2.9 Financial Derivatives

As UACF 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 benefit of any upside of currency movement is limited as 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 its Net Asset Value.

1.2.10 Foreign Securities

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

1.2.11 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 for purposes of accepting sales or to meet redemption payments and to enable proper and efficient management of the Fund.

This Fund shall not borrow in connection with its activities or lend any of its cash or investments unless permitted by the relevant laws pertaining to unit trusts funds. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of Net Asset Value at the time the borrowing is incurred.

1.2.12 Information on United Asia Consumer Fund

(a) About United Asia Consumer Fund ("UACF")

UACF is a Singapore-constituted, open-ended, stand-alone collective investment scheme which is denominated in Singapore dollars. It was launched in August 2009. The manager of UACF is UOBAM and the trustee of UACF is HSBC Institutional Trust Services (Singapore) Limited. The custodian of UACF is The Hongkong and Shanghai Banking Corporation Limited. UACF is regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore.

(b) About UACF's manager

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Monetary Authority of Singapore. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. UOBAM has two joint ventures: Ping An UOB Fund Management Company Ltd and UOB-SM Asset Management Pte Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at the Latest Practicable Date, UOBAM manages 57 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

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

opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

As at the Latest Practicable Date, UOBAM and its subsidiaries in the region have a staff strength of over 300 including about 50 investment professionals in Singapore.

(c) Investment Objective

UACF aims to achieve capital appreciation through investment in equities or equity-related securities of Asian (excluding Japanese) companies whose businesses are likely to benefit from or are related to growth in consumer spending in Asia. This may include companies that provide goods or services in the consumer, financial, real estate, healthcare, technology, telecom, internet, airlines or other tourism – related industries. UACF may also invest in instruments issued by Asian (excluding Japanese) companies such as American depository receipts and global depository receipts.

(d) Investment Focus and Approach

UACF will invest in consumer staples and consumer discretionary companies which will allow for dynamic sector allocation between growth companies (e.g. consumer discretionary stocks) to income and dividend companies (e.g. consumer staples stocks).

Consumer staples generally refer to necessities and basics such as household products, food & beverages and tobacco. These are products that are more related to consumer needs.

Consumer discretionary generally refers to products and services that are more related to consumer wants, such as luxury goods, cars and high-end clothing etc.

UACF's manager's core products are supported by a bottom-up investment process involving rigorous company research. In addition, UACF's manager also employs a top down process to review asset allocation at both the regional/country and sector levels. UACF's manager believes long-term investment performance can be achieved by employing a rigorous research process that enables the UACF's manager to identify companies that generate superior returns as well as by identifying companies that are undervalued.

Bottom-up Approach

As mentioned above, fundamental and valuation analysis (bottom-up) forms an integral part of UACF's manager's research effort. Key elements of this include:

Fundamental Evaluation

This includes the evaluation of company management, products and services, competitive positioning, operating outlook, earnings prospects, risk factors and corporate governance standards.

Valuation Analysis

This includes some form of discounted cash flow valuation approach, comparative multiples (price/earnings, price/book value, price/cash flow) and dividend yield, and a wide range of profitability measures (operating margin, return on equity, return on invested capital) vs cost of capital.

In addition, company visits, meetings with management and participation in conference calls are important to UACF's manager's research effort. In the stock screening process, UACF's manager actively screens reasonable number of equity securities from a larger universe.

Investment analysts identify investment opportunities after considering a range of potential alternatives, assessing on the basis of performance benchmark analysis as well as valuation considerations.

The niche products of UACF's manager are supported by the same broad bottom-up approach. Rather than being supported by a large investment team and the firm's core model portfolios, these products are supported by smaller teams dedicated to managing the specific mandate type.

Top down Approach

The top down assessment of the markets and asset allocation involves a detailed quarterly review of market conditions, risks and valuations to arrive at return expectations across asset classes, regions and sectors in order to establish internal target allocations for the various portfolios.

(e) Authorised Investments of UACF

The authorised investments of UACF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Permissible Investments

1.1 The UACF's underlying investments may only consist of the following permissible investments:

- a) transferable securities;
- b) money market instruments;
- c) eligible deposits;
- d) units in other schemes;
- e) financial derivatives; and
- f) shares or securities equivalent to shares that are not listed for quotation or quoted and have not been approved for listing for quotation or quotation on an organised exchange.

"organised exchange" refers to an exchange that is and organised market;

"organised market" refers to an exchange, over-the-counter market or government securities market:

- (i) that is of good repute;
- (ii) that is open to the public or a substantial number of market participants; and
- (iii) on which financial instruments are regularly traded.

1.2 For the purpose of paragraph 1.1,

a) "transferable securities" refer to:

- i) shares or securities equivalent to shares; and
- ii) bonds or other securitised debt instruments,

that meet the requirements of paragraph 1.3 but do not include:

- A) money market instruments; or
- B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.

- b) “eligible deposits” refer to deposits with banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

Requirements of transferable securities

1.3 Transferable securities shall meet the following requirements:

- a) the maximum potential loss which may be incurred as a result of the investment is limited to the amount paid for it;
- b) the investment is liquid;
- c) the investment is subject to reliable and verifiable valuation on a daily basis; and
- d) there is appropriate information available to the market on the investment or, where relevant, on the portfolio.

Note

In determining whether information on a transferable security is appropriate, UACF’s manager should consider if the information available on the market is regular and accurate, as well as sufficient to analyse the investment. For example, reliance on annual or financial reports is acceptable if UACF’s manager is of the view that it is appropriate.

Requirements on investments in other schemes

1.4 The UACF may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

Notwithstanding paragraph 1.4(a), UACF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code’s Investments Guidelines for Hedge Funds.

- b) a scheme which:
 - i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant investment guidelines under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets the requirements set out in paragraph 1.3(a) to (d), for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore’s Securities & Futures Act (Chapter

289) may be acceptable as underlying investments if they can meet the conditions in paragraph 1.4 (b) or (c).

- 1.5 UACF may feed substantially into an underlying fund-of-funds but the underlying fund-of-funds should invest in other schemes directly and not through another fund-of-funds.

Requirements of financial derivatives

- 1.6 Financial derivatives shall meet the following requirements:
- a) The underlying consists of instruments referred to in paragraph 1.1, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times. The UACF's manager shall also undertake in the trust deed of UACF to settle such transactions in cash and disclose that fact in the UACF's prospectus;
 - b) the financial derivatives are liquid;
 - c) the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and
 - d) the financial derivatives shall not result in the delivery of investments other than those described in paragraph 1.1(a) to (f).

**Note: UACF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

- 1.7 In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph 1.6 (c) refers to:
- a) a valuation made by the UACF's manager based on a current market value; or
 - b) where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.

The valuation by the UACF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Note

The party who carries out the verification shall be independent of the counterparty as well as the party responsible for the fund management function of UACF.

(f) Investment limits and restrictions of UACF

The investment limits and restrictions of UACF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Spread of Investments

Single entity limit and group limit

- 1.1 UACF should comply with the following limits:

- a) Investments in:
 - i) transferable securities; or
 - ii) money market instruments

issued by a single entity should not exceed 10% of UACF's net asset value ("single entity limit").
- b) Aggregate investments in, or exposures to, a group of entities through:
 - i) transferable securities;
 - ii) money market instruments;
 - iii) eligible deposits; and
 - iv) counterparty risk exposures arising from the use of over-the-counter ("OTC") financial derivatives

should not exceed 20% of UACF's net asset value ("group limit"). For the purposes of this paragraph, a group of entities refers to an entity, its subsidiaries, fellow subsidiaries and its holding company.

Short-term deposits

- 1.2 The group limit does not apply to placements of eligible deposits arising from:
 - a) subscription monies received at any point in time pending the commencement of investment by UACF; or
 - b) liquidation of investments prior to the termination or maturity of UACF, where the placing of these monies with various institutions would not be in the interests of participants.

Government and other public debt securities / money market instruments

- 1.3 The single entity limit of 10% may be raised to 35% of UACF's net asset value where:
 - a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein); and
 - b) not more than 20% of UACF's net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity or trust.
- 1.4 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.3 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit should revert to 10%.
- 1.5 The single entity limit of 10% does not apply where:
 - a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of AA by Fitch, Aa by Moody's or AA by Standard and Poor's (including such sub-categories or gradations therein); and
 - b) not more than 20% of UACF's net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity

or trust.

- 1.6 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.5 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit as specified in paragraph 1.1 (a) or 1.3, as the case may be, should apply accordingly.

Unrated and non-investment grade corporate debt securities

- 1.7 The single entity limit of 10% in paragraph 1.1 (a) for bonds and other securitised debt instruments is lowered to 5% of UACF's net asset value if the issuing entity or trust:

- a) is not rated; or
- b) has a long-term rating below that of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein).

- 1.8 Notwithstanding paragraph 1.7 (a), UACF's manager may rely on:

- a) the rating of an unrated issuer's parent company provided that an explicit guarantee by the parent company for the issuer is in place; or
- b) its internal rating of an unrated issuer if UACF's manager has satisfied UACF's trustee that its internal rating is comparable to a rating issued by Fitch, Moody's or Standard & Poor's.

Commodity-backed debt securities

- 1.9 UACF may invest in debt securities that are undated, secured by physical commodities, listed for quotation and traded on an organised exchange, subject to the limit in paragraph 1.12.

Investment in other schemes

Requirements on investments in other schemes

- 1.10 UACF may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

UACF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:
 - i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant appendices under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;

- c) a scheme which is invested in permissible investments, commodities or real estate, meets the Code's requirements of transferable securities (see paragraph 1.3 of the Authorised Investments of UACF) and, for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in the above paragraph b) and c).

- 1.11 Investments in an underlying scheme which does not satisfy paragraph 1.10 (a) or (b) but satisfies:

- a) paragraph 1.10 (c) and is invested in permissible investments or real estate should not exceed 10% of the UACF's net asset value; or
- b) paragraph 1.10 (c) and is invested directly in commodities is subject to the limit in paragraph 1.12.

Alternative exposure limit

- 1.12 Investments in:

- a) shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange;
- b) debt securities which are undated, secured by physical commodities, listed for quotation and traded on an organised exchange; and
- c) underlying schemes which do not satisfy paragraph 1.10 (a) or (b) but satisfy paragraph 1.10 (c) and are invested directly in commodities,

are subject to an aggregate limit of 10% of UACF's net asset value.

Concentration limit

- 1.13 UACF should not invest in more than:

- a) 10% of the total outstanding shares, or securities equivalent to shares, of any single entity or trust;
- b) 10% of each individual issuance of debt securities of any single issuing entity or trust, where such issuance is not part of a debt issuance programme; or where debt securities are issued under a debt issuance programme, 20% of each tranche, subject to a limit of 10% of the overall programme size; and
- c) 10% of the money market instruments of a single issuing entity or trust.

2 Global Exposure

- 2.1 The global exposure of UACF to financial derivatives or embedded financial derivatives should not exceed 100% of its net asset value at all times.

- 2.2 UACF's manager should calculate the global exposure of UACF based on the:

- a) Commitment approach under the Code; or

Value at risk (VaR) Approach (including any other variants of the VaR Approach) under the Code, subject to prior consultation with the Monetary Authority of Singapore (“Authority”).

Commitment Approach

2.3 The global exposure of UACF is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) the sum of the values of cash collateral received pursuant to:
- i) the reduction of exposure to counterparties of OTC financial derivatives; and
- ii) efficient portfolio management techniques relating to securities lending and repurchase transactions,

and that are reinvested.

Netting arrangements

2.4 Netting arrangements may be taken into account to reduce UACF’s exposure to financial derivatives.

2.5 UACF may net positions between:

- a) financial derivatives on the same underlying assets, even if the maturity dates are different; or
- b) financial derivatives and the same corresponding underlying asset, if those underlying assets are transferable securities, money market instruments or units in other schemes.

Hedging arrangements

2.6 Hedging arrangements may be taken into account to reduce UACF’s exposure to financial derivatives.

2.7 The marked-to-market value of transferable securities, money market instruments or units in schemes involved in hedging arrangements may be taken into account to reduce UACF’s exposure to financial derivatives.

2.8 For the purposes of the above paragraphs 2.6 and 2.7, the hedging arrangement shall:

- a) not be aimed at generating a return;
- b) result in an overall verifiable reduction of the risk of UACF;
- c) offset the general and specific risks linked to the underlying being hedged;
- d) relate to the same asset class being hedged; and
- e) be able to meet its hedging objective in all market conditions.

- 2.9 Notwithstanding paragraph 2.8, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

Exposure arising from reinvestment of cash collateral

- 2.10 If UACF reinvests cash collateral received from counterparties of OTC financial derivatives, securities lending or repurchase transactions to generate a return in excess of high quality 3-month government bonds, it should include in its global exposure calculations the cash amount reinvested.

VaR Approach or its variants

- 2.11 UACF's manager may apply to the Authority to use the VaR Approach or its variants to calculate the global exposure of UACF instead of the commitment approach (paragraph 2.3).
- 2.12 The global exposure of UACF should also take into account exposures arising from the reinvestment of cash collateral.
- 2.13 UACF's manager shall comply with the guidelines in the Code on alternative approach for calculating global exposure – VaR Approach.

3 Use of Financial Derivatives

Requirements of financial derivatives

Financial derivatives shall meet the following requirements:

- a) *The underlying consists of instruments referred to in paragraph 1.1 of the Authorised Investments of UACF, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times;*
- b) *the financial derivatives are liquid;*
- c) *the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and*
- d) *the financial derivatives shall not result in the delivery of investments other than permissible investments under the Code.*

**Note: UACF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

In the case of OTC financial derivatives, reliable and verifiable valuation refers to:

- a) *a valuation made by UACF's manager based on a current market value; or*
- b) *where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.*

The valuation by UACF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Spread of underlying assets

- 3.1 The exposure of UACF to the underlying assets of financial derivatives should be sufficiently diversified on a portfolio basis.
- 3.2 In the case where the underlying assets are transferable securities, money market instruments, eligible deposits or units in other schemes, the limits in the paragraphs under item 1 stated herein, except for the concentration limits, apply on a portfolio basis.

Embedded financial derivatives

- 3.3 Where a transferable security or money market instrument embeds a financial derivative, the requirements in the paragraphs under item 2 and 3 stated herein apply to the embedded financial derivative.
- 3.4 Where the counterparty risk of the embedded derivative is or may be transferred to UACF, the requirements in the paragraphs under item 4 stated herein also apply to the embedded financial derivative.
- 3.5 A transferable security or money market instrument is considered to be embedding a financial derivative if it contains a component which fulfills the following criteria:
 - a) the component results in some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract to be modified according to a variable including but not limited to a specified interest rate, price of a financial instrument, foreign exchange rate, index of prices or rates, credit rating or credit index, and therefore vary in a way similar to a stand-alone financial derivative;
 - b) the component's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - c) the component has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
- 3.6 A transferable security or a money market instrument should not be regarded as embedding a financial derivative where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component should be deemed to be a separate financial instrument.
- 3.7 Where an instrument is structured as an alternative to an OTC financial derivative or tailor-made to meet the specific needs of UACF, the instrument should be deemed as embedding a financial derivative.

Cover

- 3.8 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of UACF should be covered as follows:
 - a) in the case of financial derivatives which will, or may at the option of UACF, be cash settled, UACF should hold, at all times, liquid assets sufficient to cover the exposure;
 - b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, UACF should

hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If UACF's manager deems the underlying assets to be sufficiently liquid, UACF may hold as coverage other liquid assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

4 Counterparty of Financial Derivatives

OTC financial derivatives

- 4.1 The counterparty of an OTC financial derivative should be subject to prudential supervision by a financial supervisory authority in its home jurisdiction.
- 4.2 Subject to the group limit in paragraph 1.1, the maximum exposure of UACF to the counterparty of an OTC financial derivative may not exceed:
- a) in the case of an eligible financial institution described in paragraph 4.3, 10% of UACF's net asset value; or
 - b) in any other case, 5% of UACF's net asset value
- ("counterparty limits").
- 4.3 For the purpose of paragraph 4.2, an eligible financial institution should have a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein). Alternatively, where the financial institution is not rated, UACF should have the benefit of a guarantee by an entity which has a long-term rating of A (including sub-categories or gradations therein).
- 4.4 The exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by UACF if the counterparty defaults and not on the basis of the notional value of the OTC financial derivative.

Recognition of collateral

- 4.5 The exposure to a counterparty may be construed as being lower if collateral is tendered to UACF. The collateral should meet the following requirements:
- a) it is marked-to-market daily;
 - b) it is liquid;
 - c) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - d) it is not issued by the counterparty or its related corporations;
 - e) it is held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - f) it is legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
 - g) it can be fully enforced by the UACF's trustee at any time;

- h) it is free from all prior encumbrances; and
- i) it cannot be sold or given as security interests.

4.6 Collateral may only consist of:

- a) cash;
- b) money market instruments; or
- c) bonds.

4.7 For the purpose of paragraph 4.6, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, a government, government agency or supranational, that has a long-term rating of AAA by Fitch, Aaa by Moody's or AAA by Standard and Poor's (including sub-categories or gradations therein).

4.8 Notwithstanding paragraph 4.6, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

4.9 UACF's manager should ensure that it has the appropriate legal expertise to put in place proper collateral arrangements, as well as appropriate systems and operational capabilities for proper collateral management.

4.10 Additional collateral should be provided to UACF no later than the close of the next business day if the current value of the collateral tendered is insufficient to satisfy the counterparty limits in paragraph 4.2.

Reinvestment of collateral

4.11 Collateral obtained in the form of cash by UACF may be reinvested subject to the following requirements:

- a) it is invested in financial instruments consistent with paragraphs 4.6 and 4.7;
- b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
- c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
- d) the investments are legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
- e) the investments cannot be sold or given as security interests; and
- f) the UACF's manager is reasonably satisfied that any investment of cash collateral by UACF will enable UACF to meet its redemption obligations and other payment commitments.

4.12 Notwithstanding paragraph 4.11, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.

4.13 Non-cash collateral obtained by UACF may not be reinvested.

Recognition of netting

4.14 UACF may net its OTC financial derivative positions with the same counterparty through bilateral contracts for novation or other bilateral agreements between UACF and its counterparty provided that such netting arrangements satisfy the following conditions:

- a) in the case of a bilateral contract for novation, mutual claims and obligations are automatically amalgamated in such a way that this novation fixes one single net amount each time novation applies and thus creates a legally binding, single new contract extinguishing former contracts;
- b) UACF has a netting arrangement with its counterparty which creates a single legal obligation, covering all included transactions, such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, UACF would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to-market values of the individual included transactions;
- c) UACF's manager obtains written and reasoned legal opinions to the effect that, the netting arrangement is legally enforceable by UACF against its counterparty, and in particular, in the event of a legal challenge, the relevant courts and administrative authorities would find that UACF's claims and obligations would be limited to the net sum, as described in the above paragraph 4.14 (b), under:
 - i) the law of the jurisdiction in which the counterparty is incorporated and, if a foreign branch of an entity is involved, also under the law of the jurisdiction in which the branch is located;
 - ii) the law that governs the individual included transactions; and
 - iii) the law that governs the netting agreement;
- d) UACF's manager has procedures in place to ensure that the legal validity of the netting arrangement is kept under review in the light of possible changes in the relevant laws; and
- e) UACF's manager is reasonably satisfied that the netting arrangement is legally valid under the law of each of the relevant jurisdictions.

Exchange-traded financial derivatives

4.15 Financial derivatives which:

- a) are transacted on an exchange where the clearing house performs a central counterparty role; and
- b) have trades which are characterised by a daily marked-to-market valuation of the financial derivative positions and subject to at least daily margining,

would not be subject to the counterparty limits in paragraph 4.2.

Margins

4.16 Any exposure arising from initial margin posted and the variation margin receivable from a counterparty relating to OTC or exchange-traded financial derivatives, which

is not protected against insolvency of the counterparty, is to be included in the counterparty limit.

5 Efficient Portfolio Management (“EPM”) Techniques

Securities lending and repurchase transactions

5.1 UACF may carry out the following activities for the sole purpose of EPM:

- a) securities lending; and
- b) repurchase transactions.

5.2 UACF may lend transferable securities and money market instruments:

- a) directly;
- b) through a standardised lending system facilitated by a clearing house which performs a central counterparty role; or
- c) through securities lending agents, who are recognised as specialists in securities lending.

5.3 Securities lending and repurchase transactions should be effected in accordance with good market practice.

Counterparty

5.4 The counterparty to a securities lending agreement or repurchase transaction should:

- a) be a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
- b) have a minimum long-term rating of A by Moody’s, A by Standard and Poor’s or A by Fitch (including sub-categories or gradations therein). Alternatively, where the counterparty is not rated, it is acceptable if an entity which has and maintains a rating as stated above indemnifies UACF against losses suffered as a result of the counterparty’s failure.

5.5 Where UACF’s manager engages in securities lending and repurchase transactions with any of its related corporations, the UACF’s manager should have effective arrangements in place to manage potential conflicts of interest.

5.6 The agreement between UACF and the counterparty, either directly or through its agent, should require the counterparty to provide additional collateral to UACF or its agent no later than the close of the next business day if the current value of the eligible collateral tendered is insufficient.

Recognition of collateral

5.7 The collateral should meet the following requirements:

- a) it is marked-to-market daily;
- b) it is liquid;
- c) it exceeds the value of the transferable securities or money market instruments transferred;

- d) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - e) it is not issued by the counterparty or its related corporations;
 - f) it is held by a custodian or agent which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - g) it is legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - h) it can be fully enforced by UACF's trustee at any time;
 - i) it is free from all prior encumbrances; and
 - j) it cannot be sold or given as security interests.
- 5.8 For the purposes of securities lending and repurchase transactions, collateral may only consist of:
- a) cash;
 - b) money market instruments; or
 - c) bonds.
- 5.9 For the purpose of paragraph 5.8, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, an entity or trust that has a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein) (collectively, "eligible collateral").
- 5.10 Notwithstanding paragraph 5.8, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

Settlement

- 5.11 UACF or its agent should receive eligible collateral before, or simultaneously with, the transfer of ownership of the transferable securities lent.
- 5.12 Upon termination of the securities lending or repurchase transaction, the eligible collateral may be remitted by UACF or its agent after, or simultaneously with the restitution of the transferable securities lent.

Reinvestment of collateral

- 5.13 Collateral obtained in the form of cash by UACF or its agent may be reinvested subject to the following requirements:
- a) it is invested in financial instruments consistent with paragraphs 5.8 and 5.9;
 - b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;

- c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - d) the investments are legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - e) the investments cannot be sold or given as security interests; and
 - f) UACF's manager is reasonably satisfied that any investment of cash collateral by UACF or its agent, will enable UACF to meet its redemption obligations and other payment commitments.
- 5.14 Notwithstanding paragraph 5.13, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.
- 5.15 Non-cash collateral obtained by UACF or its agent may not be reinvested.

Liquidity

- 5.16 UACF's manager should ensure that:
- a) the volume of securities lending or repurchase transactions is kept at an appropriate level; and
 - b) UACF or its agent is entitled to terminate the securities lending or repurchase transaction and request the immediate return of its transferable securities lent without penalty, in a manner which enables UACF to meet its redemption obligations and other payment commitments.

6 Borrowings

- 6.1 UACF may borrow, on a temporary basis, for the purposes of meeting redemptions and bridging requirements.
- 6.2 UACF may only borrow from banks licensed under Singapore's Banking Act (Cap. 19), finance companies licensed under Singapore's Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.
- 6.3 The borrowing period should not exceed one month.
- 6.4 Aggregate borrowings for the purposes of paragraph 6.1 should not exceed 10% of UACF's net asset value at the time the borrowing is incurred.

(g) Risk management procedures of UACF's manager relating to the use of financial derivative instruments

- (a) UACF may use or invest in financial derivative instruments for the purposes of hedging existing positions in a portfolio, for efficient portfolio management or a combination of both purposes.
- (b) UACF's manager will ensure that the global exposure of UACF to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of

UACF's net asset value at all times. Such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

- (c) Below is a description of risk management and compliance procedures and controls adopted by UACF's manager:
- (i) UACF's manager will implement various procedures and controls to manage the risk of the assets of UACF. The decision to invest in any particular security or instrument on behalf of UACF will be based on the UACF's manager's judgment of the benefit of such transactions to UACF and will be consistent with UACF's investment objectives in terms of risk and return.
 - (ii) *Execution of Trades.* Prior to each trade, UACF's manager will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions of UACF, and that best execution and fair allocation of trades are done. UACF's manager's middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions of UACF. If there is any non-compliance, the middle office department of UACF's manager 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.* If there are unexpectedly large redemptions of units of UACF, it is possible that the assets of UACF may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. UACF's manager will ensure that a sufficient portion of UACF will be in liquid assets such as cash and cash-equivalents to meet expected redemptions, net of new subscriptions.
 - (iv) *Counterparty exposure.* UACF may have credit exposure to counterparties by virtue of positions in financial instruments (including financial derivative instruments) held by UACF. To the extent that a counterparty defaults on its obligations and UACF 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. Subject to the provisions of the Code, UACF's manager will restrict their dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C or viability ratings of the above bbb by Fitch Inc., a baseline credit assessment of above a3 by Moody's Investors Service, or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, UACF's manager will take steps to unwind UACF's position with that counterparty as soon as practicable.
 - (v) *Volatility.* To the extent that UACF 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 UACF's assets will have a higher degree of volatility. UACF may use financial derivative instruments for hedging purposes for reducing the overall volatility of the value of its assets. At the same time, UACF's manager will ensure that the total exposure of UACF to derivative positions will not exceed the net asset value of the UACF, as stated in paragraph (b) above.

- (vi) *Valuation.* UACF may have exposure to over-the-counter financial derivative instruments that are difficult to value accurately, particularly if there are complex positions involved. UACF's manager will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.

- (d) UACF's manager will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that they have the necessary expertise to control and manage the risks relating to the use of financial derivative instruments. UACF's manager may modify the risk management and compliance procedures and controls as they deem fit and in the interests of UACF, but subject always to the requirements under the Code.

- (e) UACF may net its over-the-counter derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code, and that the UACF's manager will obtain, or have obtained (as applicable), the legal opinions as stipulated in the Code.

The prospectus of UACF is publicly available from UOBAM's website: **www.uobam.com.sg**.

1.3 RHB China-India Dynamic Growth Fund

1.3.1 Fund Category

Feeder fund.

1.3.2 Financial Year End

31 July.

1.3.3 Name of Trustee

TMF Trustees Malaysia Berhad.

1.3.4 Investment Objective

This Fund aims to achieve medium to long term* capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the managers, derive significant revenue or profits from or have significant assets or business interests in, the People's Republic of China ("China") or the Republic of India ("India").

*Note: "medium to long term" in this context refers to a period of between 3 - 7 years.

Any material change to the investment objective of this Fund requires the Unit Holders' approval. For more information, investors should also refer to the target fund's investment objective, investment focus and approach (under Section 1.3.12).

1.3.5 Investment Strategy

This Fund will invest principally in one of the sub-funds under the umbrella of the United Global Recovery Funds managed by UOBAM that is the UCIDGF. UOBAM, has appointed a sub-manager, UTI International (Singapore) Private Limited ("UTIIS"), for the management of the India portfolio of UCIDGF. Effective from 31 August 2015, UOBAM has also appointed Ping An UOB Fund Management Company Ltd as investment advisor to UOBAM in their management of the China portfolio of UCIDGF. The Fund will invest into the UCIDGF-Class SGD (denominated in Singapore dollars) units. UCIDGF-Class SGD was launched in January 2010 and is a collective investment scheme domiciled in Singapore. UOBAM, UTIIS and UCIDGF are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. UCIDGF invests mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the UCIDGF's manager, derive significant revenue or profits from or have significant assets or business interests in China or India.

Its asset allocation is as follows:

At least 95% of Net Asset Value

- Investments in the units of United China-India Dynamic Growth 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 sales and redemptions transactions and to enable the proper and efficient

management of the Fund. Specific risks associated with the Fund and the target fund, UCIDGF, 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, i.e. UCIDGF, when deemed necessary by the UCIDGF's manager. The Manager does not adopt any temporary defensive positions for the Fund as this will allow the Fund to best track the performance of UCIDGF. It also follows that if UCIDGF fails to adopt a successful defensive position in response to adverse market and economic conditions, there is a risk that the Fund will mirror UCIDGF'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 2.1 and 2.2).

This Fund is a feeder fund that invests at least 95% of its Net Asset Value in UCIDGF. The risk management strategies and techniques employed will be at the UCIDGF level together with its investment strategy that involves diversification in its portfolio of China-related and India-related securities as elaborated in Section 1.3.12.

Notwithstanding anything stated herein, the Manager may, in consultation with the Trustee and with the Unit Holders' approval, replace UCIDGF with another fund of a similar objective if, in the Manager's opinion, UCIDGF 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:

- 25% MSCI China (RM);
- 25% SSE50 A Share (RM); and
- 50% MSCI India (RM);

The benchmark chosen for the Fund is consistent and corresponding to the target fund, UCIDGF, except that it is the Ringgit Malaysia equivalent of UCIDGF'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. Investor should note that the risk profile of the Fund is different from the risk profile of the benchmark.

1.3.6 Distribution Policy

Consistent with the Fund's objective to achieve medium to long term* capital appreciation, distributions will therefore be of secondary importance. Distributions, if any, will be reinvested after deduction of taxation and expenses.

*Note: "medium to long term" in this context refers to a period of between 3 - 7 years.

1.3.7 Permitted Investments and Restrictions

This Fund may invest in one collective investment scheme i.e. UCIDGF, 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.

1.3.8 Collective Investment Schemes

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

1.3.9 Financial Derivatives

As UCIDGF 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 benefit of any upside of currency movement is limited as 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 its Net Asset Value.

1.3.10 Foreign Securities

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

1.3.11 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 for purposes of accepting sales or to meet redemption payments and to enable proper and efficient management of the Fund.

This Fund shall not borrow in connection with its activities or lend any of its cash or investments unless permitted by the relevant laws pertaining to unit trust funds. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of Net Asset Value at the time the borrowing is incurred.

1.3.12 Information on United China-India Dynamic Growth Fund**(a) About United China-India Dynamic Growth Fund ("UCIDGF")**

UCIDGF is an open-ended collective investment scheme constituted in Singapore. UCIDGF is one of the sub-funds under the umbrella of the United Global Recovery Funds that is managed by UOBAM. UCIDGF-Class SGD was launched in January 2010. The manager of UCIDGF is UOBAM and the trustee of UCIDGF is HSBC Institutional Trust Services (Singapore) Limited. The custodian of UCIDGF is The Hongkong and Shanghai Banking Corporation Limited. Other custodians may be appointed for UCIDGF or its assets, from time to time. UOBAM has appointed UTIIS as the sub-manager of the India portfolio of UCIDGF. Effective from 31 August 2015, UOBAM has also appointed Ping An UOB Fund Management Company Ltd as investment advisor to UOBAM in their management of the China portfolio of UCIDGF. The investment advisor is a joint venture set up in China between China Ping An Trust Co., Ltd., Sanya Yingwan Tourism Co., Ltd. and UOBAM. Its local presence in China will enable UOBAM to utilize its in-depth knowledge and on-the-ground insights to manage UCIDGF's investment. The reason for the change is to better reflect the investment focus and approach of UCIDGF updated on the effective date of 31 August 2015. UCIDGF is regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore.

(b) About UOBAM

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Monetary Authority of Singapore. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. UOBAM has two joint ventures: Ping An UOB Fund Management Company Ltd and UOB-SM Asset Management Pte Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at the Latest Practicable Date, UOBAM manages 57 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

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

As at the Latest Practicable Date, UOBAM and its subsidiaries in the region have a staff strength of over 300 including about 50 investment professionals in Singapore.

(c) About UTI International (Singapore) Private Limited ("UTIIS")

UTIIS was incorporated in Singapore in 2006 and holds a capital markets services licence in fund management issued by the Monetary Authority of Singapore. It has been managing and advising collective investment schemes and discretionary funds in Singapore for 9 years and as of 31 March 2017 manages approximately US\$1.66 billion in clients' assets.

In performing its duties as the sub-manager of the India portfolio of the UCIDGF, UTIIS may engage UTI Asset Management Company Limited, India ("UTI AMC") as its investment advisor. UTI AMC is one of the oldest asset management companies in India and as of 31 March 2017 has assets under management of US\$21.09 billion.

UTI AMC's investment philosophy is to deliver consistent and stable risk adjusted returns in the medium to long term, as compared to the broad market, and believes in having a balanced and well-diversified portfolio for all the funds and a rigorous in-house, research based approach to all its investments.

(d) Investment Objective

UCIDGF aims to achieve medium to long term capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the UCIDGF's manager, derive significant revenue or profits from or have significant assets or business interests in, China or India.

(e) Investment Focus and Approach

UCIDGF offers an opportunity for investors to tap the growth prospects of two emerging growth engines of the world – China and India.

UCIDGF's manager aims to construct a diversified portfolio of China-related and India-related securities. The UCIDGF's manager will systematically vary the portfolio's investments in China and India-related securities to reflect prevailing market dynamics and valuations. Currently, the UCIDGF's manager anticipates that China-related securities and India-related securities will each comprise between 40% and 60% of UCIDGF's portfolio of securities at any one time. The UCIDGF's manager will review the geographical asset allocation of the UCIDGF from time to time and at least on a quarterly basis, and variations may be made to UCIDGF's asset mix depending on valuations and prevailing market conditions.

UCIDGF will invest mainly in listed equity securities. Subject to the policies stated herein, UCIDGF may also invest in American depositary receipts (ADRs), global depositary receipts (GDRs) and other UCIDGF authorised investments in order to meet its investment objective. The UCIDGF's manager does not intend to invest the deposited property of UCIDGF in any unlisted equity securities, convertible bonds, warrants, limited partnerships, structured products (including securitised instruments) and other collective investment schemes. Additionally, the UCIDGF's manager does not intend to use financial derivative instruments, including forward contracts, save for efficient portfolio management in exceptional circumstances as determined by the UCIDGF's manager.

In particular, investments in China-related securities may include:

- A- and B-shares (securities that are listed and traded on stock exchanges in China (such as the Shanghai Stock Exchange or Shenzhen Stock Exchange) and denominated in Renminbi, US Dollars or Hong Kong dollars);
- H-shares (securities that are listed and traded on the Hong Kong Stock Exchange and which are mostly denominated in Hong Kong dollars);
- S-shares (securities that are listed and traded on the Singapore Exchange Securities Trading Limited and which are mostly denominated in Singapore dollars); and
- ADRs and GDRs.

Although the China portfolio will be focused primarily on China-related securities, the UCIDGF's manager has the discretion to include investments in corporations in Hong Kong in the China portfolio.

In the event the UCIDGF's manager finds that there are no suitable investment opportunities for UCIDGF at any time, UCIDGF may temporarily invest in money market instruments, short term debt securities with credit ratings of A1 by Moody's Investors Service (or their equivalent) or higher, or hold cash deposits. UCIDGF may also hold part of its assets in liquid investments or cash for liquidity purposes.

In managing UCIDGF, the UCIDGF's manager will employ a multi-step investment process, combining a bottom-up investment process that involves rigorous company research, with a top-down process to review asset allocation at the sector levels. Sector allocation is derived after analysing macroeconomic trends and country dynamics. The UCIDGF's manager believes that long-term investment performance can be achieved by employing a rigorous research process that enables them to identify sound and profitable companies that generate superior returns as well as by identifying companies that are undervalued.

(f) Authorised Investments of UCIDGF

The authorised investments of UCIDGF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“Code”).

1 Permissible Investments

1.1 The UCIDGF’s underlying investments may only consist of the following permissible investments:

- a) transferable securities;
- b) money market instruments;
- c) eligible deposits;
- d) units in other schemes;
- e) financial derivatives; and
- f) shares or securities equivalent to shares that are not listed for quotation or quoted and have not been approved for listing for quotation or quotation on an organised exchange.

“organised exchange” refers to an exchange that is and organised market;

“organised market” refers to an exchange, over-the-counter market or government securities market:

- (i) that is of good repute;
- (ii) that is open to the public or a substantial number of market participants; and
- (iii) on which financial instruments are regularly traded.

1.2 For the purpose of paragraph 1.1,

a) “transferable securities” refer to:

- i) shares or securities equivalent to shares; and
- ii) bonds or other securitised debt instruments,

that meet the requirements of paragraph 1.3 but do not include:

- A) money market instruments; or
- B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.

b) “eligible deposits” refer to deposits with banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

Requirements of transferable securities

1.3 Transferable securities shall meet the following requirements:

- a) the maximum potential loss which may be incurred as a result of the investment is limited to the amount paid for it;
- b) the investment is liquid;
- c) the investment is subject to reliable and verifiable valuation on a daily basis; and

- d) there is appropriate information available to the market on the investment or, where relevant, on the portfolio.

Note

In determining whether information on a transferable security is appropriate, UCIDGF's manager should consider if the information available on the market is regular and accurate, as well as sufficient to analyse the investment. For example, reliance on annual or financial reports is acceptable if the UCIDGF's manager is of the view that it is appropriate.

Requirements on investments in other schemes

- 1.4 The UCIDGF may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

Notwithstanding paragraph 1.4(a), UCIDGF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:

- i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
- ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant investment guidelines under the Code; and
- iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;

- c) a scheme which is invested in permissible investments, commodities or real estate, meets the requirements set out in paragraph 1.3(a) to (d), for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in paragraph 1.4 (b) or (c).

- 1.5 UCIDGF may feed substantially into an underlying fund-of-funds but the underlying fund-of-funds should invest in other schemes directly and not through another fund-of-funds.

Requirements of financial derivatives

- 1.6 Financial derivatives shall meet the following requirements:

- a) The underlying consists of instruments referred to in paragraph 1.1, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times. The UCIDGF's manager shall also undertake in the trust deed of

UCIDGF to settle such transactions in cash and disclose that fact in the UCIDGF's prospectus;

- b) the financial derivatives are liquid;
- c) the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and
- d) the financial derivatives shall not result in the delivery of investments other than those described in paragraph 1.1(a) to (f).

**Note: UCIDGF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

1.7 In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph 1.6 (c) refers to:

- a) a valuation made by the UCIDGF's manager based on a current market value; or
- b) where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.

The valuation by the UCIDGF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Note

The party who carries out the verification shall be independent of the counterparty as well as the party responsible for the fund management function of UCIDGF.

(g) Investment limits and restrictions of UCIDGF

The investment limits and restrictions of UCIDGF are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Spread of Investments

Single entity limit and group limit

1.1 UCIDGF should comply with the following limits:

a) Investments in:

- i) transferable securities; or
- ii) money market instruments

issued by a single entity should not exceed 10% of UCIDGF's net asset value ("single entity limit").

b) Aggregate investments in, or exposures to, a group of entities through:

- i) transferable securities;
- ii) money market instruments;
- iii) eligible deposits; and

iv) counterparty risk exposures arising from the use of over-the-counter (“OTC”) financial derivatives

should not exceed 20% of UCIDGF’s net asset value (“group limit”). For the purposes of this paragraph, a group of entities refers to an entity, its subsidiaries, fellow subsidiaries and its holding company.

Short-term deposits

- 1.2 The group limit does not apply to placements of eligible deposits arising from:
- a) subscription monies received at any point in time pending the commencement of investment by UCIDGF; or
 - b) liquidation of investments prior to the termination or maturity of UCIDGF, where the placing of these monies with various institutions would not be in the interests of participants.

Government and other public debt securities / money market instruments

- 1.3 The single entity limit of 10% may be raised to 35% of UCIDGF’s net asset value where:
- a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of BBB by Fitch, Baa by Moody’s or BBB by Standard and Poor’s (including such sub-categories or gradations therein); and
 - b) not more than 20% of UCIDGF’s net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity or trust.
- 1.4 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.3 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit should revert to 10%.
- 1.5 The single entity limit of 10% does not apply where:
- a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of AA by Fitch, Aa by Moody’s or AA by Standard and Poor’s (including such sub-categories or gradations therein); and
 - b) not more than 20% of UCIDGF’s net asset value may be invested in any single issue of transferable securities or money market instruments by the same entity or trust.
- 1.6 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.5 (a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit as specified in paragraph 1.1 (a) or 1.3, as the case may be, should apply accordingly.

Unrated and non-investment grade corporate debt securities

- 1.7 The single entity limit of 10% in paragraph 1.1 (a) for bonds and other securitised debt instruments is lowered to 5% of UCIDGF’s net asset value if the issuing entity or trust:
- a) is not rated; or

- b) has a long-term rating below that of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein).

1.8 Notwithstanding paragraph 1.7 (a), UCIDGF's manager may rely on:

- a) the rating of an unrated issuer's parent company provided that an explicit guarantee by the parent company for the issuer is in place; or
- b) its internal rating of an unrated issuer if UCIDGF's manager has satisfied UCIDGF's trustee that its internal rating is comparable to a rating issued by Fitch, Moody's or Standard & Poor's.

Commodity-backed debt securities

1.9 UCIDGF may invest in debt securities that are undated, secured by physical commodities, listed for quotation and traded on an organised exchange, subject to the limit in paragraph 1.12.

Investment in other schemes

Requirements on investments in other schemes

1.10 UCIDGF may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

UCIDGF shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:

- i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant appendices under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets the Code's requirements of transferable securities (see paragraph 1.3 of the Authorised Investments of UCIDGF) and, for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in the above paragraph b) and c).

1.11 Investments in an underlying scheme which does not satisfy paragraph 1.10 (a) or (b) but satisfies:

- i) paragraph 1.10 (c) and is invested in permissible investments or real estate should not exceed 10% of the UCIDGF's net asset value; or
- ii) paragraph 1.10 (c) and is invested directly in commodities is subject to the limit in paragraph 1.12.

Alternative exposure limit

1.12 Investments in:

- a) shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange;
- b) debt securities which are undated, secured by physical commodities, listed for quotation and traded on an organised exchange; and
- c) underlying schemes which do not satisfy paragraph 1.10 (a) or (b) but satisfy paragraph 1.10 (c) and are invested directly in commodities,

are subject to an aggregate limit of 10% of UCIDGF's net asset value.

Concentration limit

1.13 UCIDGF should not invest in more than:

- a) 10% of the total outstanding shares, or securities equivalent to shares, of any single entity or trust;
- b) 10% of each individual issuance of debt securities of any single issuing entity or trust, where such issuance is not part of a debt issuance programme; or where debt securities are issued under a debt issuance programme, 20% of each tranche, subject to a limit of 10% of the overall programme size; and
- c) 10% of the money market instruments of a single issuing entity or trust.

2 Global Exposure

2.1 The global exposure of UCIDGF to financial derivatives or embedded financial derivatives should not exceed 100% of its net asset value at all times.

2.2 UCIDGF's manager should calculate the global exposure of UCIDGF based on the:

- a) Commitment approach under the Code; or
- b) Value at risk (VaR) Approach (including any other variants of the VaR Approach) under the Code, subject to prior consultation with the Monetary Authority of Singapore ("Authority").

Commitment Approach

2.3 The global exposure of UCIDGF is calculated as the sum of:

- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c) the sum of the values of cash collateral received pursuant to:

- i) the reduction of exposure to counterparties of OTC financial derivatives; and
- ii) efficient portfolio management techniques relating to securities lending and repurchase transactions,

and that are reinvested.

Netting arrangements

2.4 Netting arrangements may be taken into account to reduce UCIDGF's exposure to financial derivatives.

2.5 UCIDGF may net positions between:

- a) financial derivatives on the same underlying assets, even if the maturity dates are different; or
- b) financial derivatives and the same corresponding underlying asset, if those underlying assets are transferable securities, money market instruments or units in other schemes.

Hedging arrangements

2.6 Hedging arrangements may be taken into account to reduce UCIDGF's exposure to financial derivatives.

2.7 The marked-to-market value of transferable securities, money market instruments or units in schemes involved in hedging arrangements may be taken into account to reduce UCIDGF's exposure to financial derivatives.

2.8 For the purposes of the above paragraphs 2.6 and 2.7, the hedging arrangement shall:

- a) not be aimed at generating a return;
- b) result in an overall verifiable reduction of the risk of UCIDGF;
- c) offset the general and specific risks linked to the underlying being hedged;
- d) relate to the same asset class being hedged; and
- e) be able to meet its hedging objective in all market conditions.

2.9 Notwithstanding paragraph 2.8, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

Exposure arising from reinvestment of cash collateral

2.10 If UCIDGF reinvests cash collateral received from counterparties of OTC financial derivatives, securities lending or repurchase transactions to generate a return in excess of high quality 3-month government bonds, it should include in its global exposure calculations the cash amount reinvested.

VaR Approach or its variants

2.11 UCIDGF's manager may apply to the Authority to use the VaR Approach or its variants to calculate the global exposure of UCIDGF instead of the commitment approach (paragraph 2.3).

2.12 The global exposure of UCIDGF should also take into account exposures arising from the reinvestment of cash collateral.

- 2.13 UCIDGF's manager shall comply with the guidelines in the Code on alternative approach for calculating global exposure – VaR Approach.

3 Use of Financial Derivatives

Requirements of financial derivatives

Financial derivatives shall meet the following requirements:

- a) *The underlying consists of instruments referred to in paragraph 1.1 of the Authorised Investments of UCIDGF, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times;*
- b) *the financial derivatives are liquid;*
- c) *the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and*
- d) *the financial derivatives shall not result in the delivery of investments other than permissible investments under the Code.*

**Note: UCIDGF does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

In the case of OTC financial derivatives, reliable and verifiable valuation stated in the above paragraph (c) refers to:

- a) *a valuation made by UCIDGF's manager based on a current market value; or*
- b) *where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.*

The valuation by UCIDGF's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Spread of underlying assets

- 3.1 The exposure of UCIDGF to the underlying assets of financial derivatives should be sufficiently diversified on a portfolio basis.
- 3.2 In the case where the underlying assets are transferable securities, money market instruments, eligible deposits or units in other schemes, the limits in the paragraphs under item 1 stated herein, except for the concentration limits, apply on a portfolio basis.

Embedded financial derivatives

- 3.3 Where a transferable security or money market instrument embeds a financial derivative, the requirements in the paragraphs under item 2 and 3 stated herein apply to the embedded financial derivative.

- 3.4 Where the counterparty risk of the embedded derivative is or may be transferred to UCIDGF, the requirements in the paragraphs under item 4 stated herein also apply to the embedded financial derivative.
- 3.5 A transferable security or money market instrument is considered to be embedding a financial derivative if it contains a component which fulfills the following criteria:
- a) the component results in some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract to be modified according to a variable including but not limited to a specified interest rate, price of a financial instrument, foreign exchange rate, index of prices or rates, credit rating or credit index, and therefore vary in a way similar to a stand-alone financial derivative;
 - b) the component's economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - c) the component has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
- 3.6 A transferable security or a money market instrument should not be regarded as embedding a financial derivative where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component should be deemed to be a separate financial instrument.
- 3.7 Where an instrument is structured as an alternative to an OTC financial derivative or tailor-made to meet the specific needs of UCIDGF, the instrument should be deemed as embedding a financial derivative.

Cover

- 3.8 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of UCIDGF should be covered as follows:
- a) in the case of financial derivatives which will, or may at the option of UCIDGF, be cash settled, UCIDGF should hold, at all times, liquid assets sufficient to cover the exposure;
 - b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, UCIDGF should hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If UCIDGF's manager deems the underlying assets to be sufficiently liquid, UCIDGF may hold as coverage other liquid assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

4 Counterparty of Financial Derivatives

OTC financial derivatives

- 4.1 The counterparty of an OTC financial derivative should be subject to prudential supervision by a financial supervisory authority in its home jurisdiction.
- 4.2 Subject to the group limit in paragraph 1.1, the maximum exposure of UCIDGF to the counterparty of an OTC financial derivative may not exceed:

- a) in the case of an eligible financial institution described in paragraph 4.3, 10% of UCIDGF's net asset value; or
- b) in any other case, 5% of UCIDGF's net asset value

("counterparty limits").

- 4.3 For the purpose of paragraph 4.2, an eligible financial institution should have a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein). Alternatively, where the financial institution is not rated, UCIDGF should have the benefit of a guarantee by an entity which has a long-term rating of A (including sub-categories or gradations therein).
- 4.4 The exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by UCIDGF if the counterparty defaults and not on the basis of the notional value of the OTC financial derivative.

Recognition of collateral

- 4.5 The exposure to a counterparty may be construed as being lower if collateral is tendered to UCIDGF. The collateral should meet the following requirements:
 - a) it is marked-to-market daily;
 - b) it is liquid;
 - c) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - d) it is not issued by the counterparty or its related corporations;
 - e) it is held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - f) it is legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
 - g) it can be fully enforced by the UCIDGF's trustee at any time;
 - h) it is free from all prior encumbrances; and
 - i) it cannot be sold or given as security interests.
- 4.6 Collateral may only consist of:
 - i) cash;
 - ii) money market instruments; or
 - iii) bonds.
- 4.7 For the purpose of paragraph 4.6, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, a government, government agency or supranational, that has a long-term rating of AAA by Fitch, Aaa by Moody's or AAA by Standard and Poor's (including sub-categories or gradations therein).

- 4.8 Notwithstanding paragraph 4.6, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.
- 4.9 UCIDGF's manager should ensure that it has the appropriate legal expertise to put in place proper collateral arrangements, as well as appropriate systems and operational capabilities for proper collateral management.
- 4.10 Additional collateral should be provided to UCIDGF no later than the close of the next business day if the current value of the collateral tendered is insufficient to satisfy the counterparty limits in paragraph 4.2.

Reinvestment of collateral

- 4.11 Collateral obtained in the form of cash by UCIDGF may be reinvested subject to the following requirements:
- a) it is invested in financial instruments consistent with paragraphs 4.6 and 4.7;
 - b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - d) the investments are legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
 - e) the investments cannot be sold or given as security interests; and
 - f) the UCIDGF's manager is reasonably satisfied that any investment of cash collateral by UCIDGF will enable UCIDGF to meet its redemption obligations and other payment commitments.
- 4.12 Notwithstanding paragraph 4.11, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.
- 4.13 Non-cash collateral obtained by UCIDGF may not be reinvested.

Recognition of netting

- 4.14 UCIDGF may net its OTC financial derivative positions with the same counterparty through bilateral contracts for novation or other bilateral agreements between UCIDGF and its counterparty provided that such netting arrangements satisfy the following conditions:
- a) in the case of a bilateral contract for novation, mutual claims and obligations are automatically amalgamated in such a way that this novation fixes one single net amount each time novation applies and thus creates a legally binding, single new contract extinguishing former contracts;

- b) UCIDGF has a netting arrangement with its counterparty which creates a single legal obligation, covering all included transactions, such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, UCIDGF would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to-market values of the individual included transactions;
- c) UCIDGF's manager obtains written and reasoned legal opinions to the effect that, the netting arrangement is legally enforceable by UCIDGF against its counterparty, and in particular, in the event of a legal challenge, the relevant courts and administrative authorities would find that UCIDGF's claims and obligations would be limited to the net sum, as described in the above paragraph 4.14 (b), under:
 - i) the law of the jurisdiction in which the counterparty is incorporated and, if a foreign branch of an entity is involved, also under the law of the jurisdiction in which the branch is located;
 - ii) the law that governs the individual included transactions; and
 - iii) the law that governs the netting agreement;
- d) UCIDGF's manager has procedures in place to ensure that the legal validity of the netting arrangement is kept under review in the light of possible changes in the relevant laws; and
- e) UCIDGF's manager is reasonably satisfied that the netting arrangement is legally valid under the law of each of the relevant jurisdictions.

Exchange-traded financial derivatives

4.15 Financial derivatives which:

- a) are transacted on an exchange where the clearing house performs a central counterparty role; and
- b) have trades which are characterised by a daily marked-to-market valuation of the financial derivative positions and subject to at least daily margining,

would not be subject to the counterparty limits in paragraph 4.2.

Margins

4.16 Any exposure arising from initial margin posted and the variation margin receivable from a counterparty relating to OTC or exchange-traded financial derivatives, which is not protected against insolvency of the counterparty, is to be included in the counterparty limit.

5 Efficient Portfolio Management (“EPM”) Techniques

Securities lending and repurchase transactions

5.1 UCIDGF may carry out the following activities for the sole purpose of EPM:

- a) securities lending; and
- b) repurchase transactions.

5.2 UCIDGF may lend transferable securities and money market instruments:

- a) directly;
- b) through a standardised lending system facilitated by a clearing house which performs a central counterparty role; or
- c) through securities lending agents, who are recognised as specialists in securities lending.

5.3 Securities lending and repurchase transactions should be effected in accordance with good market practice.

Counterparty

5.4 The counterparty to a securities lending agreement or repurchase transaction should:

- a) be a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
- b) have a minimum long-term rating of A by Moody's, A by Standard and Poor's or A by Fitch (including sub-categories or gradations therein). Alternatively, where the counterparty is not rated, it is acceptable if an entity which has and maintains a rating as stated above indemnifies UCIDGF against losses suffered as a result of the counterparty's failure.

5.5 Where UCIDGF's manager engages in securities lending and repurchase transactions with any of its related corporations, the UCIDGF's manager should have effective arrangements in place to manage potential conflicts of interest.

5.6 The agreement between UCIDGF and the counterparty, either directly or through its agent, should require the counterparty to provide additional collateral to UCIDGF or its agent no later than the close of the next business day if the current value of the eligible collateral tendered is insufficient.

Recognition of collateral

5.7 The collateral should meet the following requirements:

- a) it is marked-to-market daily;
- b) it is liquid;
- c) it exceeds the value of the transferable securities or money market instruments transferred;
- d) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
- e) it is not issued by the counterparty or its related corporations;
- f) it is held by a custodian or agent which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
- g) it is legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;

- h) it can be fully enforced by UCIDGF's trustee at any time;
 - i) it is free from all prior encumbrances; and
 - j) it cannot be sold or given as security interests.
- 5.8 For the purposes of securities lending and repurchase transactions, collateral may only consist of:
- a) cash;
 - b) money market instruments; or
 - c) bonds.
- 5.9 For the purpose of paragraph 5.8, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, an entity or trust that has a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein) (collectively, "eligible collateral").
- 5.10 Notwithstanding paragraph 5.8, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

Settlement

- 5.11 UCIDGF or its agent should receive eligible collateral before, or simultaneously with, the transfer of ownership of the transferable securities lent.
- 5.12 Upon termination of the securities lending or repurchase transaction, the eligible collateral may be remitted by UCIDGF or its agent after, or simultaneously with the restitution of the transferable securities lent.

Reinvestment of collateral

- 5.13 Collateral obtained in the form of cash by UCIDGF or its agent may be reinvested subject to the following requirements:
- a) it is invested in financial instruments consistent with paragraphs 5.8 and 5.9;
 - b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
 - c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - d) the investments are legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - e) the investments cannot be sold or given as security interests; and
 - f) UCIDGF's manager is reasonably satisfied that any investment of cash collateral by UCIDGF or its agent, will enable UCIDGF to meet its redemption obligations and other payment commitments.

- 5.14 Notwithstanding paragraph 5.13, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.
- 5.15 Non-cash collateral obtained by UCIDGF or its agent may not be reinvested.

Liquidity

- 5.16 UCIDGF's manager should ensure that:
- a) the volume of securities lending or repurchase transactions is kept at an appropriate level; and
 - b) UCIDGF or its agent is entitled to terminate the securities lending or repurchase transaction and request the immediate return of its transferable securities lent without penalty, in a manner which enables UCIDGF to meet its redemption obligations and other payment commitments.

6 Borrowings

- 6.1 UCIDGF may borrow, on a temporary basis, for the purposes of meeting redemptions and bridging requirements.
- 6.2 UCIDGF may only borrow from banks licensed under Singapore's Banking Act (Cap. 19), finance companies licensed under Singapore's Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.
- 6.3 The borrowing period should not exceed one month.
- 6.4 Aggregate borrowings for the purposes of paragraph 6.1 should not exceed 10% of UCIDGF's net asset value at the time the borrowing is incurred.

(h) Risk management procedures of the UCIDGF's manager relating to the use of financial derivative instruments

- (i) The UCIDGF's manager may use or invest in financial derivative instruments ("FDIs") for the purpose of efficient portfolio management in exceptional circumstances as determined by UCIDGF's manager.
- (ii) UCIDGF's manager will use the commitment approach to determine the UCIDGF's global exposure to FDIs by converting its positions in the FDIs into equivalent positions in the FDI's underlying assets. Such exposure will be calculated in accordance with the provisions of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code"). UCIDGF's manager will ensure that the global exposure of UCIDGF to FDIs or embedded FDIs will not exceed 100% of the net asset value of the UCIDGF.
- (iii) Below is a description of risk management and compliance procedures and controls adopted by UCIDGF's manager:
 - UCIDGF's manager will implement various procedures and controls to manage the risk of the assets of UCIDGF. The decision to invest in any particular security or instrument on behalf of UCIDGF will be based on the UCIDGF's manager's judgment of the benefit of such transactions to UCIDGF and will be consistent with UCIDGF's investment objective in terms of risk and return.

- *Execution of Trades.* Prior to each trade, UCIDGF's manager will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions (if any) of UCIDGF, and that best execution and fair allocation of trades are done. UCIDGF's manager's middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of UCIDGF. If there is any non-compliance, the middle office department of UCIDGF's manager is empowered to instruct the relevant officers to rectify the same. Any non-compliance will be reported to higher management and monitored for rectification.
 - *Liquidity.* If there are any unexpectedly large realisations of units of UCIDGF, it is possible that the assets of UCIDGF may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. UCIDGF's manager will ensure that a sufficient portion of UCIDGF will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions.
 - *Counterparty exposure.* UCIDGF may have credit exposure to counterparties by virtue of positions in FDIs and other financial instruments held by UCIDGF. To the extent that a counterparty defaults on its obligations and UCIDGF is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets and in its income stream and incur extra costs associated with the exercise of its financial rights. Subject to the provisions of the Code, UCIDGF's manager will restrict its dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C or viability ratings of above bbb by Fitch Inc., a baseline credit assessment of above a3 by Moody's Investors Service or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, UCIDGF's manager will take steps to unwind UCIDGF's position with that counterparty as soon as practicable.
 - *Volatility.* To the extent that UCIDGF has exposure to FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case where the investment is made directly into the underlying security, the value of UCIDGF's assets will have a higher degree of volatility. UCIDGF may use FDIs for hedging purposes to reduce the overall volatility of the value of its assets. At the same time, UCIDGF's manager will ensure that the global exposure of UCIDGF to FDIs and embedded FDIs will not exceed the net asset value of UCIDGF, as stated in sub-paragraph (ii) above.
 - *Valuation.* UCIDGF may have exposure to over-the-counter FDIs that are difficult to value accurately, particularly if there are complex positions involved. UCIDGF's manager will ensure that independent means of verifying the fair value of such instruments are available and will conduct such verification at an appropriate frequency.
- (iv) UCIDGF's manager will ensure that the risk management and compliance procedures and controls adopted by it are adequate and have been implemented, and that it has the necessary expertise to control and manage the risks relating to the use of FDIs. UCIDGF's manager may modify the risk management and compliance procedures and controls as it deems fit and in the interests of UCIDGF, but subject always to the requirements under the Code.
- (v) UCIDGF may net its over-the-counter financial derivative positions with a counterparty through bilateral contracts for novation or other bilateral agreements with the counterparty, provided that such netting arrangements satisfy the relevant

conditions described in the Code, and that UCIDGF's manager will obtain, or has obtained (as applicable), the legal opinions as stipulated in the Code.

- (vi) Where UCIDGF uses or invests in FDIs on commodities, all such transactions shall be settled in cash at all times.

Prospectus of the UCIDGF is publicly available from UOBAM's website: **www.uobam.com.sg**.

1.4 RHB Emerging Markets Bond Fund

1.4.1 Fund Category

Feeder fund.

1.4.2 Financial Year End

28 / 29 February.

1.4.3 Name of Trustee

HSBC (Malaysia) Trustee Berhad.

1.4.4 Investment Objective

The Fund aims to provide investors with income[^] and potential capital appreciation by investing in one target fund, i.e. the United Emerging Markets Bond Fund.

Note: [^]The income is in the form of units. Please refer to the Fund's distribution mode.

Any material change to the investment objective of this Fund requires the Unit Holders' approval. For more information, investors should also refer to the target fund's investment objective, investment focus and approach (under Section 1.4.12).

1.4.5 Investment Strategy

The Fund will invest principally in the sub-fund of the United Emerging Markets Portfolios that is the UEM Bond Fund denominated in Singapore dollars and managed by UOBAM. The UEM Bond Fund is an open-ended collective investment scheme domiciled in Singapore and was launched in July 2001. Both UOBAM and UEM Bond Fund are regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore. The Fund aims to achieve its objective of providing income[^] through the distributions received from the target fund, the UEM Bond Fund, whereas the potential capital appreciation (if any) will be from the price appreciation of the target fund, the UEM Bond Fund. Investors should note that the income[^] referred to here is in the form of units. Please refer to the Fund's distribution mode.

Its asset allocation is as follows:

At least 95% of Net Asset Value

- Investments in the units of United Emerging Markets Bond 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 sales and redemptions transactions and to enable the proper and efficient management of the Fund. Specific risks associated with the Fund and the target fund, UEM Bond 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, i.e. UEM Bond Fund, when deemed necessary by UEM Bond Fund's manager. The Manager does not adopt any temporary defensive positions for the Fund as this will allow the Fund to best track the performance of UEM Bond Fund. It also follows that if UEM

Bond 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 UEM Bond 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 UEM Bond Fund. The risk management strategies and techniques employed will be at the UEM Bond Fund level together with its investment strategy that involves diversification of investments in emerging markets debt instruments and products as elaborated in Section 1.4.12.

Notwithstanding anything contained herein, the Manager may, in consultation with the Trustee and with the Unit Holders' approval, replace UEM Bond Fund with another fund of a similar objective if, in the Manager's opinion, UEM Bond Fund 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 JP Morgan Emerging Market Bond Index Global Diversified Index (RM). The benchmark chosen for the Fund is consistent and corresponding to the target fund, UEM Bond Fund, except that it is the Ringgit Malaysia equivalent of the UEM Bond 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. Investor should note that the risk profile of the Fund is different from the risk profile of the benchmark.

1.4.6 Distribution Policy

The Fund will declare distributions, if any, to Unit Holders depending on the level of income generated at each relevant period. Distributions, if any, after deduction of taxation and expenses (i.e. net distributions) are generally declared quarterly.

1.4.7 Permitted Investments and Restrictions

This Fund may invest in one collective investment scheme i.e. UEM Bond Fund, trade in financial derivatives, money market instruments and deposits with any financial institutions, liquid assets such as deposits on call, and any other investment permitted by the Securities Commission from time to time.

In undertaking the Fund's investments, 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.

1.4.8 Collective Investment Schemes

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

1.4.9 Financial Derivatives

As UEM Bond Fund 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 benefit of any upside of currency movement is limited as the primary interest is to protect the value of the portfolio. The Fund's net market exposure to financial derivative instruments will not at any time exceed its Net Asset Value.

1.4.10 Foreign Securities

The Manager invests at least 95% of the Net Asset Value in the units of UEM Bond Fund, a collective investment scheme domiciled in Singapore.

1.4.11 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 for purposes of accepting sales or to meet redemption payments and to enable proper and efficient management of the Fund.

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 trust funds. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of the Net Asset Value at the time the borrowing is incurred.

1.4.12 Information on UEM Bond Fund

(a) About United Emerging Markets Bond Fund ("UEM Bond Fund")

UEM Bond Fund is a Singapore dollar denominated open-ended collective investment scheme domiciled in Singapore. UEM Bond Fund is a sub-fund under the umbrella of the United Emerging Markets Portfolios that is managed by UOBAM. It was launched in July 2001. The manager of UEM Bond Fund is UOBAM and the trustee of UEM Bond Fund effective 1 March 2011 is HSBC Institutional Trust Services (Singapore) Limited following the retirement of the previous trustee, RBC Dexia Trust Services Singapore Limited, whereas its custodian is State Street Bank and Trust Company and/or such other custodian as may be appointed from time to time in respect of UEM Bond Fund or any of its assets. UEM Bond Fund is regulated by the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289), Singapore.

(b) About UEM Bond Fund's manager

UOBAM is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for over 30 years. UOBAM is licensed and regulated by the Monetary Authority of Singapore. UOBAM has an extensive presence in Asia with regional business and investment offices in Malaysia, Thailand, Brunei, Taiwan and Japan. UOBAM has two joint ventures: Ping An UOB Fund Management Company Ltd and UOB-SM Asset Management Pte Ltd. In addition, it also has a strategic alliance with UTI International (Singapore) Private Limited.

Through its network of offices, UOBAM offers global investment management expertise to institutions, corporations and individuals, through customised portfolio management services and unit trusts. As at the Latest Practicable Date, UOBAM manages 57 unit trusts in Singapore. UOBAM is one of the largest unit trust managers in Singapore in terms of assets under management.

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

opportunities, UOBAM adopts diversified investment strategies combined with active risk management to generate sustainable total return for its portfolios.

As at the Latest Practicable Date, UOBAM and its subsidiaries in the region have a staff strength of over 300 including about 50 investment professionals in Singapore.

(c) Investment Objective

UEM Bond Fund aims to maximise returns, with high yield and capital appreciation over the longer term, by investing primarily⁽¹⁾ in Emerging Markets debt investments and products.

The expression "Emerging Market" shall refer to any country:

- (i) considered middle income or low income (or sub-categories or gradations thereof) by the World Bank;
- (ii) classified as an emerging market and/or developing economy by the International Monetary Fund;
- (iii) included in any emerging or emerging market index constructed by any major index provider (including, without limitation, Morgan Stanley Capital International (MSCI), JP Morgan, S&P Dow Jones and FTSE); or
- (iv) reasonably considered to be an emerging market by the UEM Bond Fund's manager from time to time.

(d) Investment Focus and Approach

The UEM Bond Fund seeks to achieve its investment objective by investing primarily⁽¹⁾ in debt securities (including non-investment grade securities) and debt obligations issued by governments, quasi-government bodies, international and multi-national organisations, banks, financial institutions, corporations and/or other entities located, incorporated or having significant⁽²⁾ business operations or assets in the Emerging Markets. Such investments would include, without limitation, fixed and floating rate debt instruments, convertible debt instruments or instruments which are convertible or exchangeable into other securities, mortgage or asset-backed securities, and synthetic or structured products which are linked to or derive their values from other securities or are linked to other assets or currencies. Subject to the provisions of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore, UEM Bond Fund may also invest in or hold stressed, distressed and/or defaulted debt investments. UEM Bond Fund may also invest in other authorised investments to achieve its investment objective.

⁽¹⁾ "primarily" here means at least 75% of UEM Bond Fund's net asset value.

⁽²⁾ "significant" here means at least 50% of an entity's business operations or assets in the Emerging Markets.

UEM Bond Fund may also invest in financial derivative instruments to optimise returns. Such financial derivative instruments include futures, options, warrants, swaps (such as credit default swaps and total return swaps) and forward currency contracts.

To enhance its risk/return profile, UEM Bond Fund may, from time to time and at the UEM Bond Fund managers' discretion, invest (whether directly or through financial derivative instruments) in debt securities and debt obligations issued by governments, quasi-government bodies, international and multi-national organisations, banks, financial institutions, corporations and/or other entities located outside the Emerging Markets. UEM Bond Fund may also invest in investments other than debt securities and debt obligations including, equity and equity related securities, whether issued by entities in the Emerging Markets or otherwise. Such investments are not expected to form a significant part of the UEM Bond Fund's portfolio.

Where any debt instruments invested into by the UEM Bond Fund are converted or exchanged into other securities (including equity or equity related securities), UEM Bond Fund may hold such securities upon such conversion or exchange.

The investments of UEM Bond Fund are mainly in US Dollar denominated securities and the UEM Bond Fund's manager may invest in securities which are denominated in any other currency.

The UEM Bond Fund manager's investment philosophy is to achieve consistent performance through rigorous and independent fundamental research to uncover relative value opportunities. The UEM Bond Fund manager's adopt diversified strategies combined with active risk management with the aim to generate favorable long-term risk adjusted returns vis-à-vis the benchmark for fixed income portfolios⁽³⁾.

⁽³⁾ "the benchmark for fixed income portfolios" here means the benchmark of UEM Bond Fund, i.e. JP Morgan Emerging Markets Bond Index Global Diversified Index.

The UEM Bond Fund manager's investment approach embodies two key principles:

- adding value through credit or security selection backed by its independent fundamental bottom-up research; and
- adopting a disciplined top-down strategy including adjustments to traditional variables such as duration, currency and sector.

The UEM Bond Fund may also hold part of its assets in liquid investments or cash for liquidity purposes.

Note:

- 1) At least 75% of UEM Bond Fund's net asset value will be in Emerging Markets bonds.
- 2) The combined exposure of UEM Bond Fund's investments that are "outside the Emerging Markets" and "other than debt securities and debt obligations" shall not exceed 25% of UEM Bond Fund's net asset value. This shall include debt instruments invested into by the UEM Bond Fund that are converted or exchanged into other securities (including equity or equity related securities).

(e) Authorised Investments of UEM Bond Fund

The authorised investments of UEM Bond Fund are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Permissible Investments

1.1 The UEM Bond Fund's underlying investments may only consist of the following permissible investments:

- a) transferable securities;
- b) money market instruments;
- c) eligible deposits;
- d) units in other schemes;
- e) financial derivatives; and
- f) shares or securities equivalent to shares that are not listed for quotation or quoted and have not been approved for listing for quotation or quotation on an organised exchange.

"organised exchange" refers to an exchange that is an organised market;

"organised market" refers to an exchange, over-the-counter market or government securities market;

- (i) that is of good repute;
 - (ii) that is open to the public or a substantial number of market participants; and
- (ii) on which financial instruments are regularly traded.

1.2 For the purpose of paragraph 1.1,

a) “transferable securities” refer to:

- i) shares or securities equivalent to shares; and
- ii) bonds or other securitised debt instruments,

that meet the requirements of paragraph 1.3 but do not include:

- A) money market instruments; or
- B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.

b) “eligible deposits” refer to deposits with banks licensed under Singapore’s Banking Act (Cap. 19), finance companies licensed under Singapore’s Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

Requirements of transferable securities

1.3 Transferable securities shall meet the following requirements:

- a) the maximum potential loss which may be incurred as a result of the investment is limited to the amount paid for it;
- b) the investment is liquid;
- c) the investment is subject to reliable and verifiable valuation on a daily basis; and
- d) there is appropriate information available to the market on the investment or, where relevant, on the portfolio.

Note

In determining whether information on a transferable security is appropriate, UEM Bond Fund’s manager shall consider if the information available on the market is regular and accurate, as well as sufficient to analyse the investment. For example, reliance on annual or financial reports is acceptable if UEM Bond Fund’s manager is of the view that it is appropriate.

Requirements on investments in other schemes

1.4 The UEM Bond Fund may invest in other schemes only if the underlying scheme is:

- a) an authorised or recognised scheme;

Note

Notwithstanding paragraph 1.4(a), UEM Bond Fund shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code’s Investments Guidelines for Hedge Funds.

- b) a scheme which:

- i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant investment guidelines under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets the requirements set out in paragraph 1.3(a) to (d), for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in paragraph 1.4 (b) or (c).

- 1.5 UEM Bond Fund may feed substantially into an underlying fund-of-funds but the underlying fund-of-funds should invest in other schemes directly and not through another fund-of-funds.

Requirements of financial derivatives

- 1.6 Financial derivatives shall meet the following requirements:
- a) The underlying consists of instruments referred to in paragraph 1.1, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times. The UEM Bond Fund's manager shall also undertake in the trust deed of UEM Bond Fund to settle such transactions in cash and disclose that fact in the UEM Bond Fund's prospectus;
 - b) the financial derivatives are liquid;
 - c) the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and
 - d) the financial derivatives shall not result in the delivery of investments other than those described in paragraph 1.1(a) to (f).

**Note: UEM Bond Fund does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

- 1.7 In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph 1.6 (c) refers to:
- a) a valuation made by the UEM Bond Fund's manager based on a current market value; or

- b) where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.

The valuation by the UEM Bond Fund's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Note

The party who carries out the verification shall be independent of the counterparty as well as the party responsible for the fund management function of UEM Bond Fund.

(f) Investment limits and restrictions of UEM Bond Fund

The investment limits and restrictions of UEM Bond Fund are in accordance with the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code").

1 Spread of Investments

Single entity limit and group limit

1.1 UEM Bond Fund should comply with the following limits:

- a) Investments in:

- i) transferable securities; or
- ii) money market instruments

issued by a single entity should not exceed 10% of UEM Bond Fund's net asset value ("single entity limit").

- b) Aggregate investments in, or exposures to, a group of entities through:

- i) transferable securities;
- ii) money market instruments;
- iii) eligible deposits; and
- iv) counterparty risk exposures arising from the use of OTC financial derivatives.

should not exceed 20% of UEM Bond Fund's net asset value ("group limit"). For the purposes of this paragraph, a group of entities refers to an entity, its subsidiaries, fellow subsidiaries and its holding company.

Short-term deposits

1.2 The group limit does not apply to placements of eligible deposits arising from:

- a) subscription monies received at any point in time pending the commencement of investment by UEM Bond Fund; or
- b) liquidation of investments prior to the termination or maturity of UEM Bond Fund, where the placing of these monies with various institutions would not be in the interests of participants.

Government and other public debt securities / money market instruments

1.3 The single entity limit of 10% may be raised to 35% of the UEM Bond Fund's net asset value where:

- a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein); and
 - b) not more than 20% of UEM Bond Fund's net asset value may be invested in any single issue of transferable securities by the same entity or trust.
- 1.4 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.3(a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit should revert to 10%.
- 1.5 The single entity limit of 10% does not apply where:
- a) the issuing entity or trust is, or the issue is guaranteed by, either a government, government agency or supranational, that has a minimum long-term rating of AA by Fitch, Aa by Moody's or AA by Standard and Poor's (including such sub-categories or gradations therein); and
 - b) not more than 20% of UEM Bond Fund's net asset value may be invested in any single issue of transferable securities by the same entity or trust.
- 1.6 If there is a downgrade in rating to that below the minimum rating as stated in paragraph 1.5(a), or if the rating agencies no longer rate the entity or the guarantor, the single entity limit as specified in paragraph 1.1(a) or 1.4, as the case may be, should apply accordingly.

Unrated and non-investment grade corporate debt securities

- 1.7 The single entity limit of 10% in paragraph 1.1(a) for bonds and other securitised debt instruments is lowered to 5% of UEM Bond Fund's net asset value if the issuing entity or trust:
- a) is not rated; or
 - b) has a long-term rating below that of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's (including such sub-categories or gradations therein).
- 1.8 Notwithstanding paragraph 1.7(a), UEM Bond Fund's manager may rely on:
- a) the rating of an unrated issuer's parent company provided that an explicit guarantee by the parent company for the issuer is in place; or
 - b) its internal rating of an unrated issuer if UEM Bond Fund's manager has satisfied UEM Bond Fund's trustee that its internal rating is comparable to a rating issued by the Fitch, Moody's or Standard & Poor's.

Commodity-backed debt securities

- 1.9 UEM Bond Fund may invest in debt securities that are undated, secured by physical commodities, listed for quotation and traded on an organised exchange, subject to the limit in paragraph 1.12.

Investment in other schemes

Requirements on investments in other schemes

- 1.10 The UEM Bond Fund may invest in other schemes only if the underlying scheme is:
- a) an authorised or recognised scheme;

Note

UEM Bond Fund shall not invest in an underlying scheme which is a hedge fund or fund-of-hedge funds even if the underlying scheme complies with the Code's Investments Guidelines for Hedge Funds.

- b) a scheme which:
 - i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants in Singapore protection at least equivalent to that afforded to participants of schemes which are wholly managed in Singapore;
 - ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant appendices under the Code; and
 - iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority;
- c) a scheme which is invested in permissible investments, commodities or real estate, meets Code's requirements of transferable securities (see paragraph 1.3 of the Authorised Investments of UEM Bond Fund) and, for the purposes of this paragraph, the units in the scheme are listed for quotation and traded on an organised exchange.

Note

Restricted schemes, i.e. schemes whose offer of units are only available to relevant persons defined in section 305(5) of Singapore's Securities & Futures Act (Chapter 289) may be acceptable as underlying investments if they can meet the conditions in the above paragraph b) and c).

- 1.11 Investments in an underlying scheme which does not satisfy paragraph 1.10(a) or (b) but satisfies:
- a) paragraph 1.10(c) and is invested in permissible investments or real estate should not exceed 10% of UEM Bond Fund's net asset value; or
 - b) paragraph 1.10(c) and is invested directly in commodities is subject to the limit in paragraph 1.13.

Alternative exposure limit

- 1.12 Investments in:

- a) shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange;
- b) debt securities which are undated, secured by physical commodities, listed for quotation and traded on an organised exchange; and
- c) underlying schemes which do not satisfy paragraph 1.10(a) or (b) but satisfy paragraph 1.10(c) and are invested directly in commodities,

are subject to an aggregate limit of 10% of UEM Bond Fund's net asset value.

Concentration limit

- 1.13 The UEM Bond Fund should not invest in more than:

- a) 10% of the total outstanding shares, or securities equivalent to shares, of any single entity or trust;

- b) 10% of each individual issuance of debt securities of any single issuing entity or trust, where such issuance is not part of a debt issuance programme; or where debt securities are issued under a debt issuance programme, 20% of each tranche, subject to a limit of 10% of the overall programme size; and
- c) 10% of the money market instruments of a single issuing entity or trust.

2 Global Exposure

- 2.1 The global exposure of UEM Bond Fund to financial derivatives or embedded financial derivatives should not exceed 100% of its net asset value at all times.
- 2.2 UEM Bond Fund's manager should calculate the global exposure of UEM Bond Fund based on the:
 - a) Commitment Approach under the Code; or
 - b) Value at Risk (VaR) Approach (including any other variants of the VaR Approach) under the Code, subject to prior consultation with the Monetary Authority of Singapore ("Authority").

Commitment Approach

- 2.3 The global exposure of UEM Bond Fund is calculated as the sum of:
 - a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
 - b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
 - c) the sum of the values of cash collateral received pursuant to:
 - i) the reduction of exposure to counterparties of OTC financial derivatives; and
 - ii) efficient portfolio management techniques relating to securities lending and repurchase transactions,and that are reinvested.

Netting arrangements

- 2.4 Netting arrangements may be taken into account to reduce UEM Bond Fund's exposure to financial derivatives.
- 2.5 UEM Bond Fund may net positions between:
 - a) financial derivatives on the same underlying assets, even if the maturity dates are different; or
 - b) financial derivatives and the same corresponding underlying asset, if those underlying assets are transferable securities, money market instruments or units in other schemes.

Hedging arrangements

- 2.6 Hedging arrangements may be taken into account to reduce UEM Bond Fund's exposure to financial derivatives.

- 2.7 The marked-to-market value of transferable securities, money market instruments or units in schemes involved in hedging arrangements may be taken into account to reduce UEM Bond Fund's exposure to financial derivatives.
- 2.8 For the purposes of the above paragraphs 2.6 and 2.7, the hedging arrangement shall:
- a) not be aimed at generating a return;
 - b) result in an overall verifiable reduction of the risk of UEM Bond Fund;
 - c) offset the general and specific risks linked to the underlying being hedged;
 - d) relate to the same asset class being hedged; and
 - e) be able to meet its hedging objective in all market conditions.
- 2.9 Notwithstanding paragraph 2.8, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

Exposure arising from reinvestment of cash collateral

- 2.10 If UEM Bond Fund reinvests cash collateral received from counterparties of OTC financial derivatives, securities lending or repurchase transactions to generate a return in excess of high quality 3-month government bonds, it should include in its global exposure calculations the cash amount reinvested.

VaR Approach or its variants

- 2.11 UEM Bond Fund's manager may apply to the Authority to use the VaR Approach or its variants to calculate the global exposure of UEM Bond Fund instead of the commitment approach (paragraph 2.3).
- 2.12 The global exposure of UEM Bond Fund should also take into account exposures arising from the reinvestment of cash collateral.
- 2.13 UEM Bond Fund's manager shall comply with the guidelines in the Code on alternative approach for calculating global exposure – VaR Approach.

3 Use of Financial Derivatives

Requirements of financial derivatives

Financial derivatives should meet the following requirements:

- a) *The underlying consists of instruments referred to in paragraph 1.1 of the Authorised Investments of UEM Bond Fund, commodities*, indices which meets the requirements in the Code pertaining to index funds, interest rates, foreign exchange rates or currencies. In the case of financial derivatives on commodities*, such transactions shall be settled in cash at all times;*
- b) *the financial derivatives are liquid;*
- c) *the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and*
- d) *the financial derivatives shall not result in the delivery of investments other than permissible investments under the Code.*

**Note: UEM Bond Fund does not participate or invest in derivatives with underlying comprising commodities.*

Over-the-Counter (OTC) financial derivatives

In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph (c) refers to:

- a) *a valuation made by UEM Bond Fund's manager based on a current market value; or*
- b) *where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.*

The valuation by UEM Bond Fund's manager shall not be based solely on a valuation provided by the counterparty to the transaction.

Spread of underlying assets

- 3.1 The exposure of UEM Bond Fund to the underlying assets of financial derivatives should be sufficiently diversified on a portfolio basis.
- 3.2 In the case where the underlying assets are transferable securities, money market instruments, eligible deposits or units in other schemes, the limits in the paragraphs under item 1 stated herein, except for the concentration limits, apply on a portfolio basis.

Embedded financial derivatives

- 3.3 Where a transferable security or money market instrument embeds a financial derivative, the requirements in the paragraphs under item 2 and 3 stated herein apply to the embedded financial derivative.
- 3.4 Where the counterparty risk of the embedded derivative is or may be transferred to UEM Bond Fund, the requirements in the paragraphs under item 4 stated herein also apply to the embedded financial derivative.
- 3.5 A transferable security or money market instrument is considered to be embedding a financial derivative if it contains a component which fulfils the following criteria:
 - a) the component results in some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract to be modified according to a variable including but not limited to a specified interest rate, price of a financial instrument, foreign exchange rate, index of prices or rates, credit rating or credit index, and therefore vary in a way similar to a stand-alone financial derivative;
 - b) the component's economic characteristics and risks are not closely related the economic characteristics and risks of the host contract; and
 - c) the component has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
- 3.6 A transferable security or a money market instrument should not be regarded as embedding a financial derivative where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component should be deemed to be a separate financial instrument.

- 3.7 Where an instrument is structured as an alternative to an OTC financial derivative or tailor-made to meet the specific needs of UEM Bond Fund, the instrument should be deemed as embedding a financial derivative.

Cover

- 3.8 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of UEM Bond Fund should be covered as follows:
- a) in the case of financial derivatives which will, or may at the option of UEM Bond Fund, be cash settled, UEM Bond Fund should hold, at all times, liquid assets sufficient to cover the exposure;
 - b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, UEM Bond Fund should hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If UEM Bond Fund's manager deems the underlying assets to be sufficiently liquid, UEM Bond Fund may hold as coverage other liquid assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

4 Counterparty of Financial Derivatives

OTC financial derivatives

- 4.1 The counterparty of an OTC financial derivative should be subject to prudential supervision by a financial supervisory authority in its home jurisdiction.
- 4.2 Subject to the group limit in paragraph 1.1, the maximum exposure of UEM Bond Fund to the counterparty of an OTC financial derivative may not exceed:
- a) in the case of an eligible financial institution described in paragraph 4.3, 10% of UEM Bond Fund's net asset value; or
 - b) in any other case, 5% of UEM Bond Fund's net asset value
- ("counterparty limits").
- 4.3 For purposes of paragraph 4.2, an eligible financial institution should have a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein). Alternatively, where the financial institution is not rated, UEM Bond Fund should have the benefit of a guarantee by an entity which has a long-term rating of A (including sub-categories or gradations therein).
- 4.4 The exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by UEM Bond Fund if the counterparty defaults and not on the basis of the notional value of the OTC financial derivative.

Recognition of collateral

- 4.5 The exposure to a counterparty may be construed as being lower if collateral is tendered to UEM Bond Fund. The collateral should meet the following requirements:
- a) it is marked-to-market daily;

- b) it is liquid;
- c) it is taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated herein;
- d) it is not issued by the counterparty or its related corporations;
- e) it is held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
- f) it is legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
- g) it can be fully enforced by UEM Bond Fund's trustee at any time;
- h) it is free from all prior encumbrances; and
- i) it cannot be sold or given as security interests.

4.6 Collateral may only consist of:

- a) cash;
- b) money market instruments; or
- c) bonds.

4.7 For the purpose of paragraph 4.6, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, a government, a government agency or supranational, that has a long-term rating of AAA by Fitch, Aaa by Moody's or AAA by Standard and Poor's (including sub-categories or gradations therein).

4.8 Notwithstanding paragraph 4.6, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

4.9 UEM Bond Fund's manager should ensure that it has the appropriate legal expertise to put in place proper collateral arrangements, as well as appropriate systems and operational capabilities for proper collateral management.

4.10 Additional collateral should be provided to UEM Bond Fund no later than the close of the next business day if the current value of the collateral tendered is insufficient to satisfy the counterparty limits in paragraph 4.2.

Reinvestment of collateral

4.11 Collateral obtained in the form of cash by UEM Bond Fund may be reinvested subject to the following requirements:

- a) it is invested in financial instruments consistent with paragraphs 4.6 and 4.7;
- b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in the paragraphs under item 1 stated

herein;

- c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
- d) the investments are legally secured from the consequences of the failure of the custodian, counterparty and their related corporations;
- e) the investments cannot be sold or given as security interests; and
- f) the UEM Bond Fund's manager is reasonably satisfied that any investment of cash collateral by UEM Bond Fund will enable UEM Bond Fund to meet its redemption obligations and other payment commitments.

4.12 Notwithstanding paragraph 4.12, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.

4.13 Non-cash collateral obtained by UEM Bond Fund may not be reinvested.

Recognition of netting

4.14 UEM Bond Fund may net its OTC financial derivative positions with the same counterparty through bilateral contracts for novation or other bilateral agreements between UEM Bond Fund and its counterparty provided that such netting arrangements satisfy the following conditions:

- a) in the case of a bilateral contract for novation, mutual claims and obligations are automatically amalgamated in such a way that this novation fixes one single net amount each time novation applies and thus creates a legally binding, single new contract extinguishing former contracts;
- b) UEM Bond Fund has a netting arrangement with its counterparty which creates a single legal obligation, covering all included transactions, such that, in the event of the counterparty's failure to perform owing to default, bankruptcy, liquidation or any other similar circumstance, UEM Bond Fund would have a claim to receive or an obligation to pay only the net sum of the positive and negative mark-to-market values of the individual included transactions;
- c) UEM Bond Fund's manager obtains written and reasoned legal opinions to the effect that, the netting arrangement is legally enforceable by UEM Bond Fund against its counterparty, and in particular, in the event of a legal challenge, the relevant courts and administrative authorities would find that the scheme's claims and obligations would be limited to the net sum, as described in the above paragraph 4.14 (b), under:
 - i) the law of the jurisdiction in which the counterparty is incorporated and, if a foreign branch of an entity is involved, also under the law of the jurisdiction in which the branch is located;
 - ii) the law that governs the individual included transactions; and
 - iii) the law that governs the netting agreement;

- d) UEM Bond Fund's manager has procedures in place to ensure that the legal validity of the netting arrangement is kept under review in the light of possible changes in the relevant laws; and
- e) UEM Bond Fund's manager is reasonably satisfied that the netting arrangement is legally valid under the law of each of the relevant jurisdictions.

Exchange-traded financial derivatives

4.15 Financial derivatives which:

- a) are transacted on an exchange where the clearing house performs a central counterparty role; and
- b) have trades which are characterised by a daily marked-to-market valuation of the financial derivative positions and subject to at least daily margining,

would not be subject to the counterparty limits in paragraph 4.2.

Margins

4.16 Any exposure arising from initial margin posted and the variation margin receivable from a counterparty relating to OTC or exchange-traded financial derivatives, which is not protected against insolvency of the counterparty, is to be included in the counterparty limit.

5 Efficient Portfolio Management ("EPM") Techniques

Securities lending and repurchase transactions

5.1 UEM Bond Fund may carry out the following activities for the sole purpose of EPM:

- a) securities lending; and
- b) repurchase transactions.

5.2 UEM Bond Fund may lend transferable securities and money market instruments:

- a) directly;
- b) through a standardised lending system facilitated by a clearing house which performs a central counterparty role; or
- c) through securities lending agents, who are recognized as specialists in securities lending.

5.3 Securities lending and repurchase transactions should be effected in accordance with good market practice.

Counterparty

5.4 The counterparty to a securities lending agreement or repurchase transactions should:

- a) be a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
- b) have a minimum long-term rating of A by Moody's, A by Standard and Poor's or A by Fitch (including sub-categories or gradations therein). Alternatively,

where the counterparty is not rated, it is acceptable if an entity which has and maintains a rating as stated above indemnifies UEM Bond Fund against losses suffered as a result of the counterparty's failure.

- 5.5 Where UEM Bond Fund's manager engages in securities lending and repurchase transactions with any of its related corporations, UEM Bond Fund's manager should have effective arrangements in place to manage potential conflicts of interest.
- 5.6 The agreement between UEM Bond Fund and the counterparty, either directly or through its agent, should require the counterparty to provide additional collateral to UEM Bond Fund or its agent no later than the close of the next business day if the current value of the eligible collateral tendered is insufficient.

Recognition of collateral

- 5.7 The collateral should meet the following requirements:
 - a) it is marked-to-market daily;
 - b) it is liquid;
 - c) it exceeds the value of the transferable securities or money market instruments transferred;
 - d) it is taken into account, on a portfolio basis, for the purposes of the requirements on a spread of investments in section 2 stated herein;
 - e) it is not issued by the counterparty or its related corporations;
 - f) it is held by a custodian or agent which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - g) it is legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - h) it can be fully enforced by UEM Bond Fund's trustee at any time;
 - i) it is free from all prior encumbrances; and
 - j) it cannot be sold or given as securities interests.
- 5.8 For the purposes of securities lending and repurchase transactions, collateral may only consist of:
 - a) cash;
 - b) money market instruments; or
 - c) bonds.
- 5.9 For the purpose of paragraph 5.8, money market instruments and bonds should be issued by, or have the benefit of a guarantee from, an entity or trust that has a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub-categories or gradations therein) (collectively, "eligible collateral").

- 5.10 Notwithstanding paragraph 5.8, securitised debt instruments as well as money market instruments or bonds with embedded financial derivatives are not eligible as collateral.

Settlement

- 5.11 UEM Bond Fund or its agent should receive eligible collateral before, or simultaneously with, the transfer of ownership of the transferable securities lent.
- 5.12 Upon termination of the securities lending or repurchase transaction, the eligible collateral may be remitted by UEM Bond Fund or its agent after, or simultaneously with the restitution of the transferable securities lent.

Reinvestment of collateral

- 5.13 Collateral obtained in the form of cash by UEM Bond Fund or its agent may be reinvested subject to the following requirements:
- a) it is reinvested in financial instruments consistent with paragraphs 5.8 and 5.9;
 - b) the investments are taken into account, on a portfolio basis, for the purposes of the requirements on spread of investments in section 2 stated herein;
 - c) the investments are held by a custodian which is:
 - i) a financial institution subject to prudential supervision by a financial supervisory authority in its home jurisdiction; and
 - ii) independent of the counterparty;
 - d) the investments are legally secured from the consequences of the failure of the custodian, counterparty or agent and their related corporations;
 - e) the investments cannot be sold or given as security interests; and
 - f) UEM Bond Fund's manager is reasonably satisfied that any investment of cash collateral by UEM Bond Fund or its agent, will enable the UEM Bond Fund to meet its redemption obligations and other payment commitments.
- 5.14 Notwithstanding paragraph 5.13, the cash collateral obtained should not be invested in transferable securities issued by, or placed on deposit with, the counterparty or its related corporations.

- 5.15 Non-cash collateral obtained by UEM Bond Fund or its agent may not be reinvested.

Liquidity

- 5.16 UEM Bond Fund's manager should ensure that:
- a) the volume of securities lending or repurchase transactions is kept at an appropriate level; and
 - b) UEM Bond Fund or its agent is entitled to terminate the securities lending or repurchase transaction and request the immediate return of its transferable securities lent without penalty, in a manner which enables UEM Bond Fund to meet its redemption obligations and other payment commitments.

6 Borrowings

- 6.1 UEM Bond Fund may borrow, on a temporary basis, for the purpose of meeting redemptions and bridging requirements.
- 6.2 UEM Bond Fund may only borrow from banks licensed under Singapore's Banking Act (Cap. 19), finance companies licensed under Singapore's Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.
- 6.3 The borrowing period should not exceed one month.
- 6.4 Aggregate borrowings for the purposes of paragraph 6.1 should not exceed 10% of UEM Bond Fund's net asset value at the time the borrowing is incurred.

(g) Risk management process of the UEM Bond Fund's manager relating to the use of financial derivative instruments

- (a) UEM Bond Fund's manager may use or invest in financial derivative instruments ("FDIs") for the purposes of hedging existing positions in a portfolio, efficient portfolio management, optimising returns of UEM Bond Fund, or a combination of two or more of these purposes.
- (b) UEM Bond Fund's manager will use the commitment approach to determine UEM Bond Fund's global exposure to FDIs by converting its positions in the FDIs into equivalent positions in the FDIs' underlying assets. Such exposure will be calculated in accordance with the provisions of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("Code"). UEM Bond Fund's manager will ensure that the global exposure of UEM Bond Fund to FDIs or embedded FDIs will not exceed 100% of the net asset value of UEM Bond Fund.
- (c) Below is a description of risk management and compliance procedures and controls adopted by UEM Bond Fund's manager:
 - (i) UEM Bond Fund's manager will implement various procedures and controls to manage the risk of UEM Bond Fund's assets. The decision to invest in any particular security or instrument on behalf of the UEM Bond Fund will be based on the UEM Bond Fund's manager's judgment of the benefit of such transactions to UEM Bond Fund and will be consistent with UEM Bond Fund's investment objectives in terms of risk and return.
 - (ii) *Execution of trades.* Prior to each trade, UEM Bond Fund's manager will ensure that the intended trade will comply with the stated investment objective, focus, approach and restrictions (if any) of UEM Bond Fund, and that best execution and fair allocation of trades are done. UEM Bond Fund's manager's middle office department will conduct periodic checks to ensure compliance with the investment objective, focus, approach and restrictions (if any) of UEM Bond Fund. If there is any non-compliance, the middle office department of UEM Bond Fund's manager 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.* If there are unexpectedly large realisations of units in UEM Bond Fund, it is possible that the assets of UEM Bond Fund may be forced to be liquidated at below their fair and expected value, especially in illiquid public exchanges or over-the-counter markets. UEM Bond Fund's manager will ensure

that a sufficient portion of UEM Bond Fund will be in liquid assets such as cash and cash-equivalents to meet expected realisations, net of new subscriptions.

- (iv) *Counterparty exposure.* UEM Bond Fund may have credit exposure to counterparties by virtue of positions in FDIs and other financial instruments held by UEM Bond Fund. To the extent that a counterparty defaults on its obligations and the UEM Bond Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its assets and in its income stream and incur extra costs associated with the exercise of its financial rights. Subject to the provisions of the Code, UEM Bond Fund's manager will restrict their dealings with counterparties to entities that have a minimum long-term issuer credit rating of above BB+ by Standard and Poor's, an individual rating of above C or viability ratings of above bbb by Fitch Inc., a baseline credit assessment of above a3 by Moody's Investors Service or an equivalent rating from any other reputable rating agency. If any approved counterparty fails this criterion subsequently, UEM Bond Fund's manager will take steps to unwind UEM Bond Fund's position with that counterparty as soon as practicable.
- (v) *Volatility.* To the extent that UEM Bond Fund has exposure to FDIs that allow a larger amount of exposure to a security for no or a smaller initial payment than the case where the investment is made directly into the underlying security, the value of UEM Bond Fund's assets will have a higher degree of volatility. UEM Bond Fund may use FDIs for hedging purposes to reduce the overall volatility of the value of its assets. At the same time, UEM Bond Fund's manager will ensure that the global exposure of the UEM Bond Fund to FDIs and embedded FDIs will not exceed UEM Bond Fund's net asset value, as stated in paragraph (b) above.
- (vi) *Valuation.* UEM Bond Fund may have exposure to over-the-counter FDIs that are difficult to value accurately, particularly if there are complex positions involved. UEM Bond Fund's manager will ensure that independent means of verifying the fair value of such instruments are available, and will conduct such verification at an appropriate frequency.
- (d) UEM Bond Fund's manager will ensure that the risk management and compliance procedures and controls adopted by them are adequate and have been implemented, and that they have the necessary expertise to control and manage the risks relating to the use of FDIs. UEM Bond Fund's manager may modify the risk management and compliance procedures and controls as they deem fit and in the interest of the UEM Bond Fund, but subject always to the requirements under the Code.
- (e) UEM Bond Fund may net its over-the-counter derivative positions with a counterparty through a bilateral contract for novation or other bilateral agreement with the counterparty, provided that such netting arrangements satisfy the relevant conditions described in the Code and that UEM Bond Fund's manager will obtain, or has obtained (as applicable), the legal opinions as stipulated in the Code.
- (f) Where UEM Bond Fund uses or invests in financial derivative instruments on commodities, all such transactions shall be settled in cash at all times.

1.5 RHB Multi Asset Regular Income Fund**1.5.1 Fund Category**

Mixed asset fund.

1.5.2 Financial Year End

31 January.

1.5.3 Name of Trustee

HSBC (Malaysia) Trustee Berhad.

1.5.4 Investment Objective

The Fund aims to provide regular income[^] and medium to long term* capital growth through a multi asset strategy.

Note: [^]The income is in the form of units. Please refer to the Fund's distribution mode.

*“medium to long term” in this context refers to a period of between 3-7 years.

Any material change to the investment objective of this Fund requires the Unit Holders' approval.

1.5.5 Investment Strategy

The Manager intends to achieve the investment objective of the Fund by allocating assets of the Fund between three yielding[#] asset classes i.e. Asian (ex Japan) fixed income instruments, Asia Pacific (ex Japan) dividend equities[#] and Asia Pacific (ex Japan) Real Estate Investment Trusts (REITs). The Fund is actively managed. However, how active or the frequency of its trading strategy will very much depend on market opportunities.

[#]Note: “yield” here refers to interest income, interest payout and other interest payment or its equivalent, dividend and distributions, whereas “dividend equities” are equity investments that pay out dividends.

Investments in fixed income instruments can be fixed income instruments issued by corporations, financial institutions, supra-nationals, governments and their agencies and the investments in such fixed income instruments may be of investment grade, non-investment grade and fixed income instruments that are not rated. The Fund's investment in fixed income instruments will generally be in the Asia (ex Japan) markets, i.e. according to the benchmark universe. However, the Manager may invest up to 30% of the Net Asset Value in fixed income instruments outside the benchmark universe, i.e. in the markets of Australia, New Zealand and Japan only, and only when in their judgment, it is opportunistic to do so.

Fixed income instruments that are issued by corporations and financial institutions which are of investment grade are those fixed income instruments having a credit rating of at least Baa3 by Moody's Investors Service, or its equivalent.

The Fund can also invest in fixed income instruments issued by corporations and financial institutions which are not rated by any rating agency. These are fixed income instruments issued by issuers where the local regulatory do not require mandatory rating of the instruments and / or the issuers. When making such investments, the Manager will consider the fundamental aspects of the issuer both in terms of quantitative and qualitative aspects and also the structure of the fixed income instruments issued. Investments in fixed income instruments issued by supra-nationals, governments and their agencies need not be rated.

The Fund may also invest in fixed income instruments of non-investment grade. These are fixed income instruments which are rated by international rating agencies such as Moody's to be below Baa3 or its equivalent.

Thus, this Fund's portfolio will be structured as follows:

65% - 98% of Net Asset Value

- Investments in Asian (ex Japan) fixed income instruments, Asia Pacific (ex Japan) dividend equities[#] and Asia Pacific (ex Japan) REITs.

2% - 35% of Net Asset Value

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

[#]Note: "dividend equities" are equity investments that pay out dividends.

For investments in foreign markets, the Manager will always take into consideration the composite benchmark as well as its evaluation of the historical developments and its prior experience in such markets. Such practice will be managed through active management and constant review, drawing on its resources and infrastructure. Investments will ultimately be made based on the risk-reward.

Risk would be managed through the principle of diversification across different asset classes; across the Asia and Asia Pacific, (ex Japan) region; sectors and market capitalisation. Financial derivatives may also be used for hedging purposes where appropriate. Generally, the asset of the Fund will be invested over a medium to long term period with disposal of the investments when necessary to control risk as well as to optimise capital gains. This is especially so when the full growth potential of an investment is deemed to have been reduced over a prolonged rise in equity value and other available equity investments may present better opportunity cost and potential higher returns. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission. Adherence to these permitted investments and restrictions also helps the Manager to risk-manage the Fund's portfolio in terms of diversification. Moreover, the Manager in making their investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the Deed.

Notwithstanding the above, the Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may reallocate up to 100% of the Fund's investments into asset classes such as debt securities, money market instruments and deposits with any financial institutions, which are defensive in nature.

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

50% JP Morgan Asia Credit Index Total Return Composite (RM);

30% MSCI AC Asia Pacific ex Japan Index (RM);

20% MSCI AC Asia Pacific ex Japan REITS Index (RM).

The composite benchmark chosen best represents the Fund's underlying investments and the geographical location/investment universe of its investments.

For ease of reference, investors may refer to Bloomberg L.P. or to the Manager for these indicators. Investor should note that the risk profile of the Fund is different from the risk profile of the benchmark.

1.5.6 Distribution Policy

The Fund will declare distributions, if any, to Unit Holders depending on the level of income generated at each relevant period. Distributions, if any, after deduction of taxation and expenses (i.e. net distributions) are declared quarterly.

1.5.7 Permitted Investments and Restrictions

This Fund may invest in securities / instruments listed on Bursa Malaysia or traded in / listed on any other market considered as an Eligible Market (including foreign markets), unlisted securities, collective investment schemes, financial derivatives, structured products, money market instruments, deposits with any financial institutions, participate in the lending of securities and any other investments permitted by the Securities Commission from time to time.

The acquisition of such permitted investments is subject to the following restrictions:

- a) The value of the Fund's investments in unlisted securities must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- b) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- c) The value of the Fund's investments in transferable securities (i.e. equities, fixed income instruments and warrants) and money market instruments issued by any single issuer must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- d) The value of the Fund's placement in deposits with any single financial institution must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- e) The value of the Fund's investments in transferable securities and money market instruments issued by any group of companies must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- f) The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits, over-the-counter ("OTC") financial derivatives and structured products issued by or placed with, as the case may be, any single issuer/financial institution must not exceed twenty five (25) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- g) The value of the Fund's investments in units/shares of any collective investment scheme must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- h) The value of the Fund's investments in structured products issued by any single counter-party must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time. This single counter-party limit may be exceeded if the counter-party has a minimum long-term rating that indicates very strong capacity for timely payment of financial obligations provided by any domestic or global rating agency and the structured product has a capital protection feature. When this applies, the calculation of the aggregate value to determine compliance with item (f) should exclude the value of investment in structured products.

- i) The value of the Fund's OTC financial derivatives transactions with any single counter-party must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time; and the Fund's exposure to the underlying assets (vide the financial derivatives) must not exceed the Fund's investment spread limits as stipulated in (b), (c), (d), (e), (f), (g) and (h) above. In addition, the Fund's net market exposure owing to its financial derivatives position must not exceed the Net Asset Value.
- j) The Fund's investments in transferable securities (other than fixed income instruments) must not exceed ten (10) per cent of the securities issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- k) The Fund's investments in fixed income instruments must not exceed twenty (20) per cent of the fixed income instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- l) The Fund's investments in money market instruments must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. Such limit does not apply to money market instruments that do not have a pre-determined issue size.
- m) The Fund's investments in collective investment schemes must not exceed twenty five (25) per cent of the units/shares in any one collective investment scheme, or any other limit as may be prescribed by the Securities Commission from time to time.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the limits or restrictions is permitted where the limits or restriction is breached through an appreciation or depreciation of the Net Asset Value (whether as a result of an appreciation or depreciation of the investments or as a result of repurchase of units of the Fund or payment made from the Fund). The Manager will not make any further acquisitions to which the relevant limit is breached, and the Manager will within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach. Such limits and restrictions however, do not apply to securities that are issued or guaranteed by the government or Bank Negara Malaysia.

1.5.8 Investment in Unlisted Securities

The Manager will only make such investments where the Manager expects those investments to complement the objective and enhance the performance of this Fund. The Fund's investments in unlisted securities (if any) shall always be subject to the restriction stipulated in Section 1.5.7 (a). However, the exposure limit to investments in unlisted securities stipulated in Section 1.5.7 (a) shall not include:

- (a) Equities not listed for trading in a stock market of a stock exchange but have been approved for such listing and offered directly to the Fund by the issuer;
- (b) Fixed income instruments traded on an organised over-the-counter market; and
- (c) Structured product.

1.5.9 Collective Investment Schemes

The Manager will only make such investments where the Manager expects those investments to complement the objective and enhance the performance of this Fund. In addition, the Manager will only make such investments if the target fund is registered / authorised / approved by the relevant regulatory authority in its home jurisdiction as the case may be and which operates within the general investment principles of the Guidelines on Unit Trust Funds issued by the Securities

Commission. The Fund's investments in collective investment schemes (if any) shall always be made subject to the restrictions stipulated in Section 1.5.7 (g) and (m).

1.5.10 Financial Derivatives

The Manager may participate in financial derivatives, when appropriate. The category of financial derivatives to be participated in may be currency futures contracts, currency forwards and currency swaps or any other categories and/or types of financial derivatives that may be allowable by the relevant authorities from time to time. The Fund's participation in financial derivatives is basically to hedge the portfolio's exposure to foreign currency. The benefit of any upside from currency movement is limited as the primary interest is to protect the value of the portfolio. When participating in such instruments, the Manager will monitor the derivative valuation and credit ratings of the financial institutions as counterparty to the instruments, where applicable and take appropriate actions to mitigate any risk associated with such instruments. This may extend to unwinding of derivative instruments in the event where there is a need to terminate current position due to reversal in market movement, redemptions in units or upon downgrade of the credit ratings of the financial institutions. The Fund's investment holding in financial derivatives (if any) shall always be subject to the restrictions stipulated in Section 1.5.7 (f) and (i).

1.5.11 Foreign Securities

The Manager may invest up to 98% of the Net Asset Value in fixed income instruments, dividend equities[#] and REITs across the Asia and Asia Pacific region (excluding Japan). The Manager may invest in fixed income instruments from the Asia region (excluding Japan) i.e. countries such as Hong Kong, Taiwan, South Korea, China, India, Indonesia, Thailand, The Philippines, Singapore, Sri Lanka, Pakistan and Vietnam. However, in some cases the Manager may also invest in fixed income instruments from Australia, New Zealand and Japan (investors may refer to Section 1.5.7). As for investments in dividend equities and REITs, the Manager may invest in the Asia Pacific region (excluding Japan) i.e. countries such as Hong Kong, Taiwan, South Korea, China, India, Indonesia, Thailand, The Philippines, Singapore, Sri Lanka, Pakistan, Vietnam, Australia and New Zealand.

[#]Note: "dividend equities" are equity investments that pay out dividends.

When investing in foreign markets which require prior permission/approval such as in the form of an investment licence/investor code/investor registration, the Fund has/will obtain such necessary permission/approval in order to invest in such markets. In undertaking these foreign investments, the Manager will invest subject to the restriction stipulated in Section 1.5.5.

1.5.12 Liquid Assets

The Manager in structuring the Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 trust funds. The Fund may participate in the lending of securities provided always that such activity complies with all relevant guidelines, laws and/or regulations. Nonetheless, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of the Net Asset Value at the time the borrowing is incurred.

1.6 RHB Leisure, Lifestyle & Luxury Fund

1.6.1 Fund Category

Equity fund.

1.6.2 Financial Year End

30 November.

1.6.3 Name of Trustee

TMF Trustees Malaysia Berhad.

1.6.4 Investment Objective

The Fund aims to achieve long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

Note: “long term” means 5 years and above.

Any material change to the investment objective of this Fund requires the Unit Holders’ approval.

1.6.5 Investment Strategy

The Fund will invest at least 70% of Net Asset Value in equities and equity related securities (such as warrants and ICULS) and up to 30% of Net Asset Value will be in liquid assets, including money market instruments and deposits with financial institutions.

The Fund is an equity fund that will be investing in equities and equity related securities (such as warrants and ICULS) issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

These are companies selected from the constituents of the consumer discretionary sector in the Global Industry Classification Standard (“GICS”), a database developed by Morgan Stanley Capital International (“MSCI”) and Standard & Poor’s.

The companies selected from the consumer discretionary sector in the GICS database are from different industries under the leisure, lifestyle and luxury market such as travel and tourism, recreation, lodging, gaming, fashion, technology, dining, shopping, transportation and other industries which are deemed fit by the Manager from time to time.

In evaluating the suitability of specific equities for investment, the Manager shall conduct a monthly review, taking into account the diversification across different countries and industries. As such, the list of equities invested may vary from time-to-time, depending on the Manager’s outlook for each equity and the Manager’s view on economic and market conditions.

The investment universe of the Fund includes equities and equity related securities which are listed in foreign markets deemed fit by the Manager. Please refer to the list of foreign markets under Section 1.6.11.

Asset allocation:

- At least 70% of Net Asset Value will be invested in equities and equity related securities.

- Up to 30% of Net Asset Value will be invested in liquid assets including money market instruments and deposits with financial institutions.

The Manager may take temporary defensive positions that may be inconsistent with the Fund's investment strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may attempt to cushion the portfolio's downside by reducing its exposure to the equities or equities related securities and increasing its exposure up to 100% of Net Asset Value in assets that are defensive in nature such as fixed income instruments, money market instruments and deposits with any financial institution.

Investing in the Fund is not the same as placing funds in a deposit with a bank or financial institution. There are risks involved and investors should rely on their own evaluation or the advice of their own professional advisers to assess the merits and risks when investing in the Fund.

To mitigate the risks confronting the Fund, the Manager will, amongst other things:

- Use financial derivatives for hedging purposes where appropriate;
- Constantly monitor market liquidity and pricing;
- Adhere to the Fund's investment restrictions and limits; and
- Constantly liaise with the investment committee for the Fund.

The performance of the Fund is benchmarked against MSCI ACWI Consumer Discretionary Index (Bloomberg Ticker: MXWD0CD). Unit Holders can obtain information on the MSCI ACWI Consumer Discretionary Index from the Manager upon request. The Manager finds the benchmark a suitable proxy to match the Fund's objective to invest in companies that provide goods and services in the leisure, lifestyle and luxury market. Investor should note that the risk profile of this Fund is not the same as the risk profile of the benchmark.

1.6.6 Distribution Policy

The Fund is not expected to make any distribution.

1.6.7 Permitted Investments and Restrictions

The Fund may invest in equities, fixed income instruments and irredeemable convertible unsecured loan stocks traded in or under the rules of an Eligible Market; warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market; unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer; deposits and money market instruments; derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps; all types of collective investment schemes; structured products; securities listed or traded on foreign markets where the regulatory authority is a member of the International Organization of Securities Commissions (IOSCO); and any other form of instrument as may be agreed upon by the Manager and the Trustee from time to time that are in line with the Fund's objective.

The acquisition of such permitted investments is subject to the following restrictions:

- (a) The value of the Fund's investments in unlisted securities must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (b) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.

- (c) The value of the Fund's investments in transferable securities (i.e. equities, fixed income instruments, warrants and ICULS) and money market instruments issued by any single issuer must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (d) The value of the Fund's placement in deposits with any single financial institution must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (e) The value of the Fund's investment in transferable securities and money market instruments issued by any group of companies must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (f) The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits, over-the-counter ("OTC") financial derivatives and structured products issued by or placed with, as the case may be, any single issuer or financial institution must not exceed twenty-five (25) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (g) The value of the Fund's investments in units or shares of any collective investment scheme must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (h) The value of the Fund's investments in structured products issued by a single counter-party must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time. This single counter-party limit may be exceeded if the counter-party has a minimum long-term rating that indicates very strong capacity for timely payment of financial obligations provided by any domestic or global rating agency and the structured product has a capital protection feature. When this applies, the calculation of the aggregate value to determine compliance with item (f) should exclude the value of investment in structured product.
- (i) The value of the Fund's OTC financial derivatives transactions with any single counter-party must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time; and the Fund's exposure to the underlying assets (vide the derivatives) must not exceed the Fund's investment spread limits as stipulated in (b), (c), (d), (e), (f), (g), and (h) above. In addition, the Fund's net market exposure owing to its financial derivatives positions must not exceed the Net Asset Value.
- (j) The Fund's investments in transferable securities (other than fixed income instruments) must not exceed ten (10) per cent of the securities issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- (k) The Fund's investments in fixed income instruments must not exceed twenty (20) per cent of the fixed income instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- (l) The Fund's investments in money market instrument must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. Such limit does not apply to money market instruments that do not have a pre-determined issue size.
- (m) The Fund's investments in collective investment schemes must not exceed twenty-five (25) per cent of the units/shares in any one collective investment scheme, or any other limit as may be prescribed by the Securities Commission from time to time.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the limits or restrictions is permitted where the limits or restriction is breached through an appreciation or depreciation of the Net Asset Value (whether as a result of an appreciation or depreciation of the investments or as a result of repurchase of units of the Fund or payment made from the Fund). The Manager will not make any further acquisitions to which the relevant limit is breached, and the Manager will within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach. Such limits and restrictions however, do not apply to securities that are issued or guaranteed by the Government or Bank Negara Malaysia.

1.6.8 Investment in Unlisted Securities

The Manager will only make such investments where the Manager expects those investments to complement the objective and enhance the performance of the Fund. The Fund's investments in unlisted securities (if any) shall always be subject to the restriction stipulated in section 1.6.7 (a). However, the exposure limit to investments in unlisted securities stipulated in section 1.6.7 (a) shall not include:

- (a) Equities not listed for trading in a stock market of a stock exchange but have been approved for such listing and offered directly to the Fund by the issuer;
- (b) Fixed income instruments traded on an organised over-the-counter market; and
- (c) Structured products.

1.6.9 Collective Investment Schemes

The Manager will only make such investments that are consistent with the objective and enhance the performance of this Fund. In addition, the Manager will only make such investments if the target fund is registered or authorised or approved by the relevant regulatory authority in its home jurisdiction as the case may be and which operates within the general investment principles of the Guidelines on Unit Trust Funds issued by the Securities Commission. The Fund's investments in collective investment schemes (if any) shall always be made subject to the restrictions stipulated in section 1.6.7 (g) and (m).

1.6.10 Financial Derivatives

When appropriate, the Manager may participate in stock index futures contracts, stock index option contracts, forwards and swaps or any other type of financial derivative that may be allowable by the relevant authorities. The Fund's participation in financial derivatives is to hedge the portfolio from any unexpected price movement in the market and also the portfolio's exposure to foreign currency, as well as to hedge against any opportunity loss (i.e. loss of income or profit due to the inability to invest the cash in a fast-moving market) arising from its uninvested cash. The benefit of any upside from price movement in the market or currency movement is limited as the purpose is to protect the value of the portfolio. The Fund's investments in financial derivatives (if any) shall always be subject to the restriction stipulated in section 1.6.7 (f) and (i).

1.6.11 Foreign Securities

The Manager may invest at least 70% of Net Asset Value in equities and equity related securities which are listed in Australia, Brazil, France, Germany, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, Switzerland, Taiwan, United Kingdom, United States and such other countries which are deemed fit by the Manager from time to time.

1.6.12 Policy on Gearing and Assets of the Fund

The Fund is prohibited from borrowing other assets (including borrowing of securities within the meaning of Guidelines on Securities Borrowing and Lending) in connection with its activities. Notwithstanding the above, the Fund may borrow cash for the purpose of meeting repurchase requests for units and for short term bridging requirements. For the said purposes, the Manager shall ensure that:

- (a) the Fund's cash borrowing is only on a temporary basis and that borrowings are not persistent;
- (b) the borrowing period should not exceed one month;
- (c) the aggregate borrowings of the Fund should not exceed 10% of Net Asset Value at the time the borrowing is incurred; and
- (d) the Fund may only borrow from financial institutions.

1.7 RHB Entrepreneur Fund**1.7.1 Fund Category**

Equity fund.

1.7.2 Financial Year End

31 October.

1.7.3 Name of Trustee

TMF Trustees Malaysia Berhad.

1.7.4 Name of Investment Adviser

Tokio Marine Asset Management International Pte Ltd.

1.7.5 Investment Objective

The Fund aims to achieve long term* capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

*Note: “long term” in this context refers to a period of between 5 - 7 years.

Any material change to the investment objective of this Fund requires the Unit Holders’ approval.

1.7.6 Investment Strategy

This Fund seeks to achieve its objective through investments in a portfolio of securities issued by companies listed in Japan, and other Asian countries such as Hong Kong, China, South Korea, Taiwan, India, Indonesia, Thailand, Malaysia, Singapore and Philippines. The Fund’s portfolio will consist of at least 50% of investments in securities of companies listed in Japan.

The Manager will identify a universe of companies that the Manager believes to possess entrepreneurial management characteristics. The Manager regards stock selection as the source of investment returns that contributes to the outperformance of the Fund’s returns against its benchmark and will make its investment decisions based on the “bottom-up approach” emphasizing research and analysis on each individual company.

The Fund’s investments in such companies are not industry or sector specific. This would accord the Fund a range of investment opportunities identified by the Manager as having entrepreneurial features based on company fundamentals.

The Fund will invest in securities of companies which have entrepreneurial characteristics as determined by the Manager. In making such a determination, the Manager will look at the companies which have:

- family involvement with at least 5% equity ownership by the family; and
- corporate governance.

For its qualitative analysis of a company, the Manager will focus on the management’s display of leadership qualities and initiatives. The Manager will evaluate the management’s capability of the company in terms of its pursuance of long term (generally refers to 5 to 7 years) shareholders’ returns, consistency of management philosophy and timely and swift decision making.

The Manager will in its quantitative screenings, look at factors such as:

- the company's valuation;
- the company's growth potential;
- the company's financial soundness; and
- the company's financial indicators such as liquidity and credit criteria.

The Fund's portfolio will be structured as follows:

70% to 98% of Net Asset Value

- Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.

2% to 5% of Net Asset Value

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

Although the Fund is actively managed, how active or the frequency of its trading strategy will very much depend on market opportunities.

The risk management strategies and techniques employed by the Manager include diversification of the Fund's investments in terms of its exposure to various industries, sectors and asset classes/ type of investments (i.e. equity and money market instruments). Financial derivatives may also be used for hedging purposes where appropriate. Generally, the assets of the Fund will be invested over a medium to long term period¹ with disposal of the investments when necessary to control risk as well as to optimize capital gains. This is especially so when the full growth potential of an investment is deemed to have been reduced over a prolonged rise in equity value and other available equity investments with entrepreneurial characteristics may present cheaper valuations and better performance potential. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission. Adherence to the permitted investments and restrictions also helps the Manager to risk-manage the Fund's portfolio in terms of diversification. Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the Deed.

¹medium to long term period here refers to a period of between 3 to 7 years.

For investments in Japan and other Asian countries, the Manager in managing the principal risks such as country risk and currency risk will always take into consideration its evaluation of the historical developments and its prior experience in such countries. Investments in Japan and other Asian countries will be actively managed with constant review of the economic and political developments of the countries in which the Fund is invested in. The Manager has engaged an investment adviser, Tokio Marine Asset Management International Pte Ltd, who will provide stock recommendations in relation to the Fund's investments in companies in Japan. Investments will ultimately be made based on risk-reward profiles.

The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager may reallocate up to 100% of the Fund's equity investments into other asset classes such as fixed income instruments, money market instruments and deposits, which are defensive in nature.

The performance of this Fund is benchmarked against the RM equivalent of the Tokyo Stock Price Index (TOPIX). The benchmark chosen best represents the Fund's investments in terms of geographical location. The RM equivalent of the TOPIX that is translated by Bloomberg L.P. is obtained by the Manager from Bloomberg L.P. Investors may refer to Bloomberg L.P. or to the Manager for this benchmark indicator. Investor should note that the risk profile of this Fund is not the same as the risk profile of the benchmark.

1.7.7 Distribution Policy

Consistent with the Fund's objective which aims to achieve capital growth over the long term, distributions will therefore be of secondary importance. Distributions, if any, after deduction of taxation and expenses will be reinvested.

1.7.8 Permitted Investments and Restrictions

This Fund may invest in securities listed on the Bursa Malaysia or any other market considered as an Eligible Market, securities not listed in or traded under the rules of an Eligible Market ("unlisted securities"), collective investment schemes, financial derivatives, structured products, liquid assets (including money market instruments and deposits), participate in the lending of securities, and any other investments permitted by the Securities Commission from time to time.

The acquisition of such permitted investments is subject to the following restrictions:

- a) The value of the Fund's investments in unlisted securities must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- b) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- c) The value of the Fund's investments in transferable securities (i.e equities, fixed income instruments and warrants) and money market instruments issued by any single issuer must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- d) The value of the Fund's placement in deposits with any single financial institution must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- e) The value of the Fund's investment in transferable securities and money market instruments issued by any group of companies must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- f) The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits, over-the-counter ("OTC") financial derivatives and structured products issued by or placed with (as the case may be) any single issuer/financial institution must not exceed twenty five (25) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- g) The value of the Fund's investments in units/shares of any collective investment scheme must not exceed twenty (20) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- h) The value of the Fund's investments in structured products issued by a single counter-party must not exceed fifteen (15) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time. This single counter-party limit may be exceeded if the counter-party has a minimum long-term rating that indicates very strong capacity for timely payment of financial obligations provided by any domestic or global rating agency and the structured product has a capital protection feature. When this applies, the calculation of the aggregate value to determine compliance with item (f) should exclude the value of investment in structured product.

- i) The value of the Fund's OTC financial derivatives transactions with any single counter-party must not exceed ten (10) per cent of the Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time; and the Fund's exposure to the underlying assets (vide the derivatives) must not exceed the Fund's investment spread limits as stipulated in (b), (c), (d), (e), (f), (g), and (h) above. In addition, the Fund's net market exposure owing to its financial derivatives positions must not exceed the Net Asset Value.
- j) The Fund's investments in transferable securities (other than fixed income instruments) must not exceed ten (10) per cent of the securities issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- k) The Fund's investments in fixed income instruments must not exceed twenty (20) per cent of the fixed income instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- l) The Fund's investments in money market instrument must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. Such limit does not apply to money market instruments that do not have a pre-determined issue size.
- m) The Fund's investments in collective investment schemes must not exceed twenty-five (25) per cent of the units/shares in any one collective investment scheme, or any other limit as may be prescribed by the Securities Commission from time to time.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the limits or restrictions is permitted where the limit or restriction is breached through an appreciation or depreciation of the Net Asset Value (whether as a result of an appreciation or depreciation of the investments or as a result of repurchase of units of the Fund or payment made from the Fund). The Manager will not make any further acquisitions to which the relevant limit is breached, and the Manager will within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach. Such limits and restrictions however, do not apply to securities or instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

1.7.9 Investment in Unlisted Securities

The Manager will only make such investments where the Manager expects those investments to complement the objective and enhance the performance of the Fund. Such investments shall not include:

- (a) Equities not listed for trading in a stock market of a stock exchange but have been approved for such listing and offered directly to the Fund by the issuer;
- (b) Fixed income instruments traded on an organised over-the-counter market; and
- (c) Structured product.

The Fund's investments in unlisted securities (if any) shall always be subject to the restriction stipulated in section 1.7.8 (a).

1.7.10 Collective Investment Schemes

The Manager will only make such investments where the Manager expects those investments to complement the objective and enhance the performance of this Fund. In addition, the Manager will only make such investments if the target fund is registered/authorised/approved by the relevant regulatory authority in its home jurisdiction as the case may be and which operates within the general investment principles of the Guidelines on Unit Trust Funds issued by the Securities

Commission. The Fund's investments in collective investment schemes (if any) shall always be subject to the restrictions stipulated in section 1.7.8 (g) and (m).

1.7.11 Financial Derivatives

The Manager may participate in futures contracts and other financial derivatives, when appropriate. The category of financial derivatives to be participated in shall be the stock index futures contracts, the stock index options contracts, single stock futures contracts, forwards and swaps or any other categories/types of futures contracts or financial derivatives that may be allowable by the relevant authorities from time to time. The Fund's participation in financial derivatives is basically to hedge the portfolio from any unexpected price movement in the underlying market and also the portfolio's exposure to foreign currency as well as to hedge against any opportunity loss arising from its uninvested cash. The benefit of any upside of price movement in the underlying market or currency movement is limited as the primary interest is to protect the value of the portfolio and to manage risks in relation to the benchmark. The Fund's investments in financial derivatives (if any) shall always be subject to the restriction stipulated in section 1.7.8 (f) and (i).

1.7.12 Structured Products

The Manager may also invest in structured products where the Manager expects those investments to complement the objective and enhance the performance of this Fund. The Fund's investments in structured products (if any) shall always be subject to the restrictions stipulated in section 1.7.8 (f) and (h).

1.7.13 Foreign Securities

The Manager may invest up to 98% of the Net Asset Value in securities issued by companies listed in Asian countries which includes but not limited to Japan, Hong Kong, China, South Korea, Taiwan, India, Indonesia, Thailand, Singapore and Philippines.

In undertaking these foreign investments, the Manager will invest directly in the equities markets and may also invest through other collective investment schemes where appropriate, subject to the restriction stipulated in section 1.7.10.

1.7.14 Liquid Assets

The Manager in structuring this Fund's portfolio will maintain a minimum liquid assets level of 2% of the Net Asset Value 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 laws pertaining to unit trusts funds. However, the Fund may borrow cash on a temporary basis (i.e. not more than one month) from financial institutions to meet redemption requests. Such borrowing shall not exceed ten (10) per cent of the Net Asset Value at the time the borrowing is incurred.

1.8 Investment Philosophy

Manager (in respect of LLL, MARI and ENT only)

Our investment philosophy describes the approach that the investment team will adhere to when constructing an equity or fixed income portfolio. The fund managers invest in well-managed companies with strong balance sheets that possess competitive advantages that should enable them to outperform their peers over economic cycles. The fund managers are active investors that make high conviction security selection decisions, but at the same time do not take unnecessary or excessive risks nor take speculative positions. The fund managers seek to outperform their peers and beat their benchmark by buying mispriced or cheap securities. Following our disciplined sell strategy, they would then exit positions when our target price is reached. Concurrently, the fund managers understand the Funds' risk profile and act within each individual Fund's mandate.

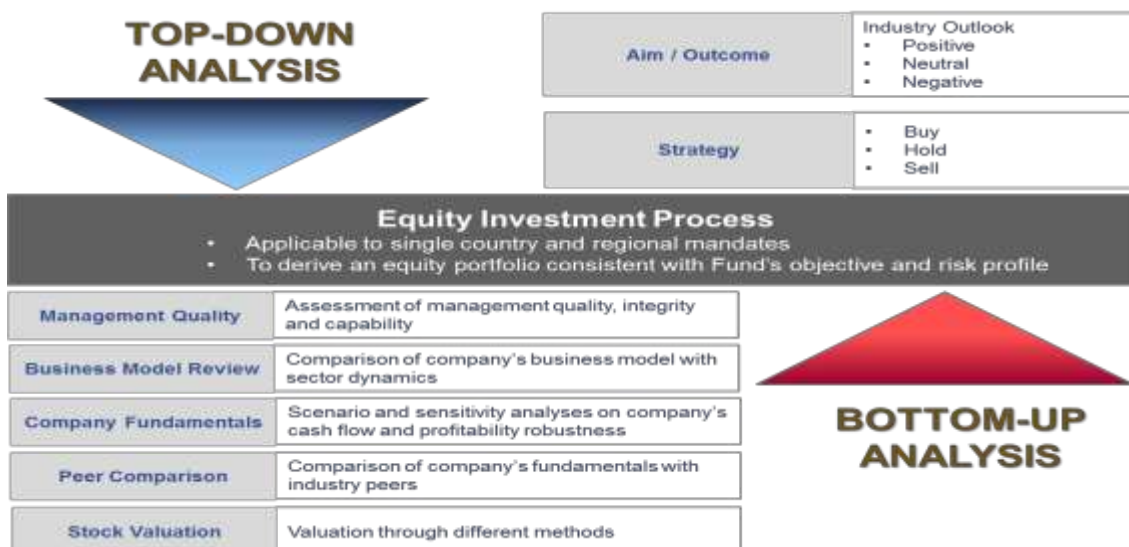


1.9 Investment Approach

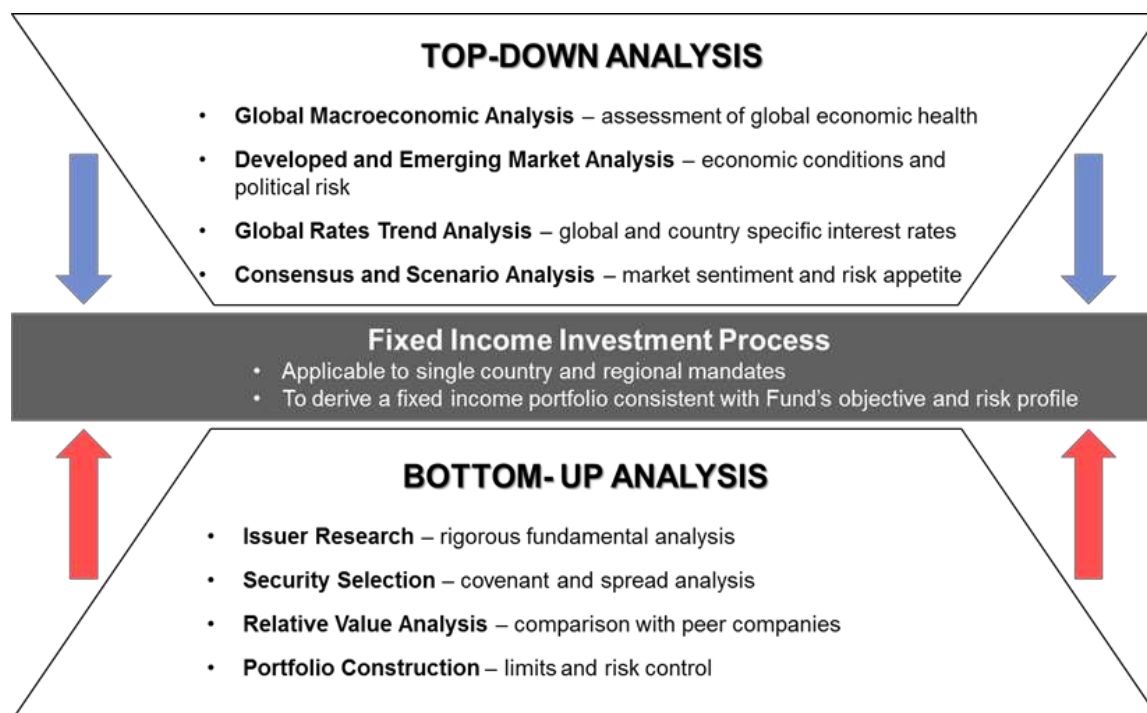
Manager (in respect of LLL, MARI and ENT only)

Whenever the Funds invest in equities and/or fixed income instruments, the Manager's investment approach will evolve around the following principles: -

Equities



Fixed Income Instruments



1.10 Fund Business Day

GGF ACF CHINDIA EMBOND

As the target fund into which each of the respective Fund invests in, 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 the relevant target fund's prospectus, or (where applicable) a day which is determined to be a non-business day by the target fund's manager. This is to ensure that the valuation of the Fund for a particular Business Day will represent the valuation of the target fund, which the respective Fund invests in 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 of the Fund.

MARI

As **MARI** may invest up to 98% of its Net Asset Value in securities of foreign markets, it is envisaged that although Bursa Malaysia is open for trading, the Manager may declare certain days to be a non-Business Day. This is so when the foreign markets in which investments of the respective Fund have in aggregate values amounting to more than 50% of the Net Asset Value invested therein are closed for business. This is to ensure that the valuation of the respective Fund for a particular Business Day will represent the valuation of the majority of assets comprised in the portfolio of the respective Fund on that Business Day. Investors will thus be given a fair valuation of the Fund at all times, be it when buying or redeeming units.

LLL

As the Fund may invest at least 70% of Net Asset Value in equities and equity related securities listed in foreign markets, it is envisaged that although Bursa Malaysia or banks in Kuala Lumpur are open for business, the Manager may declare certain days to be a non-Business Day. This is so when the foreign markets in which investments of the Fund have in aggregate values amounting to at least

50% of Net Asset Value invested therein, are closed for business. This is to ensure that the valuation of the Fund for a particular business day will represent the valuation of the majority of assets comprised in the portfolio of the Fund on that Business Day. Investors will thus be given a fair valuation of the Fund at all times, be it when buying or redeeming units.

ENT

As the Fund may invest up to 98% of its Net Asset Value in securities issued by companies listed in Asian countries, it is envisaged that although Bursa Malaysia or banks in Kuala Lumpur are open for business, the Manager may declare certain days to be a non-Business Day. This is so when the foreign markets in which investments of the Fund have in aggregate values amounting to at least 50% of the Net Asset Value invested therein, are closed for business. This is to ensure that the valuation of the Fund for a particular business day will represent the valuation of the majority of assets comprised in the portfolio of the Fund on that Business Day. Investors will thus be given a fair valuation of the Fund at all times, be it when buying or redeeming units.

2. RISK FACTORS

2.1 General Risks of Investing in Unit Trust Funds

The following are risks involved in investing in the Funds:

General Risks

a) **Management Risk**

This refers to the expertise of the Manager in dealing with the day-to-day management of a Fund. Inadequate expertise will jeopardise 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.

This refers to the expertise of a fund manager in carrying out the investment management function of a Fund. The selection of securities which make up the assets of the Fund is a subjective process. Securities selected by the fund manager may perform better or worse than the overall market, or as compared to similar portfolios managed by our competitors.

b) **Inflation / Purchasing Power Risk**

The purchasing power of Unit Holders' money may not keep pace with inflation. Inflation reduces the purchasing power of money. There is a risk that the value of Unit Holders' money invested in the Fund and the value of any returns thereof will be reduced by inflation.

c) **Liquidity Risk**

The ability of a Fund to honour requests for redemption 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 would 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 of a Fund are used as collateral to the loan) the ability to provide additional collateral should the unit prices of a Fund fall beyond a certain level.

[Please see Unit Trust Loan Financing Risk Disclosure Statement in the application form]

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- e) **Risk of Non-Compliance**
The risk arises should the Manager not follow the provisions set out in the respective Deed or the law that governs the Fund or its own internal procedures, whether due to the Manager's oversight, or if the Manager acts fraudulently or dishonestly. Such non-compliance may result in a Fund being mismanaged and this may affect the Unit Holders' investment.
 - f) **Returns are not Guaranteed**
There is no guarantee on the investment returns to Unit Holders.

Investment Risks

- a) **Counterparty Risk**
The Fund's placements of cash or deposits with financial institutions are subject to the risk of the counterparty. Counterparty risk refers to the possibility that the financial institutions where the cash or deposits placements are made will not be able to make timely payments of interest and/or principal repayment on demand or prior to the maturity date. This may lead to a default in the payment of principal and/or interest and ultimately a reduction in the value of a Fund.

For Funds with foreign investments:

- a) **Currency Risk**
Where a percentage of the value of the Fund is invested in foreign currency or assets denominated in a foreign currency, the Fund may be exposed to currency risk. Fluctuation in foreign exchange rates will affect the value of the Fund's foreign investments when converted into local currency and subsequently the value of Unit Holders' investments. This risk can be mitigated by investing in a wide range of foreign currency denominated assets thus diversifying the risk of single currency exposure. Hedging may be applied to mitigate the currency risk, if necessary.
- b) **Country Risk**
In relation to GGF, ACF, CHINDIA and EMBOND:
In addition to currency risk, the value of the assets of the Fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the country in which the Fund may invest, i.e. Singapore, the domicile country of the respective target fund, UGGF, UACF, UCIDGF or UEM Bond Fund.

In relation to MARI and ENT:

In addition to currency risk, the Fund is also subject to country risk, for example, the value of the assets of the Fund may also be affected by economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund may invest. Further, when investing in foreign markets, there are countries which may require prior approvals before investments can take place. For example, if and when the Fund invests in countries such as China, Taiwan, South Korea, India and Vietnam, such countries require the application of an investment licence or registration of an investor code before any investment can be made in these countries. As such, if investments in such countries are undertaken, there may be a risk that such registration or license may be revoked or not renewed by the relevant authority and the Fund's investments in these countries may be affected. The effect on the Fund's investments will depend on the regulatory requirements of the respective countries. For example, if a foreign market requires the Fund to obtain an investment license which is subject to renewal and if such investment license is not renewed in a timely manner, this may result in the Fund's investment account in that country being frozen by the regulator resulting in investment activities for the Fund in that country being suspended. To mitigate this, the Manager will monitor closely the adherence of investment regulatory requirements in such countries.

In relation to **LLL**:

In addition to currency risk, the Fund will be investing in foreign markets. The foreign investments portion of the Fund may be affected by risks specific to the country that the Fund invests in. Such risks include changes in the country's economic fundamentals, social and political stability, currency movements and foreign investments policies. These factors may have an impact on the prices of the securities that the Fund invested in and ultimately lower the NAV. Such risk can be diversified by investing in different countries.

For Funds investing in ETFs, equities and equity-related securities:

- a) **Market Risk***
Market risk is a risk that arises when the prices of investments in the marketplace are affected by circumstances such as political or economic events. These circumstances may be a local or global event that can affect the global markets as well as the markets where the Fund is invested in and subsequently, the value of the Fund's investments.
- b) **Particular Security Risk**
The performance of each individual security that the Fund invests in will affect the price of the units of the Fund. Not all companies are successful. The success or failure of the companies will cause their value to rise or fall. Valued collectively, the performance of individual securities will cause the unit price to rise or fall accordingly.
- c) **Liquidity Risk***
This refers to the ease with which a security can be sold at or near its fair value depending on the volume traded on the market. Should a security become illiquid, it may be sold at a discount to its fair value, thus lowering the value of the Fund's investments and subsequently the value of Unit Holders' investments.

*These risks will apply to both fixed income instruments and equities.

For Funds investing in fixed income instruments:

- a) **Credit / Default Risk**
This risk refers to the creditworthiness of the fixed income instruments issuer and its expected ability to repay the debt. Default happens when the issuer of fixed income instruments is unable to make coupon/profit payments and/or repay/pay the principal and/or interest in a timely manner thus lowering the value of the Fund's investments and subsequently the value of Unit Holders' investments.
- b) **Interest Rate Risk**
This risk refers to the effect of interest rate changes on the market value of a fixed income portfolio. In the event of rising interest rates, prices of debt securities will generally decrease and vice versa. Meanwhile, debt securities with longer maturities and lower coupon/profit rates are more sensitive to interest rate changes. This risk will be mitigated via the management of the duration structure of the fixed income portfolio.

For Funds participating or investing in derivatives:

- a) **Derivative Risk**
If the Fund participates in financial derivative instruments for hedging purposes or as an investment, it will be subject to risks associated with such investments. As hedging activities are meant to protect a Fund from currency, interest rate and price volatility, hence the benefit of any upside of currency or interest rate or securities' price movement is limited. 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 time, the Fund's investments may be liquidated at a loss. Therefore, it is essential that such

investments in financial derivative instruments are monitored closely. If and when the Manager participates or invests in financial derivatives, the Manager will monitor the financial derivative positions for the Fund. In addition, participation or investment in financial derivatives is also subject to the possibility that the counterparty to the financial derivative may fail or default in its obligations under the financial derivative contract. Such failure or default by the counterparty whether in the payment of principal and/or interest or any gain from the financial derivative transaction may ultimately lead to a reduction in the value of the Fund. Investing in financial derivatives may also result in a likelihood of high volatility of the NAV per unit of the Fund.

2.2 Specific Risks when Investing in the Funds

The following are specific risks involved in investing in the Funds:

GGF

As this Fund invests at least 95% of its Net Asset Value in UGGF, it is subject to the management risk of the management company and investment manager of UGGF. Poor management of UGGF will jeopardise 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 in the global markets**

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 / Currency risk**

UGGF is denominated in Singapore dollars. Where UGGF makes investments which are denominated in foreign currencies, 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 manager may hedge the foreign currency exposure and may adopt an active currency management approach. However, the foreign currency exposure of UGGF may not be fully hedged depending on the 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 of 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 (“Code”)) use or invest in financial derivative instruments, it will be subject to risks associated with such investments. Financial derivative instruments include, but are not limited to, foreign exchange forward contracts, spot contracts (which shall, for the avoidance of doubt, exclude spot commodities) and equity index future contracts. An investment in a financial derivative instrument may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in financial derivative instruments are monitored closely. UGGF’s manager has the controls for investments in financial derivative instruments and has in place systems to monitor the derivative positions of UGGF. Please refer to Section 1.1.12 (g) for more information on the risk management procedures on the use of financial derivative instruments.

- Liquidity risk

Investments by UGGF in some 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. Other emerging markets risks can also include less developed legal and regulatory systems. There may be a greater degree of volatility in such emerging markets because of the smaller market capitalisations, greater influence from foreign capital flows, higher retail participation which tends to be shorter term in nature and possibly the lack of liquidity which are inherent characteristics of these markets.

- Small capitalisation companies risk

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

- Single sector risk

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

- Commodities risk

UGGF currently does not use financial derivative instruments to gain exposure to commodities but may in the future do so, in accordance with the applicable provisions of the Code. The prices of commodities are influenced by, among other things, various macroeconomic factors such as changing supply and demand relationships, climatic and geopolitical conditions, disease, and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events.

Investors should note that the volatility of UGGF will depend to a certain extent on the correlation between different commodities or classes of commodities to which UGGF is exposed and that such correlation may vary from time to time. Should two or more commodities or classes of commodities to which UGGF is exposed become highly correlated, their performance will have a greater impact on the performance of UGGF and UGGF may be subject to greater or more rapid fluctuations in value than would have been the case if they were not highly correlated.

- Broker risk

UGGF’s manager may engage the services of third party securities brokers and dealers to acquire or dispose the investments of UGGF and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in its transactions, the manager of UGGF considers, amongst other things, the range and quality of the professional services provided by such brokers and dealers, its credit standing, and the licensing or regulated

status.

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

- Counterparty risk

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

- Equity risk

UGGF may invest in stocks and other equity securities which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities. This may in turn affect the value or volatility of UGGF.

- Investment management risk

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

The above is not an exhaustive list of the risks which investors should consider before investing in GGF. An investment in GGF may be exposed to other risks of an exceptional nature from time to time.

The risk management strategies and techniques employed by the Fund will be at the target fund level, UGGF as elaborated under Section 1.1.12 (g).

ACF

As this Fund invests at least 95% of its Net Asset Value in UACF, it is subject to the management risk of the management company and investment manager of UACF. Poor management of UACF will jeopardise the investment of this Fund in UACF and in turn, the Unit Holders' investment through the loss of capital invested in this Fund as elaborated under management risk set out in Section 2.1.

In addition, as UACF is domiciled in Singapore and 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 investment in UACF to diminish or increase which in turn will affect the value of Unit Holders' investments. Further, the Fund's investments in UACF 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 of UACF are subject to the following risks:

- Market risk in Asian (excluding Japan) markets

Investors should consider and satisfy themselves as to the usual risks of investing and participating

in publicly traded securities. Prices of securities that UACF invests in 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 UACF to rise or fall.

- Foreign exchange risk

UACF is denominated in Singapore dollars. Where UACF makes investments which are denominated in foreign currencies, fluctuations in the exchange rates of such foreign currencies against the base currency of UACF may affect the value of units of UACF. In the management of UACF, UACF's manager may hedge the foreign currency exposure and may adopt an active currency management approach. However, the foreign currency exposure of UACF may not be fully hedged depending on circumstances of each case and investors may be subject to exchange rate risks. 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 of UACF 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 countries in which UACF is invested.

- Derivatives risk

As UACF may (subject to the Code) use or invest in financial derivative instruments, it will be subject to risks associated with such investments. Financial derivative instruments include, but are not limited to, foreign exchange forward contracts and equity index future contracts. An investment in a financial derivative instrument may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, the investment may be liquidated at a loss. Therefore, it is essential that such investments in financial derivative instruments are monitored closely. UACF's manager has the controls for investments in financial derivative instruments and has in place systems to monitor the derivative positions of UACF. Please refer to Section 1.2.12 (g) for more information on the risk management procedures on the use of financial derivative instruments.

- Liquidity risk

Investments by UACF 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 markets.

- Small capitalisation companies risk

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

- Single sector and regional risk

Investors should be aware that UACF invests solely in the Asian (excluding Japan) consumer staples and consumer discretionary sector. Investments in single sector or regional funds such as UACF which 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.

- Counterparty risk

UACF may enter into financial derivative instruments, which expose UACF to the credit risk of the counterparties of such instruments and their ability to satisfy the terms of such instruments. UACF is exposed to the risk that a counterparty may default on its obligations to perform under

the relevant contract. If a counterparty becomes bankrupt or insolvent, UACF could experience delays in liquidating the position and thereby incur significant losses, including declines in the value of its investment during the period in which UACF seeks to enforce its rights, inability to realise any gains on its investment during such period and the incurrence of fees and expenses in enforcing its rights. There is also a risk that counterparty contracts may be terminated earlier due to, for instance, bankruptcy, supervening illegality or change(s) in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

- Financial institution risk

In comparison to the overall stock market, the value of shares of financial institutions is more likely to be adversely affected by falling interest rates and/or deteriorating economic conditions. Also, financial institutions are subject to greater regulation than other industries in the overall stock market. For example, industries like banking and insurance are subject to special regulatory schemes not shared by other industries. Additionally, tighter government regulation and potential government intervention of financial institutions in which UACF invests may adversely affect UACF by preventing UACF's holdings from realising their growth potential.

- Equity risk

UACF invests in stocks and other equity securities that historically have greater price volatility than bonds and other fixed income securities. This in turn may affect the value or volatility of UACF.

- Broker risk

UACF's manager may engage the services of third party securities brokers and dealers to acquire or dispose the investments of UACF and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in its transactions, the manager of UACF considers, amongst other things, the range and quality of the professional services provided by such brokers and dealers, its credit standing, and the licensing or regulated status.

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

- Investment management risk

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

The above is not an exhaustive list of the risks which investors should consider before investing in ACF. An investment in ACF may be exposed to other risks of an exceptional nature from time to time.

The risk management strategies and techniques employed by the Fund will be at the target fund level, UACF as elaborated in Section 1.2.12 (g).

CHINDIA

As this Fund invests at least 95% of its Net Asset Value in UCIDGF, it is subject to the management risk of the management company and investment manager of UCIDGF. Poor management of UCIDGF will jeopardise the investment of this Fund in UCIDGF and in turn, the Unit Holders' investment through the risk of reduced returns and in some cases the Unit Holders may also lose the capital invested in the Fund as elaborated under management risk set out in Section 2.1.

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

- Equity risk

UCIDGF invests in stocks and other equity securities which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities. This in turn may affect the value or volatility of UCIDGF.

- Single country, sector and regional risk

UCIDGF's exposure will be focused on China and India. Investors should be aware that while such concentrated exposure may present greater opportunities and potential for capital appreciation, it may be subject to higher risks as there may be less diversification than a global portfolio.

- Small and medium capitalisation companies risk

Investments in small and medium 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 of such companies.

- Repatriation risk

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

- Regulatory risk

UCIDGF's investments in emerging markets such as China and India are also subject to regulatory risks, for example, the introduction of new laws, the imposition of exchange controls, the adoption of restrictive provisions by individual companies or where a limit on the holding of UCIDGF in a particular company, sector or country by non-residents (individually or collectively) has been reached.

- Taxation risk

UCIDGF's investments may be adversely affected by changes in taxation, monetary and fiscal policies. New taxes imposed on the holding of investments in a particular jurisdiction, or any capital gains or income derived from such investments, may adversely affect the performance of such investments and consequently the value of units of UCIDGF and the income from them.

- Political risk

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

China and India are heavily dependent on international trade and accordingly, may be adversely affected by trade barriers, or other protectionist measures and international economic developments generally.

The risk management strategies and techniques employed by the Fund will be at the target fund level, UCIDGF as elaborated in Section 1.3.12 (h).

EMBOND

As this Fund invests at least 95% of its Net Asset Value in the target fund, UEM Bond Fund, it is subject to the management risk of the management company and investment manager of UEM Bond Fund, and amongst others, the lack of market economy of UEM Bond Fund which is elaborated below. Poor management of UEM Bond Fund will jeopardise the investment of this Fund in UEM Bond Fund and in turn, the Unit Holders' investment through the risk of reduced returns and in some cases loss of capital invested in this Fund as elaborated under Management Risk set out in Section 2.1.

Due to the specific risks of the investments at the target fund, i.e. UEM Bond Fund, investors investing in this Fund should note that the Fund is only suitable for investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Fund, who understand the high degree of risk involved and believe that the investment is suitable based upon their investment objectives and financial needs. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund.

In addition, as UEM Bond Fund is domiciled in Singapore and 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 investment in UEM Bond Fund to diminish or increase which in turn will affect the value of Unit Holders' investments. The Fund's investments in UEM Bond Fund 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 of UEM Bond Fund are subject to the following risks:

Described below are certain risk factors, including risk factors peculiar to investing in Emerging Markets. These require consideration of matters not usually associated with investing in securities of issuers in the developed capital markets of Organisation for Economic Co-operation and Development (OECD) countries. The economic and political conditions in Emerging Markets differ from those in developed markets, and offer less social, political and economic stability. The absence in many cases, until relatively recently, of any move towards capital markets structures or to a free market economy means investing in these countries is more risky than investing in more developed markets. These risks are likely to exist to a greater or lesser degree in most of the markets in which the target fund, UEM Bond Fund may invest.

“Emerging Market” or “Emerging Markets” shall refer to any country:

- (i) considered middle income or low income (or sub-categories or gradations thereof) by the World Bank;
- (ii) classified as an emerging market and/or developing economy by the International Monetary Fund;
- (iii) included in any emerging or emerging market index constructed by any major index provider (including, without limitation, Morgan Stanley Capital International (MSCI), JP Morgan, S&P Dow Jones and FTSE); or
- (iv) reasonably considered to be an emerging market by the UEM Bond Fund's manager from time to time.

- **Market risk**

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

- **Debt securities risk**

Investments in bonds and other debt securities are subject to interest rate fluctuations and credit risks, such as risk of default by issuers.

Interest rate risks may arise from unexpected changes in the term structure of interest rates, which are in turn dependent on general economic conditions. In general, the prices of debt securities are subject to interest rate fluctuations; prices of debt securities generally rise when interest rate falls, and generally fall when interest rate rises. The longer the term of a debt security, the more sensitive it will be to fluctuations in value from interest rate changes. In addition, such investments are subject to the specific ability of the issuers of such securities to meet their debt obligations and are hence dependent on the financial health of the issuers, which may change adversely over time due to their specific business conditions and general market conditions.

Investments in debt securities are subject to adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, which may impair the ability of the issuer to make payments of interest and principal especially if the issuer is highly leveraged. Such issuer's ability to meet its debt obligations may also be adversely affected by specific corporate developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. Also, an economic downturn or an increase in interest rates may increase the potential for default by the issuers of these securities. Also, a change in the credit rating of a debt security as a result of any of the above factors can affect that security's liquidity and therefore have an impact on the value of units in UEM Bond Fund. Therefore, investments by UEM Bond Fund in debt securities may lead to greater volatility in the value of units of UEM Bond Fund.

UEM Bond Fund's manager may seek to invest in US Dollars denominated or other freely convertible currency denominated debt instruments so that UEM Bond Fund is exposed to the relevant Emerging Markets. Debt obligations acquired by UEM Bond Fund may have no credit rating or a low rating. Such securities and assets may involve greater risks of loss of income and principal than rated or higher-rated securities assets and are speculative in nature. Although they may offer higher yields than do higher-rated securities, they generally involve greater price volatility and risk of default in payment of principal and income.

No assurance can be given that investments acquired by UEM Bond Fund will continue to earn yields comparable to those earned historically, nor can any assurance be given that issuers whose obligations UEM Bond Fund acquires will make payments on such obligations as they become due.

- **Emerging Markets risk**

Investments by UEM Bond Fund in Emerging Markets may involve a high degree of risk and may be considered speculative. Such risks include (i) greater risk of expropriation, confiscatory taxation, nationalisation, and social, political and economic instability; (ii) the current small size of the markets for securities of Emerging Market issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility, (iii) certain national policies which may restrict UEM Bond Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

- **Political and economic risks**

The value of units of UEM Bond Fund and the income generated by UEM Bond Fund may be affected by uncertainties such as political or diplomatic developments, social and religious

instability, changes in government policies, taxation and interest rates, currency repatriation and other political and economic developments in law or regulations and, in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

- Repatriation of capital, dividends, interest and other income risks

It may not be possible for UEM Bond Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government consent to do so. UEM Bond Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions which may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

- Regulatory risk

The issuers or instruments in which UEM Bond Fund invests may be or become subject to unduly burdensome and restrictive regulation affecting commercial freedom and this in turn may have an adverse impact on the value of UEM Bond Fund and therefore the value of the units of UEM Bond Fund. Over-regulation may therefore be a form of indirect nationalisation.

- Nature of investments and market risks

The investments to be made by UEM Bond Fund carry risks not usually associated with investing in securities in more developed markets. The UEM Bond Fund is likely to experience greater price volatility and significantly lower liquidity than if invested in more developed markets. With nascent capital markets in many of the countries in which UEM Bond Fund may invest, there are often severe difficulties in meeting investor demand for the available debt and/or equity instruments. This can lead to primary issues and auctions of such instruments being greatly oversubscribed.

- Lack of market economy

Businesses in the countries where UEM Bond Fund may invest may have little or no history of operating within a market-oriented economy or under the pressures imposed by operating within a developed country. In general, relative to companies operating in developed economies, companies in such countries are characterised by a lack of (i) experienced management, (ii) modern technology and (iii) a sufficient capital base with which to develop and expand their operations. It is unclear what will be the effect on such companies, if any, of attempts by such countries to move towards more market-oriented economies.

- Derivatives risk

UEM Bond Fund may enter into transactions involving financial derivative instruments, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, stocks, interest rates, exchange rates, bond indices and stock indices.

While the prudent and judicious use of financial derivative instruments by professional investment managers can be beneficial, financial derivative instruments involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with financial derivative instruments are market risk, management risk, credit risk, liquidity risk and leverage risk.

An investment in a financial derivative instrument may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment position. If the required margin is not provided in time, UEM Bond Fund's investments may be liquidated at a loss. Therefore, it is essential that investments in financial derivative instruments are monitored closely. The UEM Bond's manager has controls for investments in financial derivative instruments and has in place systems to monitor the financial derivative instruments

positions of the UEM Bond Fund.

- Synthetic product risk

Synthetic products are financial instruments which are suited for the specific investment needs of the target fund and are subject to counterparty and regulatory risks. The counterparty risk arises in relation to each party (the counterparty) with whom UEM Bond Fund contracts for the purpose of making investments and, where relevant, the entity in the Emerging Market with whom the counterparty has made arrangements to ensure an on-shore presence in the emerging country. UEM Bond Fund may not be entitled to assert any rights against the entity in the emerging country with whom it does not have a contractual relationship. UEM Bond Fund may not be able to procure that the counterparty asserts its own rights, if any, against the on-shore entity in the emerging market with whom it has made arrangements. If a counterparty becomes insolvent, UEM Bond Fund will only rank as an unsecured creditor. If any entity in the Emerging Market becomes insolvent, it is likely that UEM Bond Fund will lose its entire investment.

The effectiveness and legality of the synthetic product structure, and in particular the ability of the counterparty to invest efficiently in the Emerging Market from off-shore, is subject to intervention by the relevant local authorities, their re-interpretation of law and current commercial and tax efficient practice and legislation, as well as to changes in relevant laws and regulations. As a result, UEM Bond Fund may not get back all or any part of its investment in the synthetic products or may find that the proceeds of its investment are not repatriated. It may not be possible for UEM Bond Fund to negotiate favourable terms for its investment in synthetic products. In some cases, UEM Bond Fund may be obliged to hold harmless and indemnify its counterparty from and against all losses resulting from UEM Bond Fund's breach of obligations or against all costs and expenses incurred by the counterparty in relation to its arrangements with the on-shore entity. If the underlying investment remains unpaid or is re-scheduled (including being the subject of a moratorium, debt substitution, exchange or similar event) UEM Bond Fund could lose part or the whole of its investment.

Similarly, if the underlying investment or the synthetic product structure is re-characterised, UEM Bond Fund may be forced to terminate its investment in the synthetic product earlier than had been anticipated and may lose part or all of its investment. "Re-characterised" here refers to a synthetic product that was originally purchased to reflect an investment opportunity intended by the fund manager that is no longer able to reflect the initial intention of the fund manager when investing in such an instrument due to a change in the product, its terms, jurisdiction, etc.

- Illiquidity of investments

Many of the investments which UEM Bond Fund may make are traded only on over-the-counter markets and there may not be an organised public market for such securities. This increases the difficulty of valuing UEM Bond Fund's investments and until a market develops, some investments may generally be illiquid. There may be no established secondary market for some investments made by UEM Bond Fund. Reduced secondary market liquidity may adversely affect the market price of UEM Bond Fund's investments and its ability to dispose of particular investments to meet its liquidity requirements or in response to specific events such as issuer's deterioration in creditworthiness. Due to the lack of adequate secondary market liquidity for certain securities, the UEM Bond Fund's manager may find it more difficult to obtain accurate market quotations for the purposes of valuing the UEM Bond Fund and calculating the net asset value. Market quotations may only be available from a limited number of sources and may not represent firm bids for actual sales. In addition, the current or future regulatory regime may adversely affect liquidity.

- Broker risk

UEM Bond Fund's manager may engage the services of third party securities brokers and dealers to acquire or dispose the investments of UEM Bond Fund and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in its transactions, UEM Bond Fund's manager considers, amongst other things, the

range and quality of the professional services provided by such brokers and dealers and their credit standing and licensing or regulated status.

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

- Settlement risk

Because of the absence of organised securities markets as well as the underdeveloped state of the legal, banking and telecommunications systems in the countries in which UEM Bond Fund may invest, issues may arise in relation to settlement, clearing and registration of transactions in securities. Furthermore, due to the limitations of the local postal and banking systems of the countries in which UEM Bond Fund may invest, no guarantee can be given that all entitlements attaching to securities and assets acquired by UEM Bond Fund, including interest and dividends, can be realised. Neither the UEM Bond Fund's manager nor the UEM Bond Fund's trustee or any of their authorised agents or distributors makes any representation or warranty about, or any guarantee of, the operation, performance or settlement, clearing and registration of transactions dealing in any investments which UEM Bond Fund may make.

- Custody risk

Custody services in many Emerging Markets remain undeveloped and, although the UEM Bond Fund's manager and its trustee will endeavour to put into place control mechanisms, including the selection of agents to register investments on behalf of the UEM Bond Fund and regular audits of entries on relevant registers to ensure that UEM Bond Fund's interests continue to be recorded, UEM Bond Fund is subject to transaction and custody risks arising from dealing in Emerging Market investments.

It must be appreciated that UEM Bond Fund may be investing in countries where the current law and market practice carries fewer safeguards than in more developed markets and that the UEM Bond Fund's manager can accept no liability for losses resulting from acting in accordance with such practice.

- Counterparty risk

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

- Possible business failures

The insolvency or other business failure of any of UEM Bond Fund's investments could have an adverse effect on UEM Bond Fund's performance and ability to achieve its objectives. Many of the target investment countries have enacted or are in the process of enacting laws on the insolvency of enterprises, but there is as yet no significant level of experience in how these laws will be implemented and applied in practice. The lack of generally available financing alternatives for companies in many of the target investment countries increases the risk of business failure.

- Accounting practice

Accounting standards in the countries in which UEM Bond Fund may invest may not correspond to International Accounting Standards in all material respects. In addition, auditing requirements and standards differ from those generally accepted in the international capital

markets and consequently information which would be available to investors in developed capital markets is not always obtainable in respect of companies in such countries.

- **Quality of information**

Investors in those countries where UEM Bond Fund may invest generally have access to less reliable or less detailed information, including both general economic data and information concerning the operations, financial results, capitalisation and financial obligations, earnings and securities of specific enterprises. The quality and reliability of information available to UEM Bond Fund will, therefore, be less than in respect of investments in developed countries. Obligations on companies to publish information are also more limited, thus further restricting UEM Bond Fund's manager's ability to carry out due diligence. At present the UEM Bond Fund's manager will be obliged to make investment decisions and investment valuations on the basis of financial information that are less complete and reliable than that customarily available in developed countries. Also, the quality and reliability of official data published by the government and government agencies in countries in which UEM Bond Fund may invest are generally not equivalent to that of more developed countries.

- **Legal risk**

The rate of legislative change in certain of the countries in which UEM Bond Fund may invest is extremely rapid and the content of proposed legislation when eventually adopted into law is difficult or impossible to predict. Such proposed legislation may have an adverse effect on foreign investment. It is similarly difficult to anticipate the impact of legislative reforms on securities in which UEM Bond Fund may invest. Although there is often significant political support for legislative change to bolster and facilitate the movement to a more developed market economy, it is not certain that legislation when enacted will advance this objective either consistently or in a coherent manner. In some cases, the magnitude of the changes taking place has resulted in a lack of confidence in the courts to give clear and consistent judgments. Legislation can be published by a variety of governmental bodies and remaining up to date and in complete compliance with legal rules and standards can often be difficult. There may also be a lack of precedents in relation to the legal status and the enforceability of investments which are denominated in local currencies or governed by local laws.

- **Taxation**

Tax law and practice in countries in which UEM Bond Fund may invest may not be clearly established as that of developed nations. It is possible that the current interpretation of the law or understanding of practice may change or the law may be changed with retrospective effect. Accordingly, it is possible that UEM Bond Fund could become subject to taxation in the countries in which UEM Bond Fund invests that is not anticipated either at the date of registration of this document or when investments were made, valued or disposed of. In addition, in certain countries in which UEM Bond Fund may invest, the domestic tax burden is high and the discretion of local authorities to create new forms of taxation has resulted in a proliferation of taxes, in some cases imposed or interpreted retrospectively.

- **Foreign exchange and currency risks**

The investments of UEM Bond Fund may be denominated in currencies which are not freely convertible into one of the major currencies. The local currencies may be convertible into other currencies only inside the relevant Emerging Market where the limited availability of such other currencies may inflate their values relative to the local currency in question. Such internal exchange markets can therefore be said to be neither liquid nor competitive. In addition, many of the currencies of countries in which UEM Bond Fund may invest have experienced steady devaluation relative to freely convertible currencies.

The value of an investment in UEM Bond Fund whose units are denominated in Singapore dollars and whose distributions will be paid in Singapore dollars will be affected by fluctuations in the value of the underlying currency of denomination of UEM Bond Fund's investments against the Singapore dollars or by changes in exchange control regulations, tax laws, withholding taxes and economic or monetary policies. The local currencies in which the

investments of UEM Bond Fund may be denominated may from time to time experience substantially greater volatility against the Singapore dollars, than the major convertible currencies of developed countries. Adverse fluctuations in currency exchange rates may result in a decrease in the net return and in a loss of capital for UEM Bond Fund. Accordingly, investors must recognise that the value of the UEM Bond Fund units can fall as well as rise for this reason as may the ability to generate sufficient income to pay a distribution in Singapore dollars.

Investors who invest in the UEM Bond Fund will be affected by fluctuations in the value of the Singapore dollars relative to the US Dollars, as it is anticipated that at any given time, many of UEM Bond Fund's investments will be denominated in US Dollars.

The UEM Bond Fund's manager may hedge the foreign currency exposure and may attempt to mitigate the risks associated with currency fluctuations by entering into forward, futures and options contracts to purchase or sell the currency of denomination of any investment held by UEM Bond Fund and any other currencies held by UEM Bond Fund, to the extent such contracts are available on acceptable terms. Investors should realise that such contracts may not be available in all of the currencies in which the investments of UEM Bond Fund may be denominated in from time to time and may in the event of major market disruptions or for other reasons be unenforceable.

- **Banking systems**

In addition to being ill-developed, the local banking systems in many of the countries in which UEM Bond Fund may invest are subject to 2 main risks: first, the insolvency of a bank due to concentrated debtor risk and, second, the effect of inefficiency and fraud in bank transfers. In addition, banks have not developed the infrastructure to channel domestic savings to companies in need of finance who thereby can experience difficulty in obtaining working capital.

- **Risk of mismanagement by debt issuers**

The debt securities which UEM Bond Fund may invest into may be issued by companies in Emerging Markets. Unlike developed markets, such Emerging Market companies are generally less transparent, have poorer corporate governance standards and are less well regulated. There are risks that management of such companies may not act at all times in the companies' best interest or may be subject to fraud, corruption or mismanagement, which could have an adverse impact on the companies' credit standing or negatively affect such companies' ability to repay the principal and/or interest on debt securities which may have been invested into by UEM Bond Fund.

- **Actions of institutional investors**

The UEM Bond Fund may accept subscriptions from institutional investors and such subscriptions may constitute a large portion of the total investments in UEM Bond Fund. While these institutional investors will not have any control over the investment decisions for UEM Bond Fund, the actions of such investors may have a material effect on UEM Bond Fund. For example, substantial realisations of units of UEM Bond Fund by an institutional investor over a short period of time could necessitate the liquidation of UEM Bond Fund's assets at a time and in a manner which does not provide maximum economic advantage to UEM Bond Fund and which could therefore adversely affect the value of UEM Bond Fund's assets.

- **Risk of use of rating agencies and other third parties**

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

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

- **Exceptional market conditions risk**

Under certain market conditions such as during volatile markets or crisis situations or where trading on the relevant stock exchange is suspended, restricted or otherwise impaired, it may be difficult or impossible to liquidate or rebalance positions. During such times, UEM Bond Fund may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. Placing a stop-loss order may not necessarily limit UEM Bond Fund's losses to intended amounts as market conditions may make it impossible to execute such order at the ideal price. In addition, such circumstances may force UEM Bond Fund to dispose of assets at reduced prices, thereby adversely affecting UEM Bond Fund's performance. Investments may also be difficult to value with any degree of accuracy or certainty. The dumping of securities in the market could further deflate prices. If UEM Bond Fund incurs substantial trading losses, the need for liquidity could rise sharply at the same time that access to liquidity is impaired. Further, in a market downturn, the financial conditions of UEM Bond Fund's counterparties' could be weakened, thereby increasing UEM Bond Fund's credit risk.

- **Liquidity risk of investments**

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

- **Investment management risk**

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

The above should not be construed to be an exhaustive list of the risks. Investors should be aware that an investment in EMBOND may be exposed to other risks of an exceptional nature from time to time.

The risk management strategies and techniques employed will be at the target fund level, as elaborated in Section 1.4.12 (g).

MARI

As the Fund employs a multi asset strategy which allocates its assets in fixed income instruments, dividend equities[#] and REITs across the Asia and Asia Pacific region (excluding Japan), certain risks are therefore peculiar to this Fund. They are:

- a) **Currency Risks**

The Fund is denominated in Ringgit Malaysia. Where investments are made by the Fund in the form of foreign currency denominations, fluctuations in the exchange rates of other currencies against the base currency of the Fund may affect the value of units of the Fund. In the management of the Fund, the Manager adopts an active currency management approach. However, the foreign currency exposure of the Fund may not be fully hedged depending on the 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.

b) Country Risk

The descriptions of the risk is as per Section 2.1 Investments Risks For Funds with foreign investments: part (b).

c) Regional Risk

Investments in a regional fund though may present greater opportunities and potential for capital appreciation, such a fund may also be subject to higher risks as they may be less diversified than a global portfolio. In respect of this Fund, the Fund is subject to the risks specific to the respective regions the Fund will be investing in, namely, Asia (ex Japan) for bonds and Asia Pacific (ex Japan) for investments in dividend equities[#] and REITs.

[#]Note: “dividend equities” are equity investments that pay out dividends.

d) Liquidity Risk

Liquidity risk here refers to the ease in which a security can be sold at or near its fair value in the market. Factors leading to the liquidity of a particular security may include tightly controlled securities which limit the free-float shares in the market and undeveloped services such as custodian and settlement in certain emerging markets. These factors may result in the Fund holding illiquid investment, which may lead to difficulties in obtaining accurate quotation of the value of the illiquid investment. Ultimately, this may negatively impact the value of the Fund and thus, Unit Holders’ investment in the Fund.

e) Default and Credit Risk

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

f) Interest Rate Risk

Investments in fixed income instruments are also subject to risk of interest rate fluctuations and the prices of fixed income instruments may go up or down in response to such fluctuations in interest rates. In the event of rising interest rates, prices of fixed income instruments will generally decrease and vice versa. Meanwhile, fixed income instruments with longer maturities and lower coupon / profit rates are more sensitive to interest rate changes.

g) Risk of using Rating Agencies and Other Third Parties

Credit ratings of instruments invested into by the Fund represent the rating agencies’ opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent change of circumstances may take time.

The Manager is entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services and independent brokers/dealers. Their accuracy depends on these parties’ methodology, due diligence and timely response to changing conditions. The Manager cannot be held responsible for any failures by such parties in their valuations.

h) REITs Management Risk

As this Fund invests up to 20% of its Net Asset Value in REITs, it is subject to the management risk of the management company and investment manager of the REITs the Fund invests in. Poor management of the REITs will jeopardise the investment of this Fund.

i) Real Estate Risk

The real estate risks of the REITs which the Fund invests in are subject to varying degrees of risk. The yields available from investments in REITs depend on the amount of income and capital appreciation generated by the related properties. Income and real estate values may also be adversely affected by such factors as applicable laws, interest rate levels and the quality of tenants. If the properties do not generate sufficient income to meet operating expenses, including, where applicable, debt service, ground lease payments, tenant improvements, third-party leasing commissions and other capital expenditures, the income and ability of the real estate company to make payments of any interest and principal on its debt securities or dividends on its equity securities will be adversely affected.

j) Derivatives Risk

As the Fund may participate in financial derivative instruments for efficient portfolio management or hedging purposes, it will be subject to risks associated with such investments. These financial derivative instruments include among others, foreign exchange forward contracts 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 time, the Fund's investments may be liquidated at a loss. Therefore, it is essential that such investments in financial derivative instruments are monitored closely. The Manager has the necessary controls for investments in financial derivative instruments and has in place systems to monitor the derivative positions for the Fund.

LLL

a) Market Risk

The descriptions of the risk is as per Section 2.1 Investments Risks For Funds with For Funds investing in ETFs, equities and equity-related securities: part (a).

b) Country Risk

The Fund will be investing in foreign markets. The foreign investments portion of the Fund may be affected by risks specific to the country that the Fund invests in. Such risks include changes in the country's economic fundamentals, social and political stability, currency movements and foreign investments policies. These factors may have an impact on the prices of the securities that the Fund invested in and ultimately lower the Net Asset Value. Such risk can be diversified by investing in different countries.

c) Currency Risk

This risk is associated with investments that are quoted in foreign currency denomination. When a security is denominated in a foreign currency which fluctuates unfavourably against the RM, the investment in the Fund may face currency loss in addition to the capital gains/losses. This may lead to a lower Net Asset Value. The Manager may, at its discretion, adopt a two-pronged approach to mitigate currency risks. Firstly, by spreading the investable assets across differing currencies and secondly by utilising forward contracts to hedge the currencies if it is deemed as necessary to do so.

d) Equity Risk

The performance of the equities held by the Fund is also dependent on company specific factors like the company's business situation. If the company-specific factors deteriorate, the price of the specific equity may drop significantly and permanently. Such event could possibly occur even in a positive equity market trend. The risk will be managed via portfolio diversification. In addition, where necessary, exposure to a particular equity will be reduced in the event of an anticipated weakness in that particular equity.

e) Regulatory Risk

Any changes in national policies and regulations may have an effect on the capital markets in which the Fund are investing. If this occurs there is a possibility that the unit price may be

adversely affected.

f) Liquidity Risk

The descriptions of the risk is as per Section 2.1 Investments Risks For Funds with For Funds investing in ETFs, equities and equity-related securities: part (c).

g) Equity Related Securities Risk

The Fund may also invest in equity related securities such as warrants and ICULS.

As both warrants and ICULS are linked to the particular equity securities from which they are derived, the warrants and ICULS inherit the risks linked to that underlying equity security such as market risk, currency risk, country risk, industry risk and liquidity risk. Thus, the value of the investments in warrants and ICULS are also subject to the day to day movement in the prices of their underlying equity securities. Warrants and ICULS also have a limited life and if they are not exercised at the maturity, they will expire. While warrants become worthless if they are not exercised before maturity, causing the value of the Fund's investments to fall and like any other investments, the fall in the value of the Fund's investments will ultimately lower the Net Asset Value. ICULS, on the other hand, must be converted to the underlying shares at a predetermined conversion ratio and conversion rate, which may be at a disadvantage to the Fund's portfolio and may cause the value of the Fund's investments to fall and ultimately lower the Net Asset Value.

ENT

a) Particular Security Risk

The fluctuation in the performance of any equity in which the Fund invests in will affect the price of units. Not all companies issuing such equities are successful. The success or failure of the companies will cause the value of its equity to rise or fall. Valued collectively, the performance of individual equity comprising the Fund's portfolio will cause the unit price to rise or fall accordingly.

b) Regional Risk

As this Fund's investments will focus on equities issued by companies listed in Asian countries, it may be subject to a higher level of risk than an equities portfolio which is not restricted to a particular geographical region / market. Thus, there is a risk that the Fund will perform poorly during an economic downturn or in the event of adverse news affecting the said region / market.

c) Currency Risk

The Fund is exposed to currency risk. Fluctuation in foreign exchange rates will affect the value of the Fund's foreign investments when converted into the base currency of the Fund i.e. RM and subsequently the value of Unit Holders' investments.

d) Country Risk

In addition to currency risk, the Fund is also subject to country risk, for example the value of the assets of the Fund may be affected by the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund may invest in. Further, there are countries which may require prior approvals before investments can be made in such countries. For example, if and when the Fund invests in countries such as China, Taiwan, South Korea and India, such countries require the application of an investment licence or registration of an investor code before investments can be made in these countries. As such, if investments in such countries are undertaken, there may be a risk that such registration or licence may be revoked or not renewed by the relevant authority and the Fund's investments in these countries may be affected. The effect on the Fund's investments will depend on the regulatory requirements of the respective countries. For example, if a country requires the Fund to obtain an investment licence which is subject to renewal and if such investment licence is not renewed in a timely manner, this may result in the Fund's investment account in that country being frozen by the regulator resulting in investment activities for the Fund in that country being suspended. To mitigate this, the Manager will monitor closely the adherence of investment regulatory requirements in such countries.

3. VALUATION OF ASSETS

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Funds must be valued at least once every Business Day. However, certain foreign markets in which the Funds may invest in have different time zones from that of Malaysia.

Accordingly, the valuation of the respective Funds for a Business Day will be conducted before 5.00 p.m. on the following day in which the Manager is open for business, when the closing prices of the foreign markets for that Business Day would be available.

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

Illustration

For the market close of 11 October 2017 (Wednesday), the valuation date will be the next day in which the Manager is open for business, that is, 12 October 2017 (Thursday). Thus, the major newspapers' publication date for the prices as at 11 October 2017 (Wednesday) will be on 13 October 2017 (Friday).

Investors may however obtain the most current computed price by contacting the Manager directly or visiting our website, **www.rhbgroup.com** [please refer to Section 5.5 (g) (Availability of Information on Investment)].

In undertaking any of the Funds' investments, the Manager will ensure that all the assets of the respective Funds 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, where applicable:

- (i) Listed local and foreign securities will be valued daily based on the last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.

However, if: -

- (a) a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions; or
- (b) no market price is available, including in the event of a suspension in the quotation of securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,

then the securities would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

- (ii) Investments in unlisted bonds / fixed income instruments denominated in Ringgit Malaysia will be valued daily by reference to the fair value prices quoted by a bond pricing agency (BPA) registered with the Securities Commission. However, where quotations are not available, such unlisted bonds / fixed income instruments will be valued weekly or as and when appropriate, by reference to the average indicative yield quoted by three independent and reputable financial institutions in over-the-counter markets at the close of trading. These

institutions include investment banks and commercial banks which deal in fixed income instruments.

Generally, investments in foreign unlisted bonds / fixed income instruments will be valued daily using the average indicative yield quoted by three independent and reputable financial institutions in over-the-counter markets at the close of trading. These institutions include investment banks and commercial banks which deal in fixed income instruments. The Manager may also value such investment on any other basis as may be permitted by the Securities Commission from time to time.

In a case where the Manager is of the view that the price quoted by BPA for a specific unlisted debt instrument differs from the market price (i.e. the Manager's view of the market yield) by more than 20 basis points, the Manager may use the market price, provided that the Manager records its basis for using a non BPA price, obtains necessary internal approvals to use the non BPA price and keeps an audit trail of all decisions and basis for adopting the market price.

However, when the Manager is unable to obtain quotations from BPA or quotations from three independent and reputable financial institutions due to circumstances such as extreme market conditions, such local and foreign unlisted fixed income instruments will be valued according to an alternative method determined in good faith by the Manager, which has been verified by the auditor and approved by the Trustee provided that the Manager records its basis for using the alternative method having obtained necessary internal approvals to use the alternative method and the Manager keeps an audit trail of all decisions and basis for adopting the alternative method. Any alternative method shall be consistently applied unless advised otherwise by the auditor of the Fund and the Trustee.

- (iii) Investment in unlisted securities will be valued at the cost price of each investment until the securities of the investee companies are successfully listed on a recognised stock exchange, upon which quoted prices will be available and valuation will be based on the last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.
- (iv) Collective investment schemes which are quoted on an approved exchange shall be valued in the same manner as listed securities as described above. When investing in unlisted collective investment schemes, the value shall be determined by reference to that manager's last published repurchase price of a unit for that unlisted collective investment scheme.
- (v) Financial derivatives positions will be "marked to market" at the close of each trading day.
- (vi) Cash and deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and the interests/profits accrued thereon for the relevant period.
- (vii) Money market instruments will be valued each day based on the accretion of discount or amortisation of premium on a yield to maturity basis.
- (viii) Foreign exchange translation into RM for a particular Business Day is determined based on the bid rate quoted by Bloomberg or Reuters at 4.00 p.m. (United Kingdom time) or such other time as may be prescribed from time to time by the relevant laws.

4. FEES, CHARGES AND EXPENSES

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

4.1 Charges

The charges directly incurred by an investor when purchasing or redeeming units of the respective Funds are as follows:

(a) Sales Charge

GGF ACF CHINDIA ENT

The Manager will impose a sales charge¹ which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) by the Manager's various distributors as follows :

Distributor	% of investment amount
IUTA	Up to 5.50%
Tied (Retail) Agent	Up to 5.50%
Direct Sales (Direct Investment with the Manager)	Up to 5.50%

In respect of **GGF**:

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 manager of UGGF.

In respect of **ACF**:

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

In respect of **CHINDIA**:

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

Illustration

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.3399 and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,583.00 as follows: -

Investment amount	=	RM10,000.00
Add:		
sales charge levied by the distributor @ 5.50%	=	RM 550.00
GST ¹ (6% of RM550.00)	=	RM 33.00
Total amount paid by the investor	=	<u>RM10,583.00</u>

The investor will be allotted with 29,420.42 units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.3399}^*} = 29,420.42 \text{ units}^{**}$$

- * Unit price is rounded to the nearest 4 decimal places.
 ** Units computed are rounded to the nearest 2 decimal places.

EMBOND

The Manager will impose a sales charge¹ which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) by the Manager's various distributors as follows:

Distributor	% of investment amount
IUTA	Up to 2.50%
Tied (Retail) Agent	Up to 2.50%
Direct Sales (Direct Investment with the Manager)	Up to 2.50%

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

Illustration

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.6456 and the distributor levies a sales charge of 2.50%, the investor will pay a total of RM10,265.00 as follows: -

Investment amount	=	RM10,000.00
Add:		
sales charge levied by the distributor @ 2.50%	=	RM 250.00
GST ¹ (6% of RM250.00)	=	RM 15.00
Total amount paid by the investor	=	<u>RM10,265.00</u>

The investor will be allotted with 15,489.47 units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.6456}^*} = 15,489.47 \text{ units}^{**}$$

- * Unit price is rounded to the nearest 4 decimal places.
 ** Units computed are rounded to the nearest 2 decimal places.

LLL

The Manager will impose a sales charge¹ which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) by the Manager's various distributor as follows:

Distributor	% of investment amount
IUTA or CUTA	Up to 5.00%
Tied (Retail) Agent	Up to 5.00%
Direct Sales (Direct Investment with the Manager)	Up to 5.00%

Illustration

Say, an investor makes an investment of RM10,000.00 at a Selling Price of RM0.6519 and the IUTA levies a sales charge of 5.00%, the investor will pay a total of RM10,530.00 as follows: -

Investment amount	=	RM10,000.00
Add:		
sales charge levied by the IUTA @ 5.00%	=	RM 500.00
GST ¹ (6% of RM500.00)	=	RM 30.00
Total amount paid by the investor	=	<u>RM10,530.00</u>

The investor will be allotted with 15,339.78 units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.6519}^*} = 15,339.78 \text{ units}^{**}$$

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

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

MARI

The Manager will impose a sales charge¹ which can be levied on an investor's investment amount / purchase amount, net of bank charges (if any) by the Manager's various distributors as follows:

Distributor	% of investment amount
IUTA	Up to 5.00%
Tied (Retail) Agent	Up to 5.00%
Direct Sales (Direct Investment with the Manager)	Up to 5.00%

Note: Investor who invests via the EPF Members' Investment Scheme will be levied a sales charge of up to 3.00% of the investment amount (or such other rate that may be determined by the EPF from time to time).

Illustration

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.5946 and the distributor levies a sales charge of 5.00%, the investor will pay a total of RM10,530.00 as follows: -

Investment amount	=	RM10,000.00
Add:		
sales charge levied by the distributor @ 5.00%	=	RM 500.00
GST ¹ (6% of RM500.00)	=	RM 30.00
Total amount paid by the investor	=	<u>RM10,530.00</u>

The investor will be allotted with 16,818.03 units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM}10,000.00}{\text{RM } 0.5946^*} = 16,818.03 \text{ units}^{**}$$

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

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

An investor can expect differing sales charge to be levied when buying units of any Fund from the various distribution channels and within each distribution channel, subject to the maximum sales charge of the respective Funds. This is due to the different level of services provided by each distribution channel and/or the size of the investment undertaken.

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

¹The implementation of GST is effective from 1 April 2015 at the rate of 6% and the sales charge applicable to the respective Funds is exclusive of GST.

(b) Repurchase Charge

GGF ACF CHINDIA EMBOND MARI LLL ENT

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

Illustration

Say, an investor redeems of 29,420.42 units of the Fund at the Repurchase Price of RM0.3399 (which is the Net Asset Value per Unit as at the next valuation point), he would receive proceeds of redemption of RM10,000.00 as follows:

Redemption proceeds (29,420.42 units x RM0.3399)	=	RM 10,000.00
Less: repurchase charge	=	RM (NIL)
Net amount payable to the investor	=	<u>RM 10,000.00</u>

(c) Other Charges

(i) Switching of Units

GGF ACF CHINDIA EMBOND MARI LLL ENT

This is considered as a withdrawal of investment from one Fund and an investment into any of the unit trust funds under the management of the Manager that allows switching of units. A switching fee¹ will be imposed on Unit Holders switching between funds under management (that allow switching).

A switching fee¹ of RM25.00 will be imposed and deducted from the redemption amount of the units to be switched for a switch between funds that impose a similar sales charge or a switch to a fund that impose a lower sales charge. Unit Holders switching to a fund that imposes a higher sales charge will pay the difference in sales charge which is deductible from the redemption amount 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 per 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

If a Unit Holder switches 10,000 units in **RHB Gold and General Fund** at the Repurchase Price of RM0.3399 and wishes to invest in **RHB Asia Consumer Fund** at the Selling Price of RM0.5499 (where both Funds have the sales charge of 5.50%).

Proceeds from Switch (RHB Gold and General Fund) (10,000 units x RM 0.3399)	RM3,399.00
Less : Switching fee RM25.00	RM (25.00)
GST ¹ (6% of RM25.00)	RM (1.50)
Net proceeds from Switch	RM3,372.50
Proceeds from RHB Gold and General Fund invested in RHB Asia Consumer Fund:	RM3,372.50 RM0.5499
	= 6,132.93 units**

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

¹The implementation of GST is effective from 1 April 2015 at the rate of 6% and the switching fee is exclusive of GST.

(ii) **Transfer of Units**

GGF ACF CHINDIA EMBOND MARI ENT
The Manager charges a transfer fee¹ of RM5.00 for each transfer.

LLL
There is no transfer fee imposed by the Manager for the transfer of units.

¹The implementation of GST is effective from 1 April 2015 at the rate of 6% and the transfer fee as stated above for the respective Fund are exclusive of GST.

4.2 **Fees and Expenses**

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

(a) **Manager's Fees**

GGF ACF CHINDIA MARI LLL ENT

The Manager is entitled to a management fee¹ 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.

In respect of **GGF**, 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's 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.

In respect of **ACF**, a portion of this fee is paid to UOBAM. As this Fund invests in units of UACF, any management fee charged to UACF by the UACF's manager (UOBAM) in relation to the Fund's investments in UACF 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. at one point eight per cent (1.80%) per annum of the Net Asset Value.

In respect of **CHINDIA**, a portion of this fee is paid to UOBAM. As this Fund invests in units of UCIDGF, any management fee charged to UCIDGF by the UCIDGF's manager (UOBAM) in relation to the Fund's investments in UCIDGF 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. at one point eight per cent (1.80%) per annum of the Net Asset Value.

EMBOND

The Manager is entitled to a management fee¹ of one point five per cent (1.50%) 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.

In respect of **EMBOND**, a portion of this fee is paid to UOBAM. As this Fund invests in units of UEM Bond Fund, any management fee charged to UEM Bond Fund by the UEM Bond Fund's manager (UOBAM) in relation to the Fund's investments in UEM Bond Fund 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 five per cent (1.50%) per annum of the Net Asset Value.

Illustration: Calculation of annual management fee

Assuming that the Net Asset Value (before deducting the Manager's fee and Trustee's fee) of a Fund for a particular day is RM105,000,000.00 and assuming the annual management fee is at the rate of one point five per cent (1.50%) per annum¹, the calculation of the management fee of the Fund for that particular day is as follows:

$$\frac{\text{RM } 105,000,000.00 \times 1.50\%^1}{365 \text{ days}^*} = \text{RM } 4,315.07$$

$$\text{Add: GST (6\% of RM } 4,315.07) = \text{RM } 258.90$$

$$\text{Total management fee payable for that particular day} = \text{RM } 4,573.97$$

*Note: In the event of a leap year, the annual management fee will be divided by 366 days.

¹The implementation of GST is effective from 1 April 2015 at the rate of 6% and the management fee as stated above for the respective Fund is exclusive of GST.

(b) Trustee's Fees

GGF

EMBOND

MARI

The Trustee is entitled to a trustee fee¹ of up to zero point zero eight per cent (0.08%) per annum of the Net Asset Value calculated on a daily basis (excluding foreign custodian fees and charges) before deducting the Manager's and Trustee's fees for that particular day.

ACF

CHINDIA

The Trustee is entitled to a trustee fee¹ of zero point zero six per cent (0.06%) per annum of the Net Asset Value calculated on a daily basis (excluding foreign custodian fees and charges) before deducting the Manager's and Trustee's fees for that particular day.

LLL

ENT

The Trustee is entitled to a trustee fee¹ of up to zero point zero six per cent (0.06%) 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 (excluding foreign custodian fees and charges).

Illustration: Calculation of annual trustee fee

Assuming that the Net Asset Value (before deducting the Manager's fee and Trustee's fee) of a Fund for a particular day is RM105,000,000.00 and assuming the trustee fee is at the rate of zero point zero eight per cent (0.08%) per annum¹, the calculation of the trustee fee of the Fund for that particular day is as follows:

$$\frac{\text{RM } 105,000,000.00 \times 0.08\%^1}{365 \text{ days}^*} = \text{RM } 230.14$$

Add: GST (6% of RM 230.14) = RM 13.81

Total trustee fee payable for that particular day = RM 243.95

*Note: In the event of a leap year, the annual trustee fee will be divided by 366 days.

¹The implementation of GST is effective from 1 April 2015 at the rate of 6% and the trustee fee as stated above for the respective Fund is exclusive of GST.

(c) Other Indirect Fees

GGF

As GGF will invest in units of UGGF, there are also other fees indirectly incurred by GGF at the UGGF level such as registrar and transfer agent fee, trustee fee, audit fee, custodian fee (payable to the auditors and custodian of UGGF), transaction costs and other fees and charges which are incurred at the UGGF level. Details are as follows:

Registrar and transfer agent fee	0.125% per annum, subject always to a minimum of S\$2,500.00 per annum.
Trustee fee	Currently not more than 0.05% per annum; maximum 0.25% per annum (subject always to a minimum of S\$15,000.00 per annum or such other lower sum as may be agreed from time to time between the trustee and the manager of UGGF. In this connection, the manager and the trustee of UGGF have presently agreed to a minimum of

	S\$5,000.00 per annum).
Audit fee ¹ , custodian fee ² , transaction cost ³ and other fees and charges ⁴	Subject to agreement with the relevant parties. Each of the fees and charges may amount to or exceed 0.1% per annum, depending on the proportion that it bears to the net asset value of UGGF.

¹ The audit fee of UGGF is subject to agreement with the auditors of UGGF for the relevant financial year. Based on the audited accounts and the average net asset value of UGGF for the financial year ended 30 June 2016, the audit fee did not amount to or exceed 0.1% in that financial year.

² The custodian fee of UGGF is subject to agreement with the custodian of UGGF. Based on the audited accounts and the average net asset value of UGGF for the financial year ended 30 June 2016, the custodian fee did not amount to or exceed 0.1% in that financial year.

³ Transaction costs include all expenses relating to the purchase and sale of financial instruments. Based on the audited accounts and the average net asset value of UGGF for the financial year ended 30 June 2016, the transaction costs amounted to 0.35%.

⁴ Other fees and charges include transaction fees payable to the custodian (the amount of which will depend on the number of transactions carried out and the place at which such transactions are effected), goods and services tax, printing costs, legal and professional fees, bank charges and other out-of-pocket expenses. Based on the audited accounts and the average net asset value of UGGF for the financial year ended 30 June 2016, the aggregate of the other fees and charges amounted to 0.11%.

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

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

ACF

As **ACF** will invest in units of UACF, there are also other fees indirectly incurred by **ACF** at the UACF level such as trustee fee, valuation and accounting fee, registrar and transfer agent fee, administration fee, audit fee (payable to the auditors of UACF), custodian fee (payable to the custodian of UACF), transaction costs and other fees and charges which are incurred at the UACF level. Details are as follows:

Trustee fee ¹	Currently not more than 0.05% per annum, (presently subject to a minimum of S\$5,000.00 per annum); maximum 0.1% per annum.
Valuation and accounting fee	0.125% per annum.
Registrar and transfer agent fee	0.125% per annum (subject to a minimum of S\$15,000.00 and a maximum of S\$25,000.00 per annum)
Administration fee	0.25% per annum.
Audit fee ² (payable to the auditors of UACF), custodian fee ³ , transaction costs ⁴ and other fees and charges ⁵	Subject to agreement with the relevant parties. Each of the fees and charges may amount to or exceed 0.1% per annum, depending on the proportion that it bears to the net asset value of UACF.

¹ The annual trustee fee of UACF is subject to a minimum of S\$15,000.00 or such other lower sum as may be agreed from time to time between the trustee and the manager of UACF.

² The audit fee of UACF is subject to agreement with the auditors of UACF for the relevant financial year. Based on the audited accounts and the average net asset value of UACF for the financial year ended 30 June 2016, the audit fee did not amount to or exceed 0.1% in that financial year.

³ The custodian fee of UACF is subject to agreement with the custodian of UACF. Based on the audited accounts and the average net asset value of UACF for the financial year ended 30 June 2016, the custodian fee did not amount to or exceed 0.1% in that financial year.

⁴ Transaction costs include all expenses relating to the purchase and sale of financial instruments. Based on the audited accounts and the average net asset value of UACF for the financial year ended 30 June 2016, the transaction costs amounted to 0.50%.

⁵ Other fees and charges include transaction fees payable to the custodian (the amount of which will depend on the number of transactions carried out and the place at which such transactions are effected), printing costs, professional fees, goods and services tax, scrip fees and bank charges. Based on the audited accounts and the average net asset value of UACF for the financial year ended 30 June 2016, the aggregate of the other fees and charges amounted to 0.29%.

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

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

CHINDIA

As **CHINDIA** will invest in units of UCIDGF, there are also other fees indirectly incurred by **CHINDIA** at the UCIDGF level such as trustee fee, administration fee, registrar and transfer agent fee, valuation and accounting fees, audit fee (payable to the auditors of UCIDGF), custodian fee (payable to the custodian of UCIDGF), transaction costs and other fees and charges which are incurred at the UCIDGF level. Details are as follows:

Trustee fee	Currently not more than 0.05% per annum; maximum 0.1% per annum (subject always to a minimum of S\$5,000.00 per annum).
Administration fee	0.25% per annum.
Registrar and transfer agent fee	The higher of S\$15,000.00 per annum or 0.125% per annum, subject always to a maximum of S\$25,000.00 per annum.
Valuation and accounting fees	0.125% per annum; maximum 0.125% per annum.
Audit fee, custodian fee, transaction costs ⁽¹⁾ and other fees and charges ⁽²⁾	Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% per annum, depending on the proportion that each fee or charge bears to the net asset value of UCIDGF. Based on the audited accounts and the average net asset value of UCIDGF for the financial year ended 31 December 2016: <ul style="list-style-type: none"> • Audit fee: less than 0.1%. • Custodian fee: 0.1%. • Transaction costs: 0.6%. • Other fees and charges: 0.13%.

- (1) Transaction costs (which do not include the transaction fees mentioned above) include all expenses relating to the purchase and sale of financial instruments.
- (2) Other fees and charges include transaction fees payable to the custodian (the amount of which will depend on the number of transactions carried out and the place at which such transactions are effected), printing costs, legal and professional fees, goods and services tax and other out-of-pocket expenses.

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

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

EMBOND

As **EMBOND** will invest in the shares of UEM Bond Fund, there are also other fees indirectly incurred by **EMBOND** at the UEM Bond Fund level such as trustee fee, registrar and transfer agent fee, valuation and accounting fee, audit fee (payable to the auditors of UEM Bond Fund), custodian fee (payable to the custodian of UEM Bond Fund), transaction costs and other fees and charges which are incurred at the UEM Bond Fund level. Details are as follows:

Trustee fee	Currently not more than 0.05% per annum (subject always to a minimum of S\$5,000.00 per annum); maximum 0.20% per annum.
Registrar and transfer agent fee	0.125% per annum (subject to a minimum of S\$15,000.00 per annum and a maximum of S\$25,000.00 per annum).
Valuation and accounting fee	Currently 0.08% per annum; maximum 0.2% per annum.
Audit fee, custodian fee ⁽¹⁾ , transaction costs ⁽²⁾ and other fees and charges ⁽³⁾	Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% per annum, depending on the proportion that each fee or charge bears to the net asset value of UEM Bond Fund. Based on the audited accounts and the average net asset value of UEM Bond Fund for the financial year ended 30 June 2016: <ul style="list-style-type: none"> • Audit fee: less than 0.1%. • Custodian fee: less than 0.1%. • Transaction costs: less than 0.1%. • Other fees and charges: 0.11%.

- (1) Under the deed of UEM Bond Fund, the custodian fee is subject to a maximum of 0.25% per annum of the net asset value of UEM Bond Fund, exclusive of any goods and services tax (“GST”).
- (2) Transaction costs (which do not include the transaction fees mentioned above) include all expenses relating to the purchase and sale of financial instruments.
- (3) Other fees and charges include transaction fees payable to the custodian (the amount of which will depend on the number of transactions carried out and the place at which such transactions are effected and not to exceed US\$50 per transaction), printing costs, account and professional fees, GST and other out-of-pocket expenses.

As such, Unit Holders are indirectly bearing these fees which are charged at the UEM Bond Fund 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

GGF ACF CHINDIA EMBOND MARI LLL ENT

In administering the Funds, there are expenses directly related to the Funds. These expenses include the cost of the auditors' fees and other relevant professional fees, custodial charges, cost of distribution of interim and 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 Funds as set out in the respective Deeds, such as commissions paid to brokers, other transaction costs and taxes, if any, that are also paid out of the respective Funds.

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

4.3 Reduction or Waiver of Fees and Charges

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Manager may, for any reason at any time, waive or reduce the amount of its management fee or other charges directly payable by the Unit Holder and/or investor in respect of any 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.

4.4 Policy on Rebates and Soft Commissions

GGF ACF CHINDIA EMBOND MARI LLL ENT

It is the Manager's policy to credit all rebates to the account of the respective Funds.

However, goods and services ("soft commissions") provided by any broker or dealer may be retained by the Manager or the fund manager if the goods and services are of demonstrable benefit to the Unit Holders and in the form of research and advisory services that assist in the decision making process relating to the Funds' investments, such as research materials and computer software, which are incidental to the investment management activities of the Funds and any dealing with the broker or dealer is executed on terms which are the most favourable for the Funds.

4.5 Goods and Services Tax ("GST")

GGF ACF CHINDIA EMBOND MARI LLL ENT

All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties (including but not limited to GST) as may be imposed by the government from time to time.

There are fees and charges involved and investors are advised to consider them before investing in any of the Funds.

5. TRANSACTION INFORMATION

5.1 Pricing Policy

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

5.2 Computation of Purchase of Units

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Selling Price shall be the Net Asset Value per Unit 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 investment amount / purchase amount, net of bank charges (if any).

Illustration

Daily Net Asset Value	RM194,489,429.10
Units in circulation	572,211,000
Net Asset Value per Unit	<u>RM194,489,429.10</u> <u>572,211,000</u>
	= RM0.3399*

Say, an investor makes an investment of RM10,000.00 at the Selling Price of RM0.3399 (which is the Net Asset Value per Unit as at the next valuation point) and the distributor levies a sales charge of 5.50%, the investor will pay a total of RM10,583.00 as follows:

Investment amount	=	RM 10,000.00
Add:		
Sales charge levied by the distributor @ 5.50%	=	RM 550.00
GST ¹ (6% of RM550.00)	=	RM 33.00
Total amount paid by the investor	=	<u>RM 10,583.00</u>

The investor will be allotted with 29,420.42 units calculated as follows:

$$\text{Units allotted is calculated as } \frac{\text{RM10,000.00}}{\text{RM0.3399}^*} = 29,420.42 \text{ units}^{**}$$

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

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

¹The implementation of GST is effective 1 April 2015 at the rate of 6% and the sales charge applicable to the respective Funds are exclusive of GST.

5.3 Computation of Redemption of Units

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Repurchase Price shall be the Net Asset Value per 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.

Illustration: Computation of repurchase price

Daily Net Asset Value	RM194,489,429.10
Units in circulation	572,211,000
Net Asset Value per Unit	<u>RM194,489,429.10</u> <u>572,211,000</u>
	= RM0.3399*

Say, an investor redeems of 29,420.42 units at the Repurchase Price of RM0.3399 (which is the Net Asset Value per Unit as at the next valuation point), he would receive proceeds of redemption of RM10,000.00 as follows:

Redemption amount (29,420.42 units x RM0.3399)	=	RM 10,000.00
Less:		
Repurchase charge	=	RM (NIL)
Net amount payable to the Unit Holder	=	<u>RM 10,000.00</u>

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

5.4 Pricing Error Policy

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Manager shall ensure that the Funds and the units of the Funds are correctly valued and priced according to the respective Deeds and all relevant laws. Where there is an error in the valuation of the Funds, 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 to the respective Funds, and/or to the Unit Holders and/or to the former Unit Holders; or
- (b) by the respective Funds 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 per Unit and the amount to be reimbursed is equivalent to RM10.00 or more.

5.5 Transaction Details

(a) How to Purchase and Redeem Units

GGF ACF CHINDIA EMBOND MARI LLL ENT

When purchasing units of the Funds, 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/principal 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 initial investment of each Fund is RM1,000.00 and the minimum additional investment is RM100.00 (or such other lower amount as the Manager may from time to time accept).

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

Similarly, units of the Funds can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered/principal office or any of its branch offices, or to any of its authorised sales agents or participating IUTAs before their respective cut-off times. Redemption monies will be paid within ten (10) days after receipt by the Manager of the request to repurchase.

For partial redemption, the balance of units after the redemption must be at least one hundred (100) units or such other lower quantity as the Manager may from time to time decide (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.

For **LLL** only, there is no restriction 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 two thousand (2,000) units or such other lower quantity as the Manager may from time to time decide (the minimum investment balance). For the avoidance of doubt, the Manager will deem an automatic request for a full repurchase of units to have been made by the Unit Holder should a request for partial redemption leave the balance of units held after the redemption less than the applicable minimum investment balance.

(b) Cooling-off Period

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

- (i) a staff of the Manager; or
- (ii) a person registered with a body approved by the SC to deal in unit trust funds.

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

- a) the Net Asset Value per Unit of the Funds 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[#] which shall be effective from the date of receipt of the application by the Manager. Where applicable, for investors contributing from their EPF accounts, the cooling-off period shall be subject to EPF's terms and conditions.

[#]These are the working days when the Manager is open for business.

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. Where applicable, for EPF investors, the refund will be credited back into their respective EPF accounts only after funds have been received from the EPF.

(c) Where Units can be Purchased or Redeemed

Units can be purchased or redeemed at the Manager's registered/principal office or any of its branch offices, or from any of its authorised sales agents or participating IUTAs. For further information, please call our help-desk Toll-Free Hotline number: 1-800-88-3175 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may email their enquiries to rhbam@rhbgroup.com or visit our website, www.rhbgroup.com.

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

Application forms, redemption forms and master prospectus 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/principal 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.

For **LLL** only, following a switch transaction, if the quantity of holdings of a Unit Holder falls below its minimum investment balance of two thousand (2,000) units, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.

(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/principal 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, 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.

For **LLL** only, following a transfer transaction, if the quantity of holdings of a Unit Holder falls below its minimum investment balance of two thousand (2,000) units, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.

(f) Unclaimed Monies

All money payable to a Unit Holder may be paid by cheques. In the event any of the cheques is not presented for payment by the date which falls six (6) months from the date of the cheque, the Unit Holder may request the Manager to arrange for the monies to be paid by a replacement cheque to the Unit Holder. However, after the lapse of one (1) year from the date of the cheque, the Manager shall file and pay the unrepresented payments to the Registrar of Unclaimed Moneys and 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 of the Funds, the value of the investment can be monitored easily as the unit price of the respective Funds are published daily in the major newspapers and at our website, **www.rhbgroup.com**. The Manager will ensure the accuracy of the price of the respective Funds 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, in respect of the Funds in which they hold units, an unaudited half year report and an audited annual report of the Fund from the Manager within two (2) months after the end of the financial period/financial year end that the report covers. The Manager may also issue updates either quarterly or semi-annually, on the performance of the Funds 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 Toll-Free-Phone number: 1-800-88-3175 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail their enquiries to **rhbam@rhbgroup.com** or visit our website, **www.rhbgroup.com**.

Investors may also refer to FIMM for any queries/concerns regarding their investments in unit trust funds.

Investors must not make payment in cash to any individual agent when purchasing units of a Fund.

The Funds' annual reports are available upon request.

(h) Dealing Hours

9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always that complete applications for the Funds are received before the next valuation point.

5.6 Mode of Distribution

GGF ACF CHINDIA EMBOND MARI ENT

Distributions, if any, after deduction of taxation and expenses, (i.e. net distributions) will be reinvested to purchase additional units of the Funds based on the Net Asset Value per Unit of the

Funds as at the first Business Day when units in the Funds 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 distributions into the respective Funds.

LLL

Not applicable, as the Fund is not expected to make any distribution.

<i>Unit price and distributions payable, if any, may go down as well as up.</i>

6. SALIENT TERMS OF THE DEED

As at the Latest Practicable Date, the respective Deeds for each of the respective Funds is as listed below:

Name of Fund	Deed
RHB Gold and General Fund	Deed dated 15 February 2008 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 16 February 2015 and third supplemental deed dated 3 August 2015.
RHB Asia Consumer Fund	Deed dated 11 October 2009 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 25 February 2015 and third supplemental deed dated 3 August 2015.
RHB China-India Dynamic Growth Fund	Deed dated 12 November 2009 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 25 February 2015 and third supplemental deed dated 3 August 2015.
RHB Emerging Markets Bond Fund	Deed dated 29 September 2011 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 24 February 2015 and third supplemental deed dated 3 August 2015.
RHB Multi Asset Regular Income Fund	Deed dated 1 March 2012 as modified via its first supplemental deed dated 4 September 2013, second supplemental deed dated 26 February 2015 and third supplemental deed dated 3 August 2015.
RHB Leisure, Lifestyle & Luxury Fund	Master deed (conventional funds) dated 12 June 2008 (as amended via its supplemental master deed (conventional funds) dated 25 August 2008, second supplemental master deed (conventional funds) dated 12 December 2008, third supplemental master deed (conventional funds) dated 19 June 2009, fourth supplemental master deed (conventional funds) dated 18 August 2009, fifth supplemental master deed (conventional funds) dated 26 April 2010, sixth supplemental master deed (conventional funds) dated 28 June 2010, eighth supplemental master deed (conventional funds) dated 24 April 2012, ninth supplemental master deed (conventional funds) dated 7 March 2012, tenth supplemental master deed (conventional funds) dated 13 April 2012, eleventh supplemental master deed (conventional funds) dated 30 May 2012, fifteenth supplemental master deed (conventional funds)

Name of Fund	Deed
	dated 30 April 2013 and sixteenth supplemental master deed (conventional funds) dated 24 September 2013, seventeenth supplemental master deed (conventional funds) dated 2 March 2015, eighteenth supplemental master deed (conventional funds) dated 20 May 2015 and nineteenth supplemental master deed (conventional funds) dated 3 August 2015.
RHB Entrepreneur Fund	Deed dated 24 March 2014 as modified via its first supplemental deed dated 25 February 2015 and second supplemental deed dated 3 August 2015.

6.1 Rights and Liabilities of Unit Holders

6.1.1 Recognition of Unit Holders

GGF ACF CHINDIA EMBOND MARI LLL ENT

An investor is only recognised as a Unit Holder when his / her name appears in the register as a Unit Holder of the Funds.

Accordingly, only investors whose applications for units in the Funds are successfully processed are recognised as Unit Holders.

6.1.2 Rights of Unit Holders

GGF ACF CHINDIA EMBOND MARI LLL ENT

Unit Holders shall have the right, amongst others, to the following:

- (a) to receive distributions of the Funds, participate in any increase in the capital value of the units and to other rights and privileges as set out in the Deeds;
- (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 Deeds;
- (c) to exercise the cooling-off right, if applicable; and
- (d) to receive annual reports, interim reports or any other reports of the Funds.

No Unit Holder shall be entitled to require the transfer to him of any assets comprised in the Funds 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.

6.1.3 Liabilities of Unit Holders

GGF ACF CHINDIA EMBOND MARI LLL ENT

The liability of Unit Holders shall be limited to their investment participation in the Funds. 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 the trustee and the manager of the Funds which exceed the value of the assets of the Funds. Any claims against the Funds shall be entirely restricted to the Funds.

6.2 Fees, Charges, and Expenses Permitted by the Deed

6.2.1 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 master 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:

Sales Charge:		
Fund	Maximum Allowable Rate (% of investment / purchase amount, net of bank charges (if any))	Actual Rate Charged (% of investment / purchase amount, net of bank charges (if any))
GGF	10.00	5.50
ACF	10.00	5.50
CHINDIA	10.00	5.50
EMBOND	10.00	2.50
MARI	10.00	5.00
LLL	7.00	5.00
ENT	10.00	5.50

Repurchase Charge:		
Fund	Maximum Allowable Rate (% of withdrawal amount / repurchase amount)	Actual Rate Charged (% of withdrawal amount / repurchase amount)
GGF	5.00	NIL
ACF	5.00	NIL
CHINDIA	5.00	NIL
EMBOND	5.00	NIL
MARI	5.00	NIL
LLL	5.00	NIL
ENT	5.00	NIL

6.2.2 Maximum Annual Management Fee

According to the Deeds, the Manager is permitted to charge to each Fund an annual management fee at the maximum rate below:

Fund	Maximum Allowable Rate (% per annum of the Net Asset Value)
GGF	2.50
ACF	2.50
CHINDIA	2.50
EMBOND	2.50

Fund	Maximum Allowable Rate (% per annum of the Net Asset Value)
MARI	2.50
LLL	3.00
ENT	2.50

The annual management fee charged to the Funds shall be 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 Funds;
- (c) the success of the Manager in meeting the objective of the Funds;
- (d) the investment performance of the Funds; and
- (e) the maximum allowable rate.

6.2.3 Maximum Annual Trustee Fee

According to the Deeds, the Trustee is permitted to charge to the respective Funds an annual trustee fee at the maximum rate below:

Fund	Maximum Allowable Rate
GGF	0.15% per annum of the Net Asset Value 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.
ACF	0.15% per annum of the Net Asset Value subject to a minimum of RM18,000 (excluding foreign custodian fees and charges).
CHINDIA	0.15% per annum of the Net Asset Value subject to a minimum of RM18,000 (excluding foreign custodian fees and charges).
EMBOND	0.15% per annum of the Net Asset Value subject to a minimum of RM18,000 (excluding foreign custodian fees and charges).
MARI	0.15% per annum of the Net Asset Value subject to a minimum of RM18,000 (excluding foreign custodian fees and charges).
LLL	0.06% per annum of the Net Asset Value subject to a minimum of RM18,000 (excluding foreign custodian fees and charges).
ENT	0.15% per annum of the Net Asset Value (excluding foreign custodian fees and charges).

The rate of the annual trustee fee to be paid by the Funds to the Trustee shall be at such rate disclosed in this master prospectus. In addition to the annual trustee fee, the Trustee may be paid by the Funds 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 Funds. Such custodian fee is determined in consultation with the Manager and shall not exceed the relevant prevailing market rate.

6.2.4 Increase in Fees and Charges

GGF ACF CHINDIA

Any increase in the fees and charges (i.e. sales charge, repurchase charge, annual management and annual trustee fees) above the level disclosed in this master prospectus (but below the maximum rate prescribed in the Deeds) 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 Deeds can only be made by way of a supplemental deed which will require Unit Holders' approval before the issuance of a supplemental deed and a supplementary prospectus.

EMBOND MARI LLL ENT

Any increase in the fees and charges (i.e. sales charge, repurchase charge, annual management and annual trustee fees) above the level disclosed in this master prospectus (but below the maximum rate prescribed in the Deeds) can be made by way of a supplementary prospectus. However, any increase in the sales charge, repurchase charge, annual management and annual trustee fees above the maximum rate prescribed in the Deeds can only be made by way of a supplemental deed which will require Unit Holders' approval before the issuance of a supplemental deed and a supplementary prospectus.

6.2.5 Other Permitted Expenses of the Fund

GGF ACF CHINDIA EMBOND MARI LLL ENT

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

The expenses directly incurred by and charged to the Funds include but are not limited to the list of expenses disclosed in this master prospectus (section 4.2 Fees and Expenses).

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

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

6.3 Removal, Replacement, and Retirement of the Manager and Trustee

GGF ACF CHINDIA EMBOND MARI LLL ENT

6.3.1 Removal or Replacement of the Manager

The Manager may be removed and 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 Deeds 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 been given notice to the Manager of that

opinion and the reasons for that opinion, 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.

6.3.2 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 the Trustee may agree upon, provided such retirement is carried out in accordance with the relevant laws and terms and conditions under the Deeds.

6.3.3 Removal or 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 Deeds 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 2016 or any relevant law; or
- (viii) a special resolution is duly passed in accordance with the provisions of the Deeds that the Trustee be removed in a meeting of Unit Holders.

6.3.4 Retirement of the Trustee

The Trustee may retire by giving 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.

6.4 Termination of the Funds

GGF ACF CHINDIA EMBOND MARI LLL ENT

The Funds are 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 authorization for the Funds' 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 Funds being left with not 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 Funds 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 Funds.

6.5 Unit Holders Meeting (“Meeting”)

GGF ACF CHINDIA EMBOND MARI LLL ENT

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

6.5.1 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 Funds have 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. 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.

6.5.2 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 or 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 Meeting 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 majority representing at least three-fourths (3/4) of the value of units held by the Unit Holders present at the Meeting whether present in person or by proxy. Resolutions passed at the Meeting shall bind all Unit Holders whether or not they were present at the Meeting.

7. THE MANAGEMENT AND ADMINISTRATION OF THE FUNDS

GGF ACF CHINDIA EMBOND MARI LLL ENT

7.1 The Manager

The Manager, RHB Asset Management Sdn Bhd (“RHBAM”), is a wholly-owned subsidiary of RHB Investment Bank Berhad (“RHBIB”). The Manager is a holder of a Capital Markets Services License issued under the Capital Markets and Services Act 2007. The Manager has been in operation since 1989.

7.2 Board of Directors

The board of directors of the Manager takes an active part in the affairs of the Manager and the unit trust funds under its management. The board of directors of the Manager meets at least once every three (3) months to receive recommendations and reports on investment activities from the investment committee, set policies and guidelines of the Manager and to review performance, financial and audit reports of the Manager. Additional meetings shall also be convened, should the need arise.

The board of directors of the Manager are as follows:

1. Mr Patrick Chin Yoke Chung (Non-independent non-executive chairman)
2. Encik Abdul Aziz Peru Mohamed (Senior independent non-executive director)
3. Ms Ong Yin Suen (Non-independent non-executive director / managing director)
4. Mr Chin Yoong Kheong (Independent non-executive director)
5. Dr. Ngo Get Ping (Independent non-executive director)
6. Ms Choo Shan (Independent non-executive director)

7.3 Functions of the Manager

The Manager is responsible for the day-to-day administration of the Funds in accordance with the provisions of the Deeds. The main responsibilities of the Manager include:

- Selecting and managing investments of the Funds;
- Executing, supervising and valuing investments of the Funds;
- Arrangement of sale and repurchase of units;
- Keeping proper records of the Funds;
- Issuing the Funds’ interim and annual reports to Unit Holders;
- Distribution of income to Unit Holders (if any); and
- Marketing the Funds to potential investors.

The Manager is a member of FIMM. It maintains a tied sales agency force which is duly registered with FIMM which markets and distributes its proprietary unit trust funds to prospective investors. It also has an IUTA arrangement with RHB Bank Berhad and/or such other approved distributors as may be appointed by the Manager from time to time.

7.4 The Investment Committee

Functions of the Investment Committee

The investment committee is responsible for formulation of the investment policies and investment strategy for the Funds. It has broad discretionary authority over the investments of the Funds. The investment committee also oversees the activities of the fund manager who is responsible for research, securities recommendation and asset allocation.

The investment committee meets at least once every three (3) months and has the responsibility to decide and approve the following: -

- Asset allocation;
- Schedule of securities for purchase and disposal;
- Risk exposure, e.g. country and specific market risks; and
- Schedule of income distribution to Unit Holders.

The fund manager will fine tune the asset allocation in response to periodic changes in the prevailing market condition, particularly interest rates movements and sales operations.

7.5 The Investment Team

The investment team is jointly responsible for the overall investment decisions made on behalf of the Funds.

GGF ACF CHINDIA EMBOND

The designated fund manager is Michael Chang Wai Sing.

Michael Chang Wai Sing (“Mr. Chang”) is the chief investment officer for fixed income in RHB Asset Management Sdn Bhd (“RHBAM”). He has more than 17 years of fund management experience, specializing in fixed income investments for insurers and asset management companies. Prior to joining RHBAM, he was with MCIS Insurance Bhd for 8 years managing both life and general insurance portfolios.

His strong investment acumen is recognized by the market. He was awarded the “Most Astute Investor in Asian Local Currency Bonds” for Malaysia by Asset Benchmark Research, where he ranked no. 1 in the “top ten astute investors in Malaysia” for three consecutive years in 2014, 2015 and 2016.

Mr. Chang is a national member of the ACI-Malaysia – The Financial Markets Association (“PPKM”). Prior to gaining his membership, he was a distinction and award recipient for the Pasaran Kewangan Malaysia Certificate (“PKMC”). Mr Chang holds a Capital Market Services Representative’s License for the regulated activity of fund management.

MARI LLL ENT

The designated fund manager is Mohd Fauzi bin Mohd Tahir.

Mohd Fauzi bin Mohd Tahir (“Mohd Fauzi”) is the chief investment officer for equity in RHB Asset Management Sdn Bhd (“RHBAM”). Mohd Fauzi has a total of 24 years of working experience in managing life, private, government linked funds as well as portfolios for retail and high net worth individuals. In his previous employment, Mohd Fauzi was the executive director and head of equities for AmFunds Management Berhad. He was responsible for the investment of all conventional and Islamic equity funds. His duties included managing insurance funds as well as researching of companies listed on Bursa Malaysia and also unlisted companies.

Mohd Fauzi holds a Capital Market Services Representative’s License for the regulated activity of fund management.

The designated fund managers of the Funds are supported by our investment team comprising of a team of experienced fund managers who are responsible to actively manage the Funds in accordance with the investment objective of the Funds and the provision of the relevant Deeds. The investment team shall have discretionary authority over the investments of the Funds subject to the rules and guidelines issued by the relevant authorities.

7.6 Manager's Disclosure of Material Litigation

As at the Latest Practicable Date, there is no material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially and adversely affect the business and/or financial position of the Manager.

7.7 Other Information

Further information on the Manager and investment committee of the Funds is provided on our website, www.rhbgroup.com.

8. THE TRUSTEE OF THE FUNDS

8.1 HSBC (Malaysia) Trustee Berhad

GGF EMBOND MARI

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 13th Floor, Bangunan HSBC, South Tower, No. 2, Leboh Ampang, 50100 Kuala Lumpur.

8.1.1 Experience in Trustee Business

Since 1993, the Trustee has acquired experience in the administration of trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.

8.1.2 Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Funds and to safeguard the interests of Unit Holders of the Funds. 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 Deeds, 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 Funds' assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deeds, 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 Funds and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

8.1.3 Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as trustee of the Funds and all the obligations in accordance with the Deeds, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Funds against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under the Deeds in relation to the Funds. 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.

8.1.4 Trustee's Disclosure of Material Litigation

As at 31 July 2017, 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.

8.1.5 Trustee's Delegate

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Funds. For quoted and unquoted local investments of the Funds, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary 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 registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

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.

Particulars of the Trustee's Delegate

For foreign asset:

The Hongkong And Shanghai Banking Corporation Limited
6/F, Tower 1,
HSBC Centre,
1 Sham Mong Road, Hong Kong.
Telephone No: (852)2288 6111

For local asset:

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)2075 3000 Fax No: (603)2179 6488

8.1.6 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.

8.1.7 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.

8.1.8 Consent to Disclosure

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Funds, Manager and Unit Holders for purposes of performing its duties and obligations in accordance to the Deeds, the Capital Markets and Services Act 2007, Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

8.2 TMF Trustees Malaysia Berhad

ACF CHINDIA LLL ENT

TMF Trustees Malaysia Berhad (610812-W) was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965 and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. It's registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia.

The Trustee is part of TMF Group, an independent global service provider in the trust and fiduciary sector and global business services. The group has over 120 offices in more than 80 jurisdictions in the world. TMF Trustees started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre ("IBFC"), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

8.2.1 Experience in Trustee Business

The Trustee provides various types of trustee services, such as security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust and custodian for private fund mandate. The TMF group provides a more comprehensive range of corporate secretarial services, financial accounting, human resource administrative and payroll outsourcing services.

8.2.2 Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Funds and to safeguard the interests of Unit Holders of the Funds. In carrying out these functions and duties, the Trustee has to exercise due care, skills, diligence and vigilance and is required to act in accordance with the provisions of the Deeds, all relevant laws and the Securities Commission's Guidelines on Unit Trust Funds ("Guidelines"). Apart from being the legal owner of the Funds' assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deeds, all relevant laws and the Guidelines.

8.2.3 Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as trustee of the Funds and all the obligations in accordance with the Deeds, all relevant laws and the Guidelines.

8.2.4 Trustee's Disclosure of Material Litigation

As at 31 July 2017, 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 and adversely affect the financial position or business of the Trustee.

8.2.5 Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBM") as the custodian of the quoted and unquoted investments of the Funds. SCBM was incorporated in Malaysia on 29 February 1984 under the Companies Act 2016 as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBM was granted a license on 1 July 1994 under the Financial Services Act 2013.

SCBM is responsible for the Funds' assets settlement and custodising the Funds' assets. The assets are held in the name of the Funds through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Funds. The custodian acts only in accordance with the instructions from the Trustee.

9. RELATED-PARTY TRANSACTION AND CONFLICT OF INTEREST

The directors and officers of the Manager, and members of the investment committee should avoid any conflict of interest arising, and if any conflict arises, should ensure that the Funds are not disadvantaged by the transaction concerned. Any transaction carried out by or on behalf of the Funds should be executed on terms which are the best available for the Funds and which are no less favourable to the Funds than an arm's length transaction between independent parties. In the event the interest of any directors and employees of the Manager, and members of the investment committee is directly or indirectly involved, he or she would abstain from being involved with any decision making process of the said transaction.

No fees other than the ones set out in this master prospectus have been paid to any promoter of the Funds, or the Trustee (either to become a trustee or for other services in connection with the Funds), or the Manager for any purpose or as allowed by regulations or approved by the authorities.

Interests in the Funds and employees' securities dealings

Subject to the paragraph below and any legal and regulatory requirement, any officers or directors of the Manager, Trustee or any of their respective related corporations, may invest in the Funds. Such officers or directors will receive no payments from the Funds other than usual income distributions that they may receive as a result of investment in the Funds.

The Manager has in place a policy contained in its rules of business conduct, which regulates its employees' securities dealings. A monthly declaration of securities trading is required of all employees to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to the Manager and customers of the Manager.

The Funds may also invest in related companies and/or instruments issued by related companies of the Manager and/or deposit money in financial institutions related to the Manager. All related party transaction will be transacted at arm's length and are established on terms and conditions that are stipulated in the applicable regulations of the respective stock exchanges and/or other applicable laws and market convention.

Cross trades

The Funds may conduct cross trades with another fund under the management of the Manager provided that:

- 1) the sale and purchase decisions are in the best interest of both funds;
- 2) transactions are executed on arm's length and fair value basis;
- 3) reason for such transactions is documented prior to execution; and
- 4) transaction is executed through a dealer/financial institution.

Cross trades between staff personal account and the Funds' account(s), and cross trades between proprietary accounts and the Funds' account(s) are prohibited.

In relation to **GGF, EMBOND** and **MARI**:

HSBC (Malaysia) Trustee Berhad

As trustee for the Funds, there may be related party transaction involving or in connection with the Funds in the following events: -

- 1) Where the Funds invest in instruments offered by the related party of the Trustee (e.g placement of monies, structured products, etc);
- 2) Where the Funds are being distributed by the related party of the Trustee as Institutional Unit Trust Adviser (IUTA);
- 3) Where the assets of the Funds are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Funds (Trustee's delegate); and
- 4) Where the Funds obtain financing as permitted under the Securities Commission's Guidelines on Unit Trust Funds, from the related party of the Trustee.

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 Funds' 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 Funds and which are not less favourable to the Funds than an arm's 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 Funds or any Unit Holder or enter into any contract or transaction with each other, the Funds 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 confirmations

Wei Chien & 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 Sdn Bhd has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the tax adviser for the Funds.

TMF Trustees Malaysia Berhad has given its confirmation that there are no existing or potential conflicts of interest in its capacity as the trustee for **ACF, CHINDIA, LLL** and **ENT**.

10. TAX ADVISER'S LETTER ON THE TAXATION OF THE FUNDS AND UNIT HOLDERS

(Prepared for inclusion in this master prospectus)

Private and confidential

KPMG Tax Services Sdn. Bhd.
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia

The Board of Directors
RHB Asset Management Sdn Bhd
Level 8, Tower 2 & 3
RHB Centre, Jalan Tun Razak
50400 Kuala Lumpur

31 July 2017

Dear Sirs

Re: MASTER PROSPECTUS RELATING TO:

1. **RHB GOLD AND GENERAL FUND**
2. **RHB ASIA CONSUMER FUND**
3. **RHB CHINA-INDIA DYNAMIC GROWTH FUND**
4. **RHB EMERGING MARKETS BOND FUND**
5. **RHB MULTI ASSET REGULAR INCOME FUND**
6. **RHB LEISURE, LIFESTYLE & LUXURY FUND**
7. **RHB ENTREPRENEUR FUND**

(“FUNDS”) DATED 6 OCTOBER 2017 (“MASTER PROSPECTUS”)

This letter has been prepared for inclusion in the master prospectus dated 6 October 2017 in connection with the offer of units in the above unit trust funds (“the Funds”): -

Taxation of the Funds

Income Tax

The Funds are treated as unit trusts for Malaysian tax purposes. The taxation of the Funds 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 Funds in respect of investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is liable to Malaysian income tax at the rate of 24% with effect from Year of Assessment (“YA”) 2016.

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.

Gains from the realisation of investments (whether local or foreign) by the Funds will not be subject to tax in Malaysia.

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

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

Deductions in respect of the Funds' expenses such as manager's remuneration, maintenance of a 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.

Single-tier Malaysian dividends received by the Funds are exempted from tax and expenses incurred by the Funds in relation to dividend income (which is paid or credited under the single-tier system) are disregarded.

Interest income earned by the Funds 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 sukuks, other than convertible loan stock, approved or authorised by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013¹; or
- any development financial institution regulated under the Development Financial Institutions Act 2002¹; or
- Sukuks originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorised by, or lodged with, the Securities Commission ("SC") or approved by the Labuan Financial Services Authority².

Real Property Gains Tax ("RPGT")

Gains on disposal of investments by the Funds will generally not be subject to income tax in Malaysia. However, such gains may be subjected to RPGT in Malaysia, if the gains are derived from the sale of Malaysian real properties or shares in Malaysian real property companies (as defined). The gains on the disposal of the chargeable assets would be subject to RPGT at the applicable rate depending on the holding period of the chargeable assets.

Goods and Services Tax ("GST")

GST has been implemented in Malaysia with effect from 1 April 2015, at a standard rate of 6%. It replaced the Sales Tax and Service Tax.

The issue, holding or redemption of any unit under a trust fund is regarded as an exempt supply. The investment activities of the Funds such as buying and selling of securities are exempt supplies and thus not subject to GST. Thus, if the Funds are only making such exempt supplies, it is not required to be registered for GST.

However, certain expenses incurred by the Funds such as fund manager's fees, trustee fees and professional fees will be subject to GST if the service providers are GST registered. If the Funds are only making exempt

Note 1: Effective from YA 2017, in the case of a wholesale fund which is a money market fund, the exemption shall only apply to a wholesale fund which complies with criteria as set out in the relevant guidelines of the Securities Commission.

Note 2: With effect from YA 2017, the income tax exemption shall not apply to interest paid or credited to a company in the same group, licensed banks and prescribed development financial institutions.

supplies (and thus not GST registered), any input tax incurred by the Funds for the aforementioned expenses are not claimable.

Taxation of Unit Holders

Unit Holders are taxed on an amount equivalent to their share of the total taxable income of the Funds, to the extent that this is distributed to them. The income distribution from the Funds 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 Funds. 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 taxes will be imposed on the income distribution of the Funds.

With effect from YA 2016, corporate Unit Holders (resident or non resident in Malaysia), will be taxed at the corporate tax rate of 24%, on distributions of income from the Funds to the extent of an amount equivalent to their share of the total taxable income of the Funds.

Resident corporate Unit Holders whose paid-up capital in the form of ordinary shares does not exceed RM2.5 million will be subject to a tax rate of 19% (will be reduced to 18% from YA 2017) on chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, the tax rate of 24% (effective from YA 2016) is still applicable. However, the said tax rate of 19% on chargeable income of up to RM500,000 will not apply if more than 50% of the paid up capital in respect of ordinary shares of that company is directly or indirectly owned by a related company which has a paid up capital exceeding RM2.5 million in respect of ordinary shares, or vice versa, or more than 50% of the paid up capital in respect of ordinary shares of both companies are directly or indirectly owned by another company.

Pursuant to Income Tax (Exemption) (No. 2) Order 2017 [P.U.(A) 117], a tax exemption equivalent to a reduction in the corporate tax rate from 1% to 4% will be effectively given for YA 2017 and YA 2018 based on percentage of increase in the chargeable business income for the relevant YA as compared to the immediately preceding YA, subject to meeting the stipulated conditions.

Individuals and other non-corporate Unit Holders who are resident in Malaysia are generally subject to income tax at scaled rates. The scaled tax rates range from 0% to 28% with effect from YA 2016.

Individuals and other non-corporate Unit Holders who are not resident in Malaysia, for tax purposes, will be subject to Malaysian income tax at the rate of 28% with effect from YA 2016. Non resident Unit Holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

The distribution of single-tier dividends and other tax exempt income by the Funds will be exempted from tax in the hands of the Unit Holders in Malaysia. Distribution of foreign income will also be exempted from tax in the hands of the Unit Holders.

Units split by the Funds will be exempted from tax in Malaysia in the hands of the Unit Holders.

Any gains realised by the Unit Holders (other than financial institutions, insurance companies and those dealing in securities) from the transfers or redemptions of the units are generally treated as capital gains which are not subject to income tax in Malaysia. However, certain Unit Holders may be subject to income tax in Malaysia on such gains, due to specific circumstances of the Unit Holders.

The following gains or income received by the Unit Holders are not subject to GST: -

- the distribution of income from the Funds to the Unit Holders which may comprise of dividends, interest income and gain from realisation of investments;
- distribution of foreign income from the Funds;
- unit split by the Funds and reinvestment of distribution; and

-
- gain made from selling or redemption of units.

However, the following expenses incurred by the Unit Holders should be subject to GST if the supplier is GST registered: -

- any fee based charges in relation to buying of the units such as sales charge; and
- switching and transfer charges for switching or transferring the units.

The tax position is based on our understanding and interpretation of the Malaysian tax laws and proposals as they stand at present. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments.

Yours faithfully



Ong Guan Heng
Executive Director

11. EXPERTS' REPORT

GGF ACF CHINDIA EMBOND MARI LLL ENT

There are no experts' reports in respect of the Funds as no experts (i.e. any party providing advice to the Manager) apart from the tax adviser were appointed for the Funds.

12. APPROVAL AND CONDITIONS

GGF ACF CHINDIA EMBOND MARI LLL ENT

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

There are no waivers or exemptions granted by the Securities Commission for the Funds as none has been sought for.

13. DOCUMENTS AVAILABLE FOR INSPECTION

GGF ACF CHINDIA EMBOND MARI LLL ENT

The following documents or copies thereof, where applicable, may be inspected by Unit Holders without charge at the registered/principal office of the Manager or such other place as the Securities Commission may determine:

- (a) the Deed;
- (b) this master prospectus and supplementary or replacement master prospectus, if any;
- (c) the latest annual and interim reports of the Funds;
- (d) each material contract disclosed in this master prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract;
- (e) where applicable, the audited financial statements of the Manager and the Funds for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- (f) all reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this master prospectus (if any). Where a summary expert's report is included in the master prospectus, the corresponding full expert's report shall be made available for inspection;
- (g) all consents given by the experts disclosed in this master prospectus; and
- (h) writ and relevant cause papers for all material litigation and arbitration disclosed in this master prospectus.

DIRECTORY OF OUTLETS FOR PURCHASE AND SALE OF UNITS

For information on the participating distributors, please contact:

RHB Asset Management Sdn Bhd's Registered/Principal Office:
(Kindly refer to the Corporate Directory for details.)

Investors may call our help-desk at Toll-Free-Phone number: 1-800-88-3175 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to rham@rhbgroup.com or visit our website, www.rhbgroup.com.

RHB ASSET MANAGEMENT SDN BHD 174588-X
 Level 8 Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur
 Tel:603-9205 8000 Fax: 603-9205 8100
 Toll Free No:1-800-88-3175 Website: www.rhbgroup.com

Individual Joint Corporate Staff Application

In compliance with the Capital Markets and Services Act 2007, this form should not be circulated unless accompanied by the relevant master prospectus(es)/ prospectus(es) and its supplementary(ies) (if any). Investor(s) should read and understand the contents of the relevant master prospectus(es)/ prospectus(es) and its supplementary(ies) if any before completing this form. Please complete in BLOCK LETTERS only, and tick(✓) where applicable. For 1st time Investor(s), this form is required to be completed.

PARTICULARS OF INDIVIDUAL APPLICANT / CORPORATE APPLICANT

You MUST be 18 years old and above as at the date of this application. Please provide a copy of your NRIC or Passport.

Name of Individual/ Corporate Applicant _____
 (as in NRIC/Passport No./Certificate of Incorporation)

NRIC No.(old)/Passport No./Company Registration No. _____ NRIC No. (new) _____ - _____ - _____

(To be completed if Individual Applicant)
 Date of Birth (DD/MM/YYYY) _____ - _____ - _____ Country of Birth _____

Source of Income Employed (Permanent/Contract) Own business Savings/ Inheritance Others (please specify) _____

Employer's/Company's Name _____ Occupation/ Designation _____

Employer's/Company's Tel No. _____

Employer's/Company's Office In Malaysia Outside Malaysia (please specify) _____

Nature of Business of Applicant/ Applicant's Employer Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

Marital Status Single Married Widowed Divorced No. of Dependents (please indicate if any) _____

Nationality Malaysian Others (please specify) _____ Sex Male Female

Bumiputera Status Yes No Race Malay Chinese Indian Others _____

Education Level Primary Secondary STPM / Diploma /PreU Degree Post Graduate Others _____

Annual Income Up to RM18,000 RM18,001 - RM36,000 RM36,001 - RM50,000 RM50,001 - RM96,000 RM96,001 - RM180,000 RM180,001 - RM240,000 RM240,001 and above

Mother's Maiden Name _____

Individual Applicant Email Address _____

By providing your email address to RHB Asset Management Sdn Bhd (RHBAM), you have consented to receive communications and/or information from RHBAM relating to your investment via email. Notices delivered via email to applicant are deemed sent and received on the date such email is sent.

(To be completed if Corporate Applicant)

Date of Incorporation (DD/MM/YYYY) _____ - _____ - _____ Country of Incorporation _____

Nature of Business of Applicant/Applicant's Employer Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

Company Status Bumiputra Controlled Non-Bumiputra Controlled Non-Malaysian Controlled

Company Source of Income Disposal of non-core business/asset/investments Fund raising exercise such as right issue Cash in hand/surplus funds/working capital

Contact Person (1)
 Designation _____ Department _____
 Tel No. _____ ext _____ Fax No. _____
 Office Email Address _____

Contact Person (2)
 Designation _____ Department _____
 Tel No. _____ ext _____ Fax No. _____
 Office Email Address _____

Please refer to clause 4 of the Terms and Conditions to ascertain the documents required to be submitted with this application.

PARTICULARS OF JOINT INDIVIDUAL APPLICANT (not applicable for EPF Investment Scheme"EPF")

Name as in NRIC/Passport _____

NRIC No.(old)/Passport No./Birth Certificate No. _____ NRIC No. (new) _____ - _____ - _____

Date of Birth (DD/MM/YYYY) _____ - _____ - _____ Country of birth _____ Sex Male Female

Nationality : Malaysian Others (please specify) _____ Bumiputera Status : Yes No

Occupation _____ Relationship to Individual Applicant Parent Spouse Child Sibling Others _____

Nature of Business of Applicant/Applicant's Employer Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

APPLICANT'S CONTACT DETAILS

Permanent Address _____
 (as in NRIC/Passport No./Certificate of Incorporation)

Post Code _____ Town / City _____

State _____ Country _____

Correspondence/ Mailing Address _____
 (complete if different)

Post Code _____ Town / City _____

State _____ Country _____

Tel No. _____

Country Code _____ Area Code _____ Residence / House _____ Mobile _____

Office _____ ext _____ Fax No. _____

FOR UTC/DISTRIBUTOR USE ONLY

RHBAM/Distributor Branch Code/ Stamp _____ Name of Staff/ UTC/Distributor Staff/UTC Code _____ Signature of Staff/ UTC/Distributor FiMM Code _____

FOR OFFICE USE ONLY

Account No. _____ Trans. Sequence No. _____ Price of Transaction (RM/relevant currency) _____

INVESTMENT OBJECTIVE & EXPERIENCE

Investment Objective

- Capital Growth Regular Income Capital Protection Retirement
 Education Wealth Accumulation

Investment Time Frame

- Long Term (> 5 years) Medium (3-5 years) Short Term (< 3 years)

Investment Experience

- Unit Trust _____ year(s) Trading on Bursa Malaysia _____ year(s)
 Futures / Options _____ year(s) Others _____ year(s)
 No experience

EXCHANGE CONTROL DECLARATION BY NON-MALAYSIAN RESIDENT(S)/REGISTERED ORGANISATION(S)

- I/We declare that I am/ we are non-Malaysian resident(s) and I am/ we are permanent resident(s) of _____ (Country)
 We declare that we are a non-Malaysian organisation and our organisation is incorporated in _____ (Country)

PARTICULARS OF INSURANCE (RHB EQUITY TRUST FUND ONLY)

Name of Beneficiary

(as in NRIC/Passport/Birth Certificate)

NRIC No.(old)/Passport No./Birth Certificate No.

NRIC No. (new)

Relation to Applicant

DECLARATIONS AND SIGNATURES

INDIVIDUAL APPLICANT

- I/We acknowledge that I/We have received, read and understood the relevant Master Prospectus(es)/ Prospectus(es) for the Fund(s) to be invested in, the Terms and Conditions of this Form and I/We undertake to be bound by them for my/our initial and subsequent transactions with RHB Asset Management Sdn. Bhd. ("RHBAM").
- I/We acknowledge that I/We are aware of the fees and charges that I/We will incur directly or indirectly when investing in the Fund(s).
- I/We undertake to be bound by the provisions of the documents constituting the Fund(s) subscribed to as if I was/ We were a party thereto.
- I am/ We are 18 years old and above as at the date of this application. Copy/Copies of my/our NRIC/ Passport is/are enclosed.
- I/We do declare and represent that as at the date hereof, I/We am/are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us.
- I/We declare that I am/ We are neither engaged in any unlawful activity nor are my/our monies obtained from any illegal source or related to any illegal activity.
- I/We declare that I am/ We are in compliance and undertake that I/We will comply with all applicable laws and regulations.
- I/We undertake to provide RHBAM with all information as it may require for the purpose of and in connection with completing the Account Application Form, including but not limited to, my/our information on financial position, condition or prospect.
- I/We acknowledge that I/We shall keep RHBAM informed of any change of my/our particulars as stated in this Account Application Form and/or of any material facts that will, direct or indirectly, affect my/our financial position(s), condition(s) or prospect(s).
- I/We undertake to provide such information and documents that RHBAM may reasonably require for the purpose of due diligence/ enhanced due diligence as required under the Anti-Money Laundering and Counter Financing Terrorism Act 2001 ("AML/CFTA").
- (For joint application only) In the absence of written explicit instructions, I/We acknowledge that instructions must be given by both of us.

CORPORATE APPLICANT

- I/We acknowledge that I/We have received, read and understood the relevant Master Prospectus(es)/ Prospectus(es) for the Fund(s) to be invested in, the Terms and Conditions of this Form and I/We undertake to be bound by them for my/our initial and subsequent transactions with RHB Asset Management Sdn. Bhd. ("RHBAM").
- I/We acknowledge that I/We are aware of the fees and charges that I/We will incur directly or indirectly when investing in the Fund(s).
- I/We undertake to be bound by the provisions of the documents constituting the Fund(s) subscribed to as if I was/ We were a party thereto.
- I/We do declare and represent that as at the date hereof, I/We am/are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us.
- I am/ We are duly authorised officer(s) of the Corporation, and warrant that the Corporation has the power and capacity to enter into this agreement and undertake transactions involving the Fund(s). Attached is a certified true copy of the Corporation's list of authorised signatories.
- I/We, as director(s) of the Corporation do hereby declare that the Corporation is a legally incorporated Corporation. Copy of my/our Certificate of Incorporation is enclosed.
- I/We, hereby declare and represent that as at this date, the Corporation is not wound up nor has there been any winding-up petition presented to the Corporation.
- I/We declare that I am/ We are neither engaged in any unlawful activity nor are my/our monies obtained from any illegal source or related to any illegal activity.
- I/We undertake to provide RHBAM with all information as it may require for the purpose of and in connection with completing the Account Application Form, including but not limited to, the Corporation and its group of companies' information on financial position, condition, operation, business or prospect.
- I/We acknowledge that I/We shall keep RHBAM informed of any change of the information stated in this Account Application Form and/or of any material facts that will, direct or indirectly, affect the Corporation and its group of companies' financial position, condition, operation, business or prospect.
- I/We undertake to provide such information and documents that RHBAM may reasonably require for the purpose of due diligence/ enhanced due diligence as required under the AML/CFTA.
- (Distribution Instruction as per Purchase/ Switch Form) Depending on the Fund invested and subject to each respective Fund's Master Prospectus(es)/ Prospectus(es), income distribution will either be reinvested into further units in the relevant fund or be paid out.
- I/We hereby declare and acknowledge that I/We have sole legal and proprietary right over all monies accompanying this application.
- I/We hereby agree to indemnify RHBAM against all actions, suits, proceedings, claims, damages and losses which may be suffered by RHBAM as a result of any inaccuracy of the declarations herein.
- I/We hereby declare and acknowledge that I/We have sole legal and proprietary right over all monies accompanying this application.
- I/We hereby agree to indemnify RHBAM against all actions, suits, proceedings, claims, damages and losses which may be suffered by RHBAM as a result of any inaccuracy of the declarations herein.
- We, the abovementioned authorised signatories and representatives for the Corporation, do declare and represent that as at the date hereof, no petition for winding-up has been filed against the Company nor any receiver has been appointed over any of its assets.

DECLARATION FOR PERSONAL DATA PROTECTION ACT 2010 (Applicable for Individual/Corporate Applicant)

- I/We shall fully comply with the provisions of the Personal Data Protection Act 2010 ("the Act") applicable to the processing of personal data as defined in the Act and specifically, that all necessary consents have been obtained from individuals whose personal data may be disclosed to RHBAM or its representatives ("Disclosed Data") in respect of such disclosure to and processing by RHBAM and its representatives and that I/We will always furnish RHBAM or its representatives with up-to-date Disclosed Data.
- I/We shall procure any third party that processes Disclosed Data for or on behalf of me/us to agree in writing to the same terms that I/We agree in line with the Act and in this declaration.
- I/We shall immediately notify RHBAM in the event of any claim or complaint from any data subject of Disclosed Data and/or where there has been an event of non-compliance with the Act by me/us, whether discovered by me/us or forming the subject of an investigation and/or action by the relevant authorities.
- I/We shall indemnify RHBAM Banking Group against all proceedings, costs, expenses, liabilities or damages arising from my/our failure to comply with the Act with respect to Disclosed Data and the terms of this declaration. The remedies available to RHBAM contained in this clause are without prejudice to and in addition to any warranties, indemnities, remedy or other rights provided by law or any prior agreement.
- Based on the above declaration, I/We undertake that this declaration shall not be assigned without RHBAM's prior written consent; will be binding upon my/our servants, agents, personal representatives, assigns and successor-in-law; will inure to the benefit of RHBAM and its successors and assigns; and shall supersede all prior representations, negotiations, arrangements, understandings or agreements and all other communications between RHBAM and me/us in connection with the processing and disclosure of Disclosed Data to RHBAM.

No delay or omission by RHBAM in exercising any right under this declaration will operate as a waiver of that or any other right. The covenants set out in this declaration are separate and severable and enforceable accordingly and whilst the restrictions are considered by the parties to be reasonable in all the circumstances as at the date hereof, it is acknowledged that restrictions of such a nature may be invalid because of a change in circumstances or other unforeseen reasons and accordingly, if any restrictions shall be adjudged to be void or ineffective for whatever reason but would be adjudged to be valid and effective if part of the wording thereof were deleted or the periods thereof reduced, such modifications shall be applied as may be necessary to make them valid and effective.

ACCOUNT DETAILS FOR INCOME DISTRIBUTION / REDEMPTION

For MYR Currency

Bank Name : _____
 Account Holder Name : _____
 Account No. : _____
 Account Type : Savings Current
 Account Ownership : Single Joint

For Foreign Currency

Bank Name : _____
 Account Holder Name : _____
 Account No. : _____
 Account Type : Savings Current
 Account Ownership : Single Joint

ALL APPLICANTS MUST SIGN THIS FORM

Applicant / Authorised Signatory (ies) Date	Joint Applicant / Authorised Signatory (ies) Date	Company Stamp / Common Seal

For **Joint Application**, please tick (✓) account operating mode for future transactions
 Applicant Only
 Joint Applicant Only
 Either Applicant to sign
 Both Applicants to sign

TERMS AND CONDITIONS

You are advised to read and understand the relevant Master Prospectus(es)/ Prospectus(es) and deed(s) which shall be made available upon request before investing in the fund(s).

1. MINIMUM INVESTMENT

- Initial and subsequent investment must be for a minimum amount stated in the relevant Master Prospectus(es)/ Prospectus(es).

2. INDIVIDUAL APPLICANT

- Applicant must be 18 years old and above.
- Please enclose a photocopy of your identity card or passport.

3. JOINT INDIVIDUAL APPLICANT

- Please enclose a photocopy of your identity card or passport.
- If aged 18 years old and above, he/she is also required to sign the application form.
- In the case of death of a joint-holder, the surviving holder will be the only person recognised by the Manager and the Trustee as having any title to or interest in the units held.
- In the absence of written explicit instructions, I/We acknowledge that instructions must be given by both of us.

4. CORPORATE APPLICANT

- Please enclose a copy of the Memorandum and Articles of Association, Company's latest audited accounts, list of Authorised Signatories and Specimen Signatures.
- For a corporation, the Common Seal or the Company stamp will have to be affixed. If the Company stamp is used, an Authorised Officer must sign and state his/her representative capacity.
- Certified True Copy (by company secretary, if applicable) of the Board Resolution, Form 11, Form 9, Form 13 (if applicable), Form 24, Form 44, Form 49 and latest Annual Return.

5. RIGHTS OF THE MANAGER

The Manager reserves the right to accept or reject any application in whole or in part thereof and reject any Fund Application Form which is not completed in full and supported by the requested documents and payments.

6. CUSTOMER CARE

If you require further information or clarification, please contact our Customer Service for assistance.

All notices and other communications sent by or to the applicant shall be sent at the risk of the applicant. Unless due to willful default or negligence of the Manager, the Manager shall not be responsible for any inaccuracy, interruption, error, delay or failure in transmission or delivery of any notices via whatever means, or for any equipment failure or malfunction. The Manager shall not be liable for any direct or indirect consequential losses arising from the foregoing.

The information that you have provided will be used strictly for our own purpose and shall not be shared with any other parties unless as required by law.

PURCHASE / SWITCH FORM

Account No. _____

(for existing unit holders only)

Please tick (✓) if this is staff purchase

Purchase Switch Staff Application

In compliance with the Capital Markets and Services Act 2007, this form should not be circulated unless accompanied by the relevant master prospectus(es)/ prospectus(es) and supplementary(ies) (if any). Investor(s) **should** read and understand the contents of the relevant master prospectus(es)/ prospectus(es) and its supplementary(ies) if any before completing this form. Please complete in **BLOCK LETTERS** only, and tick (✓) where applicable. For 1st time investors, please fill up the application form to be submitted with this form.

INDIVIDUAL APPLICANT

Name of Individual Applicant _____

NRIC No. (new) _____ - _____ - _____ NRIC No.(old)/ Passport No. _____

Tel No. _____

Update (complete where applicable) Remain as previous application

Occupation/Designation _____

Education Level Primary Secondary STPM / Diploma /PreU Degree Post Graduate Others _____

Annual Income Up to RM18,000 RM18,001 - RM36,000 RM36,001 - RM50,000 RM50,001 - RM96,000

RM96,001 - RM180,000 RM180,001 - RM240,000 RM240,001 and above

Source of Income Employed (Permanent/Contract) Own business Savings / Inheritance Others (please specify) _____

Employer's/Company's Name _____

Employer's/Company's Tel No. _____ Employer's/Company's Office In Malaysia Outside Malaysia (please specify) _____

Nature of Business of Applicant/ Applicant's Employer Financial/Banking/Investment Legal/Tax Telecommunications Hotel/ Restaurant Consultancy Government/ Government related Medical/Health/Science Education Real Estate/ Property Manufacturing Construction Others (please specify) _____

JOINT INDIVIDUAL APPLICANT (not applicable for EPF)

Name as in NRIC/Passport _____

NRIC No. (new) : _____ - _____ - _____ NRIC No.(old)/ Passport No. _____

Tel No. _____

CORPORATE APPLICANT (not applicable for EPF)

Update on Corporation's documents Remain as previous application

Name of Company _____

Company Registration No _____

Name of Contact Person(s) _____

Tel No: _____ ext _____ Fax No. _____

INVESTMENT OBJECTIVE & EXPERIENCE

Investment Objective Capital Growth Regular Income Capital Protection Retirement Education Wealth Accumulation

Investment Experience Unit Trust _____ year(s) Trading on Bursa Malaysia _____ year(s) Futures / Options _____ year(s) Others _____ year(s) No experience

Investment Time Frame Long Term (> 5 years) Medium (3-5 years) Short Term (< 3 years)

DETAILS OF INVESTMENT APPLICATION

Note: Select a Distribution Instruction only if this is an initial investment in the relevant Fund(s) of RHB Asset Management Sdn Bhd (RHBAM) and only if applicable. Depending on the Fund invested and subject to each respective Fund's Master Prospectus(es)/ Prospectus(es), income distribution will either be reinvested into further units in the relevant fund or be paid out.

Fund Name	***Plan Type	** Currency	Amount	***No. of years 1 - 5	Investment Type	*Distribution Instruction (not applicable for EPF)
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional <input type="checkbox"/> Standing Instruction	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by cheque <input type="checkbox"/> *Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional <input type="checkbox"/> Standing Instruction	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by cheque <input type="checkbox"/> *Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional <input type="checkbox"/> Standing Instruction	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by cheque <input type="checkbox"/> *Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional <input type="checkbox"/> Standing Instruction	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by cheque <input type="checkbox"/> *Credit into bank account
					<input type="checkbox"/> Initial <input type="checkbox"/> Additional <input type="checkbox"/> Standing Instruction	<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by cheque <input type="checkbox"/> *Credit into bank account
TOTAL						

* Account Details for income distribution to be credited:

** specify the currency acronym eg. RM etc

*** Note: C - Cash Plan
S - Savings Plan
E - EPF Plan

**** Applicable for Regular Savings Plan

For MYR Currency		For Foreign Currency	
Bank Name :	_____	Bank Name :	_____
Account Holder Name :	_____	Account Holder Name :	_____
Account No. :	_____	Account No. :	_____
Account Type :	<input type="checkbox"/> Savings <input type="checkbox"/> Current	Account Type :	<input type="checkbox"/> Savings <input type="checkbox"/> Current
Account Ownership :	<input type="checkbox"/> Single <input type="checkbox"/> Joint	Account Ownership :	<input type="checkbox"/> Single <input type="checkbox"/> Joint

Payment Mode for investment : Cheque/Bank Draft (Bank _____ No. _____) (Payable to "RHB Asset Management Sdn Bhd") EPF Investment Scheme ("EPF") Cash Deposit, kindly indicate the bank account which you banked into:

Fund Name	Bank	Account No.
1 All Funds except for items 4 to 9 below	RHB	2-14129-00200777
2 All Funds except for items 4 to 9 below	Maybank	514011-592181
3 All Funds except for items 4 to 9 below	RHB Multi Currency (for foreign currencies)	6-14129-00007029
4 RHB Cash Management Fund 1	RHB	2-14129-0021227-9
5 RHB Islamic Cash Management Fund	RHB	2-64317-0000042-5
6 RHB Money Market Fund	RHB	2-14231-00039055
7 RHB Institutional Islamic Money Market Fund	RHB	2-14231-00039055
8 RHB Deposits Fund	RHB	2-14231-00039055
9 RHB Cash Management Fund 2	RHB	2-14231-00039055

Others _____

Notes to be read before completing this section:

• Cheque/bank draft should be crossed and made payable to "RHB ASSET MANAGEMENT SDN BHD" for all funds. You should write your full name and NRIC No. on the back of each cheque. The cheque(s)/ bank draft(s) must be attached with this Form.

• You may bank-in cash or arrange for a bank transfer into one of the accounts as stated herein. Please attach the bank-in slip or a copy of the Direct Transfer form with this Form. It must clearly state your name, NRIC No, amount remitted and the name of the Fund(s) you are investing into.

• If you are investing via Standing Instruction, kindly fill up the Standing Instruction Form of the relevant bank and attach it with this Form.

FOR UTC / DISTRIBUTOR USE ONLY

RHBAM/ Distributor Branch _____

Code/ Stamp _____

Name of Staff/ UTC/ Distributor _____

Signature of Staff/ UTC/ Distributor _____

Staff/UTC Code _____

FIMM Code _____

FOR OFFICE USE ONLY

Account No. _____ Trans. Sequence No _____ Price of Transaction _____ Trans Price Date _____
 (RM/relevant currency)

DETAILS OF SWITCHING APPLICATION

Please ensure you maintain the minimum amount required in the original Fund as stated in the relevant Master Prospectus(es)/ Prospectus(es) and its Supplementary(ies).

SWITCH FROM	
Fund Name	No. of Units
1.	
2.	
3.	
4.	
5.	

SWITCH TO			
Fund Name	*Distribution Instruction (not applicable for EPF)		
1.	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Pay by cheque	<input type="checkbox"/> *Credit into bank account
2.	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Pay by cheque	<input type="checkbox"/> *Credit into bank account
3.	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Pay by cheque	<input type="checkbox"/> *Credit into bank account
4.	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Pay by cheque	<input type="checkbox"/> *Credit into bank account
5.	<input type="checkbox"/> Reinvest	<input type="checkbox"/> Pay by cheque	<input type="checkbox"/> *Credit into bank account

*Account Details for income distribution to be credited:

Change of Bank Details (Please provide latest Bank Details (Leave blank if there is no changes.))

For MYR Currency	For Foreign Currency
Bank Name : _____	Bank Name : _____
Account Holder Name : _____	Account Holder Name : _____
Account No. : _____	Account No. : _____
Account Type : <input type="checkbox"/> Savings <input type="checkbox"/> Current	Account Type : <input type="checkbox"/> Savings <input type="checkbox"/> Current
Account Ownership : <input type="checkbox"/> Single <input type="checkbox"/> Joint	Account Ownership : <input type="checkbox"/> Single <input type="checkbox"/> Joint

LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a unit trust fund with borrowed money is more risky than investing with your own savings. You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financing circumstances. You should be aware of the risk, which would include the following:-

- The higher the margin of financing (that is, the amount of money you borrow for every Ringgit of your own money that you put in as deposit or down payment) the greater the loss or gain on your investment.
- You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
- If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where units are used as collateral) or pay additional amounts on top of your normal instalments. If you fail to comply within the prescribed time, your units may be sold towards the settlement of your loan.

- Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are incurred instead. Whether you eventually realise a gain or incur loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take the loan. If you have doubts in respect of any aspect of this Risk Disclosure Statement or the terms of the loan financing, you should consult the institution offering the loan.

I / We acknowledge that I / We have read and understood the contents of the investment Loan Financing Risk Disclosure Statement. I / We do declare and represent that as at the date hereof, I / We am / are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us. With the completion of this form, it constitutes that I have read, understood and agreed to be bound by the notes, terms and conditions stated in this form. I also accept and acknowledge that RHB Asset Management Sdn Bhd has absolute discretion to reply on facsimile confirmation from me and undertake to indemnify and hold harmless RHB Asset Management Sdn Bhd, its employees and agents at all costs, expenses, loss of liabilities, claims and demands arising out of this confirmation.

DECLARATIONS AND SIGNATURES

- I / We acknowledge that I / We have received, read and understood the relevant Master Prospectus(es)/ Prospectus for the Fund(s) to be invested in, the Terms and Conditions of this Form and I/We undertake to be bound by them for my / our initial and subsequent transactions with RHB Asset Management Sdn Bhd ("RHBAM").
- I/We undertake to be bound by the provisions of the documents constituting the Fund(s) subscribed to as if I was/We were a party thereto.
- I/We acknowledge that I/We are aware of the fees and charges that I/We will incur directly or indirectly when investing in the Fund(s).
- I/We hereby declare and acknowledge that I/We have sole legal and proprietary right over all monies accompanying this application.
- I/We hereby agree to indemnify RHBAM against all actions, suits, proceedings, claims, damages and losses which may be suffered by RHBAM as a result of any inaccuracy of the declarations herein.

ALL APPLICANTS MUST SIGN THIS FORM

Applicant / Authorised Signatory (ies) Date

Joint Applicant / Authorised Signatory (ies) Date

Company Stamp / Common Seal

RHB **Asset Management**

RHB Asset Management Sdn Bhd (174588-X)

Head Office

Level 8, Tower 2 & 3,
RHB Centre, Jalan Tun Razak,
50400 Kuala Lumpur, Malaysia

Tel: +603 9205 8000

Fax: +603 9205 8100

www.rhbgroup.com