



# Prospectus

## Franklin Templeton Martin Currie Southeast Asia Trust

Dated 3 January 2023

a replacement prospectus replacing the prospectus registered on 21 July 2022

Valid till 20 July 2023

---

**FRANKLIN TEMPLETON MARTIN CURRIE SOUTHEAST ASIA  
TRUST**

**PROSPECTUS**

*Managed by*

**Templeton Asset Management Ltd**

# FRANKLIN TEMPLETON MARTIN CURRIE SOUTHEAST ASIA TRUST

Directory

## **Managers**

Templeton Asset Management Ltd

(Company Registration Number: 199205211E)

7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987

## **Directors of the Managers**

Tariq Ashfaq Ahmad

Manraj Singh Sekhon

Ong Tek Khoan

Lim Seh Kuan

## **Trustee**

HSBC Institutional Trust Services (Singapore) Limited

(Company Registration Number: 194900022R)

10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983

## **Custodian**

The Hongkong and Shanghai Banking Corporation Limited

1 Queen's Road Central

Hong Kong

## **Principal Distributor**

Templeton Asset Management Ltd

(Company Registration Number: 199205211E)

7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987

## **Auditors**

PricewaterhouseCoopers LLP

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

## **Solicitors to the Managers**

Allen & Gledhill LLP

One Marina Boulevard, #28-00, Singapore 018989

## **Solicitors to the Trustee**

Shook Lin & Bok LLP

1 Robinson Road, #18-00 AIA Tower, Singapore 048542

# FRANKLIN TEMPLETON MARTIN CURRIE SOUTHEAST ASIA TRUST

## Important Information

The managers of the Franklin Templeton Martin Currie Southeast Asia Trust (the “**Trust**”), Templeton Asset Management Ltd (the “**Managers**”), accept full responsibility for the accuracy of information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Prospectus misleading. Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the deed of trust (as amended) relating to the Trust (the “**Deed**”).

You should consult the relevant provisions of the Deed and obtain independent professional advice if there is any doubt or ambiguity relating thereto.

You should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of your country of citizenship, residence or domicile and/or (d) any restrictions or requirements under the Central Provident Fund (Investment Schemes) Regulations, the terms and conditions in respect of the CPF Investment Scheme issued by the CPF Board thereunder (as the same may be amended, modified or supplemented from time to time) and any other terms, conditions or directions as may from time to time be lawfully imposed or given by the CPF Board or other relevant competent authority, which may be relevant to the subscription, holding or disposal of units in the Trust (“**Units**”). You should be aware of and observe all such laws and regulations in any relevant jurisdiction that may apply to you.

No application has been made for the Units to be listed on any stock exchange.

For the purposes of this Prospectus, unless the context otherwise requires, references to a “Holder” are references to the person registered in the Trust’s register of Holders. In general, the Holder will usually be:

- (i) in the case of subscriptions using cash – the relevant approved agent or distributor or its nominee, who holds the Units on behalf of the investor; and
- (ii) in the case of subscriptions using SRS monies and CPF monies – the relevant investor.

For the purposes of this Prospectus, unless the context otherwise requires, references to an “investor” are references to a person applying for or investing in Units, whether through an approved agent or distributor or its nominee, or in his or her own name.

This Prospectus does not constitute an offer or solicitation for the purchase of Units to anyone in any jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make an offer or solicitation, and may be used only in connection with this offering of Units by the Managers, or through the Principal Distributor or the approved agents or distributors for the Trust.

The Units have not been and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any of the states of the United States (“**US**”), nor is such registration contemplated. The Units may not be offered, sold or delivered directly or indirectly in the US or to or for the account or benefit of any “US Person” (as defined in the Securities Act) or any person who is not a “non-United States Person” within the meaning of Rule 4.7 issued under the US Commodity Exchange Act.

The Units are being offered outside the US pursuant to the exemption from registration under Regulation S under the Securities Act. The Units offered hereby are subject to restrictions on transferability and resale and may not be directly or indirectly transferred or resold to US Persons or within the US.

A US Person for the above purpose currently includes: (i) any natural person resident in the US; (ii) any partnership or corporation organised or incorporated under the laws of the US; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the US; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the US; and (viii) any partnership or corporation if: (a) organised or incorporated under the laws of any non-US jurisdiction and (b) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts. The following are not US Persons: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the US; (ii) any estate of which any professional fiduciary acting as executor or administrator is a US Person if: (a) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by foreign law; (iii) any trust of which any professional fiduciary acting as trustee is a US Person, if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the US and customary practices and documentation of such country (v) any agency or branch of a US Person located outside the US if: (a) the agency or branch operates for valid business reasons and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

You may realise all or part of your holding of Units in accordance with and subject to the provisions of the Deed and as summarised in paragraph 13 of this Prospectus. The Managers' unit trusts and investment products, except for guaranteed funds, are not obligations of, deposits in, or guaranteed by the Managers or any of their affiliates. An investment in unit trusts and/or other investment products is subject to investment risks, including the possible loss of the principal amount invested. You should note that the value of Units and the income from them may fall as well as rise. Past performance figures are not necessarily indicative of future performance of any unit trust.

Some of the information in this Prospectus is a summary of corresponding provisions in the Deed. You should read the Deed for further details and for further information that is not contained in this Prospectus.

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

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

You should direct all your enquiries in relation to the Trust to the Managers or any agent or distributor appointed by the Principal Distributor.

# FRANKLIN TEMPLETON MARTIN CURRIE SOUTHEAST ASIA TRUST

## Table of Contents

Contents	Page
Directory.....	ii
Important Information.....	iii
1. Basic Information.....	1
2. The Managers and the Sub-Manager.....	4
3. The Trustee, the Administrator, the Custodian and the Registrar.....	7
4. The Auditors.....	8
5. The Principal Distributor.....	8
6. Structure of the Trust and Classes of Units.....	8
7. CPFIS Included Scheme.....	9
8. Investment Objective, Focus and Approach.....	10
9. Fees and Charges.....	13
10. Risks.....	14
11. Subscription of Units.....	17
12. Regular Savings Plan.....	20
13. Realisation of Units.....	20
14. Obtaining Prices of Units.....	23
15. Suspension of Dealing.....	23
16. Performance of the Trust.....	24
17. Soft Dollar Commissions/Arrangements.....	26
18. Conflicts of Interest.....	26
19. Reports.....	27
20. Other Material Information.....	27
21. Queries and Complaints.....	41

## FRANKLIN TEMPLETON MARTIN CURRIE SOUTHEAST ASIA TRUST

*The collective investment scheme offered in this Prospectus is an authorised scheme under the Securities and Futures Act 2001 of Singapore (“SFA”). A copy of the Registered Prospectus (as defined in paragraph 1.2 below) has been lodged with and registered by the Monetary Authority of Singapore (the “Authority”) and a copy of this Prospectus has been lodged with the Authority. The Authority assumes no responsibility for the contents of this Prospectus. The registration of the Registered Prospectus by the Authority and lodgement of this Prospectus with the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Franklin Templeton Martin Currie Southeast Asia Trust (formerly known as Legg Mason Martin Currie Southeast Asia Trust and prior to that, Legg Mason Southeast Asia Special Situations Trust and, prior to that, Legg Mason Western Asset Southeast Asia Special Situations Trust) (the “Trust”). The meanings of terms not defined in this Prospectus can be found in the deed of trust (as amended) constituting the Trust.*

### 1. Basic Information

#### 1.1 Franklin Templeton Martin Currie Southeast Asia Trust

The Trust is a Singapore-constituted open-ended unit trust.

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

This Prospectus is a replacement prospectus lodged with the Authority on 3 January 2023. This Prospectus replaces the prospectus for the Trust that was registered with the Authority on 21 July 2022 (the “Registered Prospectus”). This Prospectus shall be valid for 12 months after the date of registration of the Registered Prospectus (i.e., up to and including 20 July 2023) and shall expire on 21 July 2023.

#### 1.3 Trust Deed and Supplemental Deeds

1.3.1 The deed of trust relating to the interests being offered for subscription or purchase (the “Principal Deed”) is dated 14 January 1998 and the parties to the Principal Deed are Rothschild Asset Management (Singapore) Limited, as the retired managers (the “First Retired Managers”), and DBS Trustee Limited, as the retired trustee (the “Retired Trustee”).

1.3.2 As at the date of this Prospectus, the Principal Deed has been amended by the following deeds:

Deeds	Parties to the Deeds
<ul style="list-style-type: none"><li>• a First Supplemental Deed dated 12 March 1998</li><li>• a Second Supplemental Deed dated 14 July 1998</li><li>• a Third Supplemental Deed dated 12 January 1999</li><li>• a Fourth Supplemental Deed dated 10 January 2001</li><li>• a Fifth Supplemental Deed</li></ul>	Entered into between the First Retired Managers and the Retired Trustee



Deeds	Parties to the Deeds
dated 10 January 2002	
<ul style="list-style-type: none"> <li>• a Sixth Supplemental Deed dated 10 January 2002</li> </ul>	Entered into amongst the First Retired Managers, the Retired Trustee and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”)
<ul style="list-style-type: none"> <li>• an Amending and Restating Deed dated 17 January 2003</li> <li>• a Second Amending and Restating Deed dated 1 July 2003</li> <li>• a Third Amending and Restating Deed dated 18 August 2003</li> </ul>	Entered into between the First Retired Managers and the Trustee
<ul style="list-style-type: none"> <li>• a Supplemental Deed dated 5 January 2004</li> </ul>	Entered into amongst the First Retired Managers, the Trustee and Western Asset Management Company Pte. Ltd. (then known as Legg Mason Asset Management (Asia) Pte Ltd) (“LMAMA”)
<ul style="list-style-type: none"> <li>• a Fourth Amending and Restating Deed dated 7 February 2005</li> <li>• a Fifth Amending and Restating Deed dated 6 February 2006</li> </ul>	Entered into between LMAMA and the Trustee
<ul style="list-style-type: none"> <li>• a Supplemental Deed dated 28 September 2006</li> </ul>	Entered into amongst LMAMA, the Trustee and Legg Mason Asset Management Singapore Pte. Limited (formerly known as Legg Mason International Equities (Singapore) Pte. Limited) (the “Retired Managers”)
<ul style="list-style-type: none"> <li>• a Sixth Amending and Restating Deed dated 2 July 2007</li> <li>• a Seventh Amending and Restating Deed dated 3 December 2007</li> <li>• an Eighth Amending and Restating Deed dated 1 July 2008</li> <li>• a Ninth Amending and Restating Deed dated 30 June</li> </ul>	Entered into between the Retired Managers and the Trustee

Deeds	Parties to the Deeds
2009 <ul style="list-style-type: none"> <li>• a Tenth Amending and Restating Deed dated 28 June 2010</li> </ul>	
<ul style="list-style-type: none"> <li>• a Supplemental Deed of Appointment and Retirement of Managers dated 23 March 2011</li> </ul>	Entered into amongst the Retired Managers, Western Asset Management Company Pte. Ltd. (the “ <b>Second Retired Managers</b> ”) and the Trustee
<ul style="list-style-type: none"> <li>• an Eleventh Amending and Restating Deed dated 30 September 2011</li> <li>• a Twelfth Amending and Restating Deed dated 28 September 2012</li> <li>• a Thirteenth Amending and Restating Deed dated 27 September 2013</li> <li>• a Fourteenth Amending and Restating Deed dated 26 September 2014</li> </ul>	Entered into between the Second Retired Managers and the Trustee
<ul style="list-style-type: none"> <li>• a Fifteenth Amending and Restating Deed of Appointment and Retirement of Managers dated 3 April 2017</li> </ul>	Entered into amongst the Second Retired Managers, the Retired Managers and the Trustee
<ul style="list-style-type: none"> <li>• a Sixteenth Amending and Restating Deed dated 1 August 2017</li> <li>• a Seventeenth Amending and Restating Deed dated 23 July 2020</li> </ul>	Entered into between the Retired Managers and the Trustee
<ul style="list-style-type: none"> <li>• a Supplemental Deed of Appointment and Retirement of Managers dated 30 December 2022</li> </ul>	Entered into amongst the Retired Managers, the Managers and the Trustee

**1.3.3** The Principal Deed as amended by the above deeds shall hereinafter be referred to as the “**Deed**”. The Deed may be further amended from time to time.

- 1.3.4** The terms and conditions of the Deed shall be binding on each Holder and persons claiming through such Holder as if such Holder had been a party to the Deed and as if the Deed contained covenants on such Holder to observe and be bound by the provisions of the Deed and an authorisation by each Holder to do all such acts and things as the Deed may require the Managers and/or the Trustee to do.
- 1.3.5** You may inspect a copy of the latest Deed at the business office of the Principal Distributor at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987 during normal business hours. You can request for a copy of the latest Deed at a charge of S\$50 per copy of each document.
- 1.3.6** Where available, you may obtain a copy of the latest annual and semi-annual accounts, the auditor's report on the annual accounts and the annual and semi-annual reports relating to the Trust from the Principal Distributor upon request.

## **2. The Managers and the Sub-Manager**

### **2.1 The Managers**

The Managers of the Trust are Templeton Asset Management Ltd, whose registered office is at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987. The Managers are regulated by the Authority.

The Managers are an indirect wholly-owned subsidiary of Franklin Resources, Inc. ("**FRI**"), a holding company with subsidiaries operating as Franklin Templeton that provide asset management services, including the Managers. FRI was founded in 1947 and is listed on the New York Stock Exchange, Inc. under the symbol "BEN". As of 31 May 2022, FRI reported approximately US\$1.44 trillion of assets under management. Franklin Templeton's mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company brings extensive capabilities in equity, fixed income, multi-asset solutions and alternatives.

The Managers have been managing collective investment schemes in Singapore since 1992. As at 30 June 2022, the Managers have approximately S\$32,986,584,579 of assets under their management.

Please refer to Clause 27 and 28(A) of the Deed for further details on the Managers' role and responsibilities as the managers of the Trust.

In accordance with the provisions of the Deed, in the event the Managers go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of their assets or a judicial manager is appointed in respect of the Managers, the Trustee may by notice in writing (i) remove the Managers as the managers of the Trust and/or (ii) terminate the Trust. Please refer to Clause 32 and Clause 34 of the Deed and paragraph 20.6.3 below for further details.

Pursuant to Section 215D(2) of the Companies Act 1967 of Singapore, the Retired Managers and the Managers amalgamated on 1 January 2023 with the Managers being the surviving entity of the amalgamation.

Pursuant to the amalgamation, the business of the Retired Managers was transferred to and vested in the Managers (being the surviving entity of the amalgamation) by operation of law.

## **2.2 Directors and Key Executives of the Managers**

**The list of directors and key executives of the Managers and their particulars may be changed from time to time without notice.**

### **Directors**

#### **Tariq Ashfaq Ahmad**

Tariq Ahmad is Head of Asia Distribution of Franklin Templeton. In this capacity, he is responsible for Asia (ex. Japan, India and mainland China) retail and institutional distribution, including marketing and product strategy.

In addition, Mr. Ahmad is an advisor to Brandywine Global Investment Management (Asia), a specialist investment manager of Franklin Templeton. Prior to joining Franklin Templeton in 2021, Mr. Ahmad held Senior Leadership roles as CEO and Head of Asia with Brandywine Global Investment (Asia) and CEO and Partner with Rogge Global Partners Asia.

Mr. Ahmad has over 18 years of experience in the asset management industry based in London and Singapore, with international exposure working with clients across UK, Middle East and Asia Pacific. He has also held fixed income roles with Western Asset, J.P. Morgan Asset Management and State Street Global Advisors based in London.

Mr. Ahmad earned an MSc. in Investment Management from Sir John Cass Business School and a BSc (honors) in Business Studies from Imperial College of Science, Technology & Medicine. He is also an Associate of the Royal College of Science and holds the Investment Management Certificate.

#### **Manraj Singh Sekhon**

Manraj Sekhon is the chief investment officer for Franklin Templeton Emerging Markets Equity. In this capacity, he oversees over 80 investment professionals and the full suite of emerging markets equity strategies offered by the group, including global, regional, single-country, small cap, frontier and private equity.

Prior to joining Franklin Templeton in 2018, Mr Sekhon served as the chief executive, CIO and director of Fullerton Fund Management, a Singapore-based asset manager. He began his career at Mercury Asset Management (now part of BlackRock) in London in 1994 and also worked with Invesco Asset Management and Henderson Global Investors.

Mr. Sekhon holds a B.Sc. in Management Sciences, with honors, from the University of Warwick in the UK. Mr. Sekhon is a Chartered Financial Analyst (CFA) charterholder, an Associate Member of the UK Society of Investment Professionals (ASIP) and a Certified Member of the European Federation of Financial Analysts Societies (CEFA).

#### **Ong Tek Khoan**

Tek Khoan Ong is senior managing director, director of Private Equity for the Franklin Templeton Emerging Markets Equity group (“**FTEME**”). In this capacity, he is responsible for leading and overseeing the private equity efforts within FTEME, which includes the management of existing global and single country funds. He and his team are also

developing new private equity products including socially responsible funds and regional funds.

Prior to joining Franklin Templeton in 1993, Mr. Ong worked at the Monetary Authority of Singapore, Singapore's central bank. He entered the financial services industry in 1986.

Mr. Ong holds an M.B.A., with distinction, from the Wharton School of Business at the University of Pennsylvania, and was on the director's list. In addition, he earned an M.Sc. in computing science and a B.Sc. in civil engineering, with honors, from Imperial College, University of London. Mr. Ong is a Chartered Financial Analyst (CFA)

### **Lim Seh Kuan**

Lim Seh Kuan is the Chief Accounting Officer for Franklin Templeton, based in Singapore. She leads the APAC finance team to provide integrated finance support to the Asia Pacific region. Ms Lim is a board member of Franklin Templeton's Singapore, Malaysia, China and Korea subsidiaries.

Ms Lim joined Franklin Templeton in 1998 and has held various leadership positions within the finance division. Prior to that, she was the chief accountant of CMG First State Investments where she managed the accounting, tax and treasury function. She began her career with PricewaterCoopers as a tax professional.

Ms Lim holds a Bachelor of Accountancy from Nanyang Technological University, and is a Chartered Accountant of Singapore.

### **Key Executives**

#### **Paul Danes – Portfolio Manager**

Paul Danes is a portfolio manager and has management responsibilities for Asian equity portfolios. Mr. Danes joined Martin Currie in 2007, initially working with Martin Currie's Japan team before joining the Asia team in 2011. In 2012, Mr. Danes moved to Singapore to head up the Martin Currie Asia team, where, in addition to his portfolio-management duties, he conducts local research on Asian markets. Mr. Danes is currently seconded to the Managers.

Before joining Martin Currie, Mr. Danes held portfolio-management roles with Nordea Investment Funds in Luxembourg and Deutsche Asset Management in London and Tokyo.

Mr. Danes has a degree in economics from the University of Cambridge.

#### **Jes Goh – Portfolio Manager**

Jes Goh is a portfolio manager in the Martin Currie Asia team and has responsibility for researching stocks in the consumer and technology sectors. Ms Goh is currently seconded to the Managers.

Ms Goh joined Martin Currie in 2022. Before joining Martin Currie, Ms Goh was at Whitefield Capital Management, where she was an Investment Director, focused on long-term absolute returns through conviction investing covering markets, South Korea, Taiwan, Hong Kong and the ASEAN region. Prior to this, she worked as a Corporate Finance Consultant at Corporate Brokers International P.L.

Ms Goh is a CFA Charterholder and has a 2nd Class Upper Honours in Accountancy at Nanyang Technological University.

## 2.3 The Sub-Manager

Martin Currie Investment Management Limited (the “**Sub-Manager**”) has been appointed as the sub-manager of the Trust and manages the Trust together with the Managers.

The Sub-Manager is a Specialist Investment Manager (“**SIM**”) of Franklin Resources Inc., one of the world’s largest asset management firms. Clients benefit from increased financial scale and stability, while the Sub-Manager maintains its investment autonomy and operates with freedom of thought and action, ensuring interests remain closely aligned with those of its clients.

The Sub-Manager is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Founded in 1881, the Sub-Manager has a long history in finance. Its heritage stretches back to the American railroad expansion of the 1890s and managing a range of products for a global client base across institutional and retail markets. The Sub-Manager began investing in global equities in the 1920s, developing their Asian and emerging market capabilities thereafter. The Sub-Manager is an active equity specialist investment firm driven by fundamental research and specialised in managing stock-focused portfolios. It has continually evolved to become the dynamic and innovative business and its purpose of Investing to Improve Lives, is more than just providing world class investment solutions and better financial outcomes for our clients; it is about providing Outcomes Beyond Alpha. As at 31 March 2022, the Sub-Manager had approximately US\$26.3 billion of assets under its management.

In the event of the insolvency of the Sub-Manager, the Managers shall be entitled to terminate the management agreement with the Sub-Manager immediately in accordance with applicable laws. In such a situation, it is likely that the Managers would replace the Sub-Manager with another company within FRI.

***Past performance of the Managers and the Sub-Manager is not necessarily indicative of their future performance.***

The Managers have delegated their accounting and valuation function in respect of the Trust to the Administrator whose details are set out in paragraph 3 below.

## 3. The Trustee, the Administrator, the Custodian and the Registrar

The Trustee of the Trust is HSBC Institutional Trust Services (Singapore) Limited whose registered address is at 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #48-01, Singapore 018983. The Trustee is regulated in Singapore by the Authority.

Please refer to Clause 26 and 28(B) of the Deed for further details on the Trustee’s role and responsibilities as the trustee of the Trust.

In accordance with the provisions of the Deed, in the event the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Trustee or the Trustee ceases to carry on business, the Trustee may be removed and replaced by a new trustee whom shall be appointed by the Managers. Please refer to Clause 31 of the Deed for further details.

The custodian for the Trust is The Hongkong and Shanghai Banking Corporation Limited (the “**Custodian**”) whose registered office is at 1 Queen’s Road Central, Hong Kong. The Custodian is regulated by the Hong Kong Monetary Authority and authorised as a registered institution by the Securities and Futures Commission of Hong Kong.

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

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

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

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

The registrar of the Trust is the Trustee and the register of Holders (the "**Register**") is kept at 20 Pasir Panjang Road (East Lobby), #12-21 Mapletree Business City, Singapore 117439 and is accessible to the public during normal business hours. The Register is conclusive evidence of the number of Units held by each Holder and the entries in the Register shall prevail if there is any discrepancy between the entries in the Register and the details appearing on any statement of holding, unless the Holder proves to the satisfaction of the Managers and the Trustee that the Register is incorrect.

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

#### **4. The Auditors**

The auditors of the accounts relating to the Trust are PricewaterhouseCoopers LLP whose registered office is at 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936 (the "**Auditors**").

#### **5. The Principal Distributor**

The Managers also act as the principal distributor for the Trust (in this capacity, referred to as the "**Principal Distributor**").

The Principal Distributor houses the Franklin Templeton Global Distribution division and is focused on the distribution of FRI's Singapore domiciled unit trusts and FRI's offshore domiciled mutual fund ranges.

#### **6. Structure of the Trust and Classes of Units**

##### **6.1** The Trust is a stand-alone open-ended unit trust and has no fixed duration.

- 6.2** Within the Trust, Classes of Units may be established by the Managers from time to time. Where a new Class of Units is established, the Managers may at their discretion re-designate any existing Class of Units as long as there is no prejudice to existing Holders of such Class.
- 6.3** A Class designated with an “A” in its name (“**Class A**”) is intended for retail investors. A Class designated with an “I” in its name (“**Class I**”) is a restricted Class and will only be offered to certain investors at the discretion of the Managers. These Classes also differ in terms of the fees and charges payable in respect of the Class, their minimum initial subscription and minimum subsequent subscription amount and their minimum holding and minimum realisation amounts. Please refer to paragraphs 9, 11.2 and 13.2 below for further details.
- 6.4** A Class will be designated as a distributing Class or an accumulating Class. It is intended that, in the normal course of business, accumulating Classes will not make any distributions and any net income or capital gains attributable to such accumulating Class will be accumulated in the net asset value attributable to that Class whereas distributing Classes may distribute income, net capital gains or capital as the Managers deem fit on an annual basis or otherwise at such frequencies as may be indicated by a letter designation in the name of the Class ((M) for monthly distributions, (Q) for quarterly distributions or (S) for semi-annual distributions). Distributions out of capital made by a Class will result in the erosion of capital for investors in that Class. Distributions made by a Class will lower the net asset value per Unit of that Class. Please refer to paragraph 20.3 for further details.
- 6.5** A Class may also be designated in currencies other than in Singapore Dollars, the base currency of the Trust. The currency designation of a Class is indicated in the name of the Class. Where a Class is designated in a currency other than in Singapore Dollars, the Managers will not employ any technique to hedge the Class’s exposure to changes in exchange rates between Singapore Dollars and the currency of the Class.
- 6.6** As at the date of this Prospectus, the Trust offers the following Classes of Units:
- 6.6.1** Class A (SGD) Accumulating;
  - 6.6.2** Class I (SGD) Accumulating\*; and
  - 6.6.3** Class A (USD) Accumulating\*.
- \*This Class has not been launched as at the date of this Prospectus. You may wish to check with the Principal Distributor or an agent or distributor appointed by the Principal Distributor for the Trust on the future availability of this Class.
- 6.7** The Managers may in their discretion offer other Classes of Units for subscription. You may therefore wish to contact the Principal Distributor or an agent or distributor appointed by the Principal Distributor for the Trust to check if there is an updated list of available Classes of Units for the Trust.

## **7. CPFIS Included Scheme**

**The Trust is included under the CPF Investment Scheme (“CPFIS”) – Ordinary Account for investment by CPF members. It has been classified by the CPF Board under the risk classification of “Higher Risk – Narrowly Focused – Regional – Asia”.**

As at the date of this Prospectus, only Class A (SGD) Accumulating Units may be purchased with CPF monies.



You may wish to contact the Principal Distributor or an agent or distributor appointed by the Principal Distributor for the Trust to check if there are other available Classes of Units for the Trust which may be purchased with CPF monies.

The CPF interest rate for the Ordinary Account (OA) is based on the 3-month average of major local banks' interest rates, subject to the legislated minimum interest of 2.5% per annum. The interest rate for OA is reviewed quarterly.

The CPF interest rate for the Special Account and Medisave Account (SMA) is computed based on the 12-month average yield of 10-year Singapore Government Securities (10YSGS) plus 1%, subject to the current floor interest rate of 4% per annum. The interest rate for SMA is reviewed quarterly.

The CPF interest rate for the Retirement Account (RA) is computed based on the weighted average interest rate of the entire invested portfolio. New savings credited to the RA each year earn the 12-month average yield of the 10YSGS plus 1% computed for the year, subject to the current floor interest rate of 4% per annum. The interest rate of the RA is reviewed annually.

As announced in September 2022, the Government will maintain the 4% p.a. minimum rate for interest earned on all SMA and RA monies until 31 December 2023. Thereafter, interest rates on all CPF account monies will be subject to a minimum rate of 2.5% p.a. (unless the Government extends the 4% floor rate for interest earned on all SMA and RA monies).

The first \$60,000 of your combined CPF accounts (capped at \$20,000 for OA) earns an extra 1% interest. To enable members to earn extra interest, only monies in excess of \$20,000 in your Ordinary Account and \$40,000 in your Special Account can be invested.

In addition, CPF members aged 55 and above will also earn an additional 1% extra interest on the first S\$30,000 of their combined CPF balances (capped at S\$20,000 for OA).

**You should note that the applicable interest rates for each of the CPF accounts may be varied by the CPF Board from time to time.**

**Subscriptions using CPF monies shall at all times be subject to, amongst other things, the regulations and such directions or requirements imposed by the CPF Board from time to time.**

## **8. Investment Objective, Focus and Approach**

### **8.1 Investment Objective**

The objective of the Trust is to achieve medium to long-term capital appreciation by investing at least 70% of the Trust in securities issued by companies that are incorporated, domiciled or listed, or have a significant economic interest, in South and South-East Asia countries.

The Trust is actively managed. In doing so, the Trust aims to achieve a net of fee return that exceeds that of the MSCI AC ASEAN Index.

## **8.2 Scope of Investment and Risk Controls:**

**8.2.1** The Managers and Sub-Manager intends to place an emphasis on Asian companies (that is, those companies which have yet to gain the attention of the market) demonstrating strong secular growth trends, reflecting the rich investment opportunities in the Asian region. Emphasis is placed on identifying the best investment opportunities and on calibration of the right investment weight to develop a focused and yet adequately diversified portfolio.

The Managers and Sub-Manager views the Asian markets as dynamic, high-growth and rapidly expanding, yet persistently inefficient and volatile, offering long-term investors the opportunity to exploit such inefficiencies. The Managers' and Sub-Manager's strategy uses a systematic approach in information gathering and analysis to capture periodic market mis-pricing where there are sufficient market signals and data points available. The Managers and the Sub-Manager intends to devote more of their internal research resources to seek out and analyze mid-cap and small-cap stocks where opportunities for significant securities mis-pricing are more abundant.

The Managers and Sub-Manager use a combination of quantitative data and fundamental research to invest in stocks which are expected to outperform the benchmark over the medium to long term. The benchmark is not used as a constraint on how the portfolio is positioned. The Managers and Sub-Manager have discretion over the portfolio construction and may invest in stocks outside the benchmark where they fit with the objective.

**8.2.2** The Managers and the Sub-Manager will observe the investment restrictions listed in the CPF Regulations or otherwise in respect of a unit trust approved under the CPF Investment Scheme and the investment restrictions set out in paragraph 20.4 in this Prospectus.

**8.2.3** Whilst the Managers or (as the case may be) the Sub-Manager may from time to time enter into foreign exchange transactions to manage the Trust's currency exposure, in practice over the longer term, the Managers or (as the case may be) the Sub-Manager will generally maintain an unhedged strategy applying tactical, or shorter term currency hedges, only in extreme market conditions.

**8.2.4** Borrowings may be effected on behalf of the Trust, of up to 10% of the Singapore Dollar equivalent of the Trust's total net asset value. Such borrowing or gearing is unlikely to take place under normal market conditions.

**8.2.5** To assist diversification of corporate risk exposure, investment in any one corporation or body or issuer will be restricted to 10% of the total value of the Trust.

**8.2.6** Besides equities, the Managers or (as the case may be) the Sub-Manager may invest in bonds and other debt securities and cash.

**8.2.7** The Managers and the Sub-Manager will not invest more than 10% of the total value of the Trust in foreign unit trusts and mutual funds without the prior approval of the relevant authorities.

**8.2.8** The Managers and the Sub-Manager currently do not invest in derivatives (except for transferable securities embedding a financial derivative) in respect of the Trust although they are permitted to do so.

**8.2.9** The Managers and (as the case may be) the Sub-Manager currently do not intend to engage in securities lending and/or carry out repurchase transactions. However, should the Managers and (as the case may be) the Sub-Manager decide to engage in securities lending or repurchase transactions for the Trust, they shall comply with all applicable laws and regulations relating to securities lending and repurchase transactions.

**8.2.10** **You should note that the net asset value of the Trust may have higher volatility characteristics as a result of its portfolio management style.**

### **8.3 Why Invest in South and South-East Asia Companies?**

**8.3.1** An opportunity for investors to diversify their investments across South and South-East Asian stock markets.

**8.3.2** The South-East Asian region is positioned to benefit from economic growth and companies are exposed to many long term trends such as increasing levels of consumption, the impact of technology and the spread of financial inclusion.

**8.3.3** As South and South-East Asian economies restructure to meet the challenges of global competition, companies that reengineer and reposition for the future may emerge stronger than before.

**8.3.4** Companies which the Trust may invest in may exhibit some of the following characteristics:

- (i) their share prices are considered by investors to have fallen for unwarranted reasons or have been oversold at below realistic values due to a general market decline and may be subject to renewed investor interest and a share price recovery;
- (ii) the quality and business fundamentals are mispriced by the market. This may be because of a different investment time horizon, a different appreciation of the companies prospects or simply due to an imbalance of buyers and sellers of shares;
- (iii) their value can be “unlocked” through, for example, corporate restructuring which may provide the prospect of share price appreciation; and
- (iv) their share prices may benefit from a change in their local regulatory environment.

***Any prediction, projection or forecast made is not necessarily indicative of the future or likely performance of the Trust.***

### **8.4 Who Should Invest in the Trust?**

**8.4.1** When it comes to savings and investments, every investor has different needs, objectives and time horizons and should consider the Trust accordingly.

- 8.4.2** Over the long term, the potential expected returns from equities are usually higher than those from bonds and bank deposit rates. Equities whilst offering higher rewards potentially, may also be prey to higher risks. The Trust may be suitable for those investors who are able to tolerate a degree of volatility.
- 8.4.3** The Trust may appeal to those investors who want the opportunity to diversify their investible CPF funds more widely across South and South-East Asia.
- 8.4.4** The Trust may also appeal to those who want to take advantage of investments in South and South-East Asia companies but lack professional experience to invest themselves.

## 9. Fees and Charges

### Franklin Templeton Martin Currie Southeast Asia Trust

<b>Charges and Fees Payable by You if You Invest in the Trust</b>	
Preliminary Charge	<b>All Class A:</b> Currently 5% (in respect of subscriptions using cash and SRS monies) and 0% (in respect of subscriptions using CPF monies). Maximum 5%. <b>All Class I:</b> Currently nil.
Realisation Charge	<b>All Classes:</b> Currently nil. Maximum 2%.
<b>Fees Payable by Trust (expressed as a percentage of the Value of the Deposited Property)*</b>	
Annual Management Fee** (a) Retained by Managers (b) Paid by Managers to approved agents or distributors (trailer fee)	<b>All Class A:</b> Currently 1.5% p.a. Maximum 1.5% p.a. (a) 40% to 100%*** of Annual Management Fee (b) 0% to 60%*** of Annual Management Fee, Median = 50% of Annual Management Fee <b>All Class I:</b> Currently nil. Maximum 1.5% p.a.
Annual Trustee Fee	Currently 0.075% p.a. on 1 <sup>st</sup> S\$10 million and 0.05% p.a. thereafter. Maximum 0.25% p.a. of the Value of the Deposited Property of the Trust subject always to a minimum of S\$15,000 p.a.
Other Fees and Charges constituting 0.1% or more of the Trust's asset value****	Transaction Costs – 0.19%

\* You should note that the fees and charges applying to the Trust (including fees based on the Value of the Trust, where applicable) will be based on the Value without any Dilution Adjustment applied. Please refer to paragraph 20.9 below for further details.

\*\* expressed as a percentage of the Value of the proportion of the Deposited Property attributable to the relevant Class if the Trust has more than one Class.

\*\*\* These ranges may change from time to time depending on the agreement between the Managers and the approved agents or distributors. Your approved agent or distributor is required to disclose to you the amount of trailer fee it receives from the Managers.

\*\*\*\* based on the Trust's audited accounts for the financial year ended 31 March 2022.

The Sub-Manager's fees will be payable by the Managers and will not be payable by the Trust.

Any Preliminary Charge is currently paid to the Principal Distributor's agents and distributors. The approved agents or distributors appointed by the Principal Distributor (the "**approved agents or distributors**") may differentiate between investors as to the amount of the preliminary charge or realisation charge payable (subject to the maximum permitted), or allow discounts on the basis or scale that the approved agents or distributors think fit. You should also note that approved agents or distributors through whom you subscribe for Units may (depending on the specific nature of services provided) impose other fees and charges that are not disclosed in this Prospectus. You should therefore check with such agents and distributors as to whether any additional fees and charges are imposed.

As required by the Code on Collective Investment Schemes issued by the Authority (as may be amended from time to time) (the "**Code**"), all marketing, promotional and advertising expenses in relation to the Trust will be borne by the Managers and not charged to the Deposited Property (as defined in the Deed) of the Trust.

## **10. Risks**

### **10.1 General risks**

- 10.1.1** Before investing in the Trust, you should consider and satisfy yourself as to the risks of investing in equities. Generally, some of the risk factors that you should consider are economic, political, foreign exchange, regulatory, repatriation, issuer and derivative risks.
- 10.1.2** An investment in the Trust is meant to produce returns over the long term. You should not expect to obtain short-term gains from such investment.
- 10.1.3** You should be aware that the price of Units, and the income from them, may fall or rise. You may not get your original investment amount back.
- 10.1.4** Market Risks. Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of financial markets, including: changes in interest rates; trade, fiscal, monetary and exchange controls programmes and policies of governments; national and international political and economic events; the global and domestic effects of a pandemic; and any other failure of markets to function. Economies and financial markets throughout the world are increasingly interconnected. Economic, financial or political events, trading and tariff arrangements, public health events, terrorism, natural disasters and other circumstances in one country or region could have profound impact on global economies or markets. Whether or not the Trust invests in securities of issuers located in or with significant exposure to countries experiencing economic, political or financial difficulties, the value and liquidity of the Trust's investments may be negatively affected.
- 10.1.5** Cyber Security Risks. With the increased use of technologies such as the internet and other electronic media and technology to conduct business, the Managers, the Trust and the Trust's service providers and their respective operations are susceptible to operational, information security and related risks including cyber

security attacks or incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems, networks or devices (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information.

By affecting (a) the Managers, (b) the Trust and/or the Trust's service providers and (c) the issuers of securities in which the Trust invests, cyber security failures or breaches have the ability to cause disruptions and impact business operations, potentially resulting in:

- (i) financial losses, shutting down, disabling, slowing or otherwise disrupting operations, business process or website access functionality;
- (ii) interference with the Trust's ability to calculate its net asset value;
- (iii) impediments to trading;
- (iv) the inability of the Trust's Holders to transact business;
- (v) violations of applicable privacy and other laws;
- (vi) regulatory fines, penalties, reputational damage;
- (vii) reimbursement or other compensation costs or additional compliance costs; and
- (viii) the loss of propriety information and data corruption.

Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Managers and the Trust's service providers. Similar adverse consequences could result from cyber security attacks, failures or breaches affecting issuers of securities in which the Trust invests, counterparties with which the Trust engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for the Trust's Holders) and other parties. In addition, substantial costs may be incurred in order to try to prevent any cyber incidents in the future.

- 10.1.6** The approach taken by the Managers to help manage the liquidity of the Trust is to activate liquidity management tools, such as the imposition of redemption gates, the suspension of redemptions and the application of Dilution Adjustment (as defined in paragraph 20.9 below), as described in paragraphs 13.1, 15 and 20.9. The activation of such liquidity management tools may have an adverse impact on your redemptions from the Trust. For instance, the suspension of redemptions as described in paragraph 15 will mean that you will not be able to redeem from the Trust during the suspension period, the imposition of the 10% limit on the number of Units that can be redeemed on any Dealing Day

(redemption gate) as described in paragraph 13.1 may mean you may not be able to redeem from the Trust on that Dealing Day, and the application of Dilution Adjustment as described in paragraph 20.9 will affect the amount of the realisation proceeds you will receive for your Units.

## **10.2 Specific risks**

The following are some of the risk factors that you should consider:

- 10.2.1** Prices of securities held by the Trust may go up or down in response to changes in economic conditions, political conditions, interest rates in the South and South-East Asian markets that the Trust invests in and the market's perception of securities which in turn may cause the price of Units to rise or fall.
- 10.2.2** The Manager and Sub-Manager intends to place emphasis on investment in companies as referred to in paragraph 8.2 which may present greater opportunities for capital appreciation but may also involve greater risk than is customarily associated with the securities of more stable and established companies.
- 10.2.3** The geographical spread of the Trust's investments across South and South-East Asia will mean that the Trust's assets and income will be denominated in a number of different currencies other than the Singapore dollar and thus fluctuations in foreign exchange rates, which are unpredictable, may have an impact on the income and the valuation of the assets in the Trust. Whilst the Managers or (as the case may be) the Sub-Manager may from time to time enter into foreign exchange transactions to manage the Trust's currency exposure, in practice over the longer term, the Managers and the Sub-Manager will generally maintain an unhedged strategy applying tactical, or shorter term currency hedges, only in extreme market conditions. In addition, a Class may be designated in currencies other than in Singapore Dollars. Where a Class is designated in a currency other than in Singapore Dollars, the Managers or (as the case may be) the Sub-Manager will not employ any technique to hedge the Class's exposure to changes in exchange rates between Singapore Dollars and the currency of the Class. Investors whose reference currency is Singapore Dollars may therefore be exposed to this exchange rate risk.
- 10.2.4** The Trust's investments, particularly in less-developed / emerging markets, may also be subjected to liquidity, regulatory and repatriation risks. Investments in emerging markets may also involve political, regulatory and repatriation risks and risks associated with liquidity, relatively small market capitalisation, relatively higher price volatility, lower disclosure standards, susceptibility to financial shocks, and economic and social uncertainty.
- 10.2.5** Issuers of bonds and other debt securities held by the Trust may default on their obligations.
- 10.2.6** Any investments by the Trust in bonds, debentures, loan stocks, convertibles and other debt securities may rise or decline in value if interest rates change. In general, the price of debt securities rises when interest rates fall, and falls when interest rates rise.

The Trust may, subject to applicable investment guidelines in the Code, the Deed and, for so long as the Trust is included under the CPFIS, the CPFIG (as defined in paragraph 20.4.1), invest in derivative instruments from time to time for purposes of hedging and/or efficient portfolio management and may invest in transferable securities embedding a financial derivative from time to time for purposes of hedging, efficient portfolio management and/or optimising returns. Financial derivative instruments are financial contracts which value depends on, or is derived from the value of an underlying asset, reference rate or index, which may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices. Where such instruments are financial derivatives on commodities, such transactions shall be settled in cash at all times or as may otherwise be required under the Code. While the judicious use of financial derivatives by professional investment managers can be beneficial, financial derivatives 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 derivatives are market risks, management risks, credit risks, liquidity risks and leverage risks. The value of financial derivative instruments is subject to market risks and may fall in value as rapidly as it may rise and it may not always be possible to dispose of such instruments during such fall in value. In such a situation, the cost incurred in obtaining the financial derivatives may not be recoverable. Investments in financial derivatives may require the deposit of initial margin and additional margins 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 Trust's investment positions may be liquidated at a loss. Please refer to paragraph 20.10 for further information on the use of financial derivatives.

**The above should not be considered to be an exhaustive list of the risks which you should consider before investing in the Trust.**

## **11. Subscription of Units**

### **11.1 Subscription procedure**

You may apply for Units through any approved agents or distributors or through their ATMs, if applicable. Investors who purchase Units using CPF monies may not be registered as joint Holders of Units.

You may pay for Units either with cash, Supplementary Retirement Scheme ("**SRS**") monies or CPF monies from your CPF Ordinary Account. You may pay with SRS monies by instructing the relevant SRS operator to withdraw from your SRS account monies in respect of the Units applied for. You may use CPF monies from your CPF Ordinary Account to purchase Units by indicating so on the application form and providing instructions or authorisation on that application form to the CPF Board to withdraw from your CPF Ordinary Account for credit to your CPF Investment Account with a CPF agent bank monies in respect of the Units applied for.

No transfer is permitted in respect of Units purchased with SRS monies or CPF monies.

In general, where your application to purchase Units is made and accepted, Units are issued:



- (i) if you subscribe using cash – to the approved agent or distributor or its nominee, whose name is entered into the Register as the legal unitholder. The approved agent or distributor or its nominee will hold those Units on your behalf; and
- (ii) if you subscribe using monies from your CPF Ordinary Account or SRS Account – in your name.

## 11.2 Minimum initial subscription amount and minimum subsequent subscription amount

The minimum initial subscription amount and the minimum subsequent subscription amount are as follows:

	<b>Minimum Initial Subscription Amount</b>	<b>Minimum Subsequent Subscription Amount</b>
<b>All Class A</b>	1,000 in the currency designation of the relevant Class*	100 in the currency designation of the relevant Class*
<b>All Class I</b>	1,000,000 in the currency designation of the relevant Class*	100,000 in the currency designation of the relevant Class*

\*unless otherwise determined by the Managers.

Some approved agents or distributors may have different minimum requirements. You should confirm with the relevant approved agent or distributor the applicable minimum requirements imposed by such approved agent or distributor in respect of the Trust.

## 11.3 Dealing cut-off time and pricing basis

**11.3.1** As Units are issued on a forward pricing basis, the issue price of Units shall not be ascertainable at the time of application. In buying Units, you pay a fixed amount of money e.g., S\$1,000, which will buy you the number of Units (including fractions of Units) obtained from dividing S\$1,000 (less any preliminary charge) by the issue price when it has been ascertained later. The Principal Distributor's dealing cut-off time is 5 p.m. Singapore time on a Dealing Day<sup>1</sup>. Units in respect of applications received and accepted by the Principal Distributor before the dealing cut-off time will be issued at that Dealing Day's issue price calculated in accordance with the provisions of the Deed (as summarised in paragraph 11.3.2 below). Applications received after the dealing cut-off time or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day. The Principal Distributor's approved agents or distributors may have their own dealing cut-off times that are earlier than the Principal Distributor's dealing cut-off time for the receipt of applications and subscription monies. You should confirm the applicable dealing cut-off time with the relevant approved agent or distributor.

---

<sup>1</sup> A "**Dealing Day**" in connection with the issuance and realisation of Units, means every Business Day or such Business Day or Business Days at such intervals as the Managers may from time to time determine provided that reasonable notice of any such determination shall be given by the Managers to all Holders at such time and in such manner as the Trustee may approve. A "**Business Day**" means any day (other than a Saturday, Sunday or a gazetted public holiday) on which commercial banks are open for business in Singapore.

**11.3.2** The issue price of a Unit of a Class on any Dealing Day is ascertained as follows:

- (i) by calculating the Value (calculated in accordance with the valuation principles set out in Clause 1(A) of the Deed and as set out in paragraph 20.8 in this Prospectus) of the proportion of the Deposited Property representing one Unit of the relevant Class as at the Valuation Point<sup>2</sup> either in respect of the first Dealing Day preceding the date of issue of such Unit or in respect of the Dealing Day on which such issue occurs, as the Managers may determine after consultation with the Trustee;
- (ii) by adding the appropriate Fiscal and purchase charges<sup>3</sup>; and
- (iii) by determining the resultant total up to four decimal places and rounding such figure to the nearest three decimal places (or such number of decimal places as the Managers may from time to time decide).

**11.3.3** The preliminary charge will be retained by the Principal Distributor's approved agents or distributors and the amount of the aforesaid adjustment shall be credited to the Trust.

**11.3.4** The Managers may apply Dilution Adjustment to the Trust which, if applied, will impact the issue price of Units. Please refer to paragraph 20.9 below for further details.

#### **11.4 Numerical example of how Units are allotted**

The number of Units allotted based on an investment amount of S\$1,000 and a notional issue price of S\$1.000 and assuming a 5% preliminary charge is calculated as follows:

e.g. S\$1,000.00	-	S\$50	=	S\$950.00	/	S\$1.000	=	950 Units
Gross investment amount		5% Preliminary Charge		Net investment amount		Notional issue price		Number of Units allotted

You should note that the actual issue price per Unit will vary daily in line with the net asset value of the relevant Class. The above example is purely hypothetical and is not a forecast or indication of any expectation of performance of the Trust.

---

<sup>2</sup> The "Valuation Point" means the close of business of the last relevant market in relation to a Dealing Day on which the Value of the Deposited Property is to be determined or such other time on a Dealing Day or such other day as the Managers may from time to time determine after consultation with the Trustee and the Managers shall notify the Holders of such change if required by the Trustee.

<sup>3</sup> "Fiscal and purchase charges" means all stamp and other duties, taxes (including, without limitation, GST), governmental charges, brokerage, commissions, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property or the creation, issue, sale, exchange, purchase, transfer, realisation, surrender or cancellation of Units or the sale, purchase, transfer or exchange of Authorised Investments or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties, fees, taxes and charges are payable but does not include commissions payable to agents on sales and repurchases of Units.

## **11.5 Confirmation of purchase**

A confirmation note detailing the investment amount and the number of Units allocated to you will be sent within fourteen (14) Business Days from the date of issue of Units.

## **11.6 Cancellation of Units**

If you are a first-time investor, you shall, subject to Clause 12A of the Deed and to the cancellation terms and conditions contained in the notice to cancel form, have the right to cancel your subscription of Units, without incurring the preliminary charge set out in paragraph 9 above, within seven (7) calendar days from the date of subscription of Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed by the Authority) by providing notice in writing to the relevant approved agent or distributor through whom you purchased your Units. The cancellation proceeds payable in relation to the cancellation of a subscription of Units will be determined as the lower of the market value of the Units (the subscription of which is being cancelled) or the original subscription amount which you paid at the time of your subscription or purchase. The Principal Distributor shall be entitled to deduct an administrative fee of up to S\$10 from the cancellation proceeds to be paid to you for expenses reasonably related to the original purchase and cancellation request. Full details relating to the cancellation of Units may be found in the cancellation terms and conditions contained in the notice to cancel form.

## **12. Regular Savings Plan**

A regular savings plan is not made available to investors in Singapore by the Managers. The approved agents or distributors of the Trust may, at their own discretion, offer regular savings arrangements for the benefit of investors in Singapore. Information on such regular savings arrangements, such as the minimum periodic contributions, timing of the investment deduction and Unit allocation, may be obtained from such approved agents or distributors. The terms of such regular savings arrangements will provide that Holders may cease participation in such arrangements without suffering any penalty by providing not less than 30 days' notice in writing to the relevant approved agent or distributor.

## **13. Realisation of Units**

### **13.1 Realisation procedure**

You may realise your Units on any Dealing Day by submitting the relevant realisation request form to the relevant approved agent or distributor through whom you purchased your Units.

Units in respect of realisation forms received and accepted by the Principal Distributor by the dealing cut-off time on a Dealing Day shall be realised at that Dealing Day's realisation price calculated in accordance with the provisions of the Deed (as summarised in paragraph 13.3.3 below). Realisation requests received after the dealing cut-off time or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

You should note that the Managers may, with the approval of the Trustee, limit the total number of Units which Holders may realise on any Dealing Day to 10% of the total number of Units then in issue. If so, requests for realisation of Units on that Dealing Day will be reduced rateably and be treated as if made in respect of each subsequent Dealing Day until all Units to which the original request related have been realised.

## 13.2 Minimum holding and minimum realisation amount

The minimum holding and the minimum realisation amount are as follows:

	<b>Minimum Holding</b>	<b>Minimum Realisation Amount</b>
<b>All Class A</b>	The higher of 1,000 Units or such number of Units which would have been purchased for 1,000 in the currency designation of the relevant Class at the time of initial subscription*	100 Units
<b>All Class I</b>	The higher of 1,000,000 Units or such number of Units which would have been purchased for 1,000,000 in the currency designation of the relevant Class at the time of initial subscription*	100,000 Units

\*or such other number or amount as may from time to time be determined by the Managers.

Some approved agents or distributors may have different minimum requirements. You should confirm with the relevant approved agent or distributor the applicable minimum requirements imposed by such approved agent or distributor in respect of the Trust.

## 13.3 Dealing cut-off time and pricing basis

**13.3.1** The Principal Distributor's dealing cut-off time in relation to each Dealing Day is 5 p.m. Singapore time on such Dealing Day. The Principal Distributor's approved agents or distributors may have their own dealing cut-off times that are earlier than the Principal Distributor's dealing cut-off time for the receipt of realisation requests. You should confirm the applicable dealing cut-off time with the relevant approved agent or distributor.

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

**13.3.3** The realisation price of a Unit of the relevant Class on any Dealing Day is ascertained as follows:

- (i) by calculating the Value (calculated in accordance with the valuation principles set out in Clause 1(A) of the Deed and as set out in paragraph 20.8 in this Prospectus) of the proportion of the Deposited Property representing one Unit of the relevant Class as at the Valuation Point either in respect of the first Dealing Day preceding the date of the receipt of the realisation request or in respect of the Dealing Day on which the realisation request is received, as the Managers may determine after consultation with the Trustee;
- (ii) by deducting therefrom the appropriate Fiscal and sale charges<sup>4</sup>; and

---

<sup>4</sup> "Fiscal and sale charges" means all stamp and other duties, taxes (including, without limitation, GST), governmental charges, brokerage, commissions, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property or the

- (iii) by determining the resultant total up to four decimal places and rounding such figure to the nearest three decimal places (or such number of decimal places as the Managers may from time to time decide).

Realisation proceeds shall be net of the prevailing realisation charge. The realisation charge, if any, shall be retained by the Managers and the amount of the aforesaid adjustment shall be credited to the Trust. Currently, no realisation charge is imposed on the realisation of Units.

**13.3.4** The Managers may apply Dilution Adjustment to the Trust which, if applied, will impact the realisation price of Units. Please refer to paragraph 20.9 below for further details.

#### **13.4 Numerical example of realisation**

The amount payable on a realisation, based on the realisation of 1,000 Units and a notional realisation price of S\$1.100 and assuming a 0% realisation charge, is calculated as follows:

e.g. 1,000 Units	X	S\$1.100	=	S\$1100.00
Realisation request		Notional realisation price		Gross realisation proceeds
S\$1100.00	-	S\$0.00	=	S\$1100.00
Gross realisation proceeds		Realisation charge		Net realisation proceeds

You should note that the actual realisation price per Unit will vary daily in line with the net asset value of the relevant Class. The above example is purely hypothetical and is not a forecast or indication of any expectation of performance of the Trust.

#### **13.5 Payment of realisation proceeds**

If you had purchased your Units with cash, realisation proceeds shall normally be paid within six (6) Business Days (or within such other period as may be permitted by the Authority) of receipt and acceptance of the realisation form by the Principal Distributor unless the realisation of Units has been suspended in accordance with paragraph 15.

If you had purchased your Units with SRS monies, realisation proceeds shall be paid to your SRS operator usually within six (6) Business Days (or within such other period as may be permitted by the Authority) of receipt and acceptance of the realisation form by the Principal Distributor unless realisation of Units has been suspended in accordance with paragraph 15.

---

creation, issue, sale, exchange, purchase, transfer, realisation, surrender or cancellation of Units or the sale, purchase, transfer or exchange of Authorised Investments or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties, fees, taxes and charges are payable but does not include commissions payable to agents on sales and repurchases of Units.

If you had purchased your Units with CPF monies from your CPF Ordinary Account, realisation proceeds shall be paid to your CPF agent bank usually within six (6) Business Days (or within such other period as may be permitted by the Authority) of receipt and acceptance of the realisation form by the Principal Distributor unless the realisation of Units has been suspended in accordance with paragraph 15.

### **13.6 Conversion of Units**

Conversion of Units between Classes is currently not available.

## **14. Obtaining Prices of Units**

The indicative net asset value of the Units is published on each day on the Managers' website at <https://www.franklintempleton.com.sg>. The actual net asset value of the Units is normally published two (2) Business Days after the relevant Dealing Day. The issue and realisation prices of the Units will be calculated as described in paragraphs 11.3 and 13.3.

**You should note that the Managers do not accept any responsibility for any errors on the part of the publisher in the prices published or for any non-publication or late publication of prices by such publisher and shall incur no liability in respect of any action taken or loss suffered by any person in reliance upon such publication.**

## **15. Suspension of Dealing**

**15.1** Subject to the provisions of the Code, the Managers may, after consultation with the Trustee, suspend the issue and/or realisation of Units during:

**15.1.1** any period when the Recognised Exchange (as defined in the Deed) or OTC Market (as defined in the Deed) on which any Authorised Investments<sup>5</sup> forming part of Deposited Property for the time being are listed or dealt in is closed (otherwise than for ordinary holidays) or during which dealings are restricted or suspended;

**15.1.2** the existence of any state of affairs which, in the opinion of the Managers might seriously prejudice the interests of the Holders as a whole or of the Deposited Property;

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

**15.1.4** any period when remittance of money which will or may be involved in the realisation of such Authorised Investments or in the payment for such Authorised Investments cannot, in the opinion of the Managers, be carried out at normal rates of exchange;

---

<sup>5</sup> "Authorised Investments" means subject to the provisions of the Code, any Investment or other property, assets or rights for the time being approved by the relevant competent authority in Singapore for investment by CPF members under the CPFIS.

- 15.1.5** any 48-hour period (or such longer period as the Managers and the Trustee may agree) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- 15.1.6** any period where dealing in Units is suspended pursuant to any order or direction of the Authority;
- 15.1.7** any period when the business operations of the Managers or the Trustee in relation to the operations of the Trust are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or
- 15.1.8** such circumstances as may be required under the provisions of the Code.
- 15.2** Such suspension shall take effect forthwith upon the declaration in writing thereof to the Trustee by the Managers and, subject to the provisions of the Code, shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under Clause 10(G) or Clause 13(F)(ii) of the Deed (as reproduced in paragraph 15.1 above) shall exist upon the declaration in writing thereof by the Managers or on the day immediately following the day falling twelve (12) weeks from the date of the declaration of such suspension, whichever is earlier.
- 15.3** Subject to the provisions of the Code, the Trustee may also instruct the Managers to temporarily suspend the issue and realisation of Units during any period of consultation or adjustment of the issue and realisation price arising from the provisions of Clause 10(B)(iv) and Clause 13(F)(ii) of the Deed respectively. Such suspension shall take effect forthwith upon the declaration in writing thereof to the Managers by the Trustee and, subject to the provisions of the Code, shall terminate on the day following the first Business Day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under Clause 10(B)(iv) and Clause 13(F)(ii) of the Deed (as the case may be) shall exist upon the declaration in writing thereof by the Trustee.

## **16. Performance of the Trust**

### **16.1** Past performance of the Trust and benchmark (as of 29 April 2022)

	<b>One year</b>	<b>Three years (average annual compounde d return)</b>	<b>Five years (average annual compounde d return)</b>	<b>Ten years (average annual compounde d return)</b>	<b>Since inception (average annual compounde d return)</b>
Class A (SGD) Accumulating <sup>1</sup>	-6.19%	-5.23%	-3.62%	-1.88%	4.85%
MSCI AC ASEAN <sup>2</sup>	1.20%	-1.68%	1.23%	2.40%	4.03%

Notes:

1. Source (performance calculation of the Trust): Franklin Templeton. Performance calculation is based on NAV to NAV (single pricing basis taking into account Preliminary Charge and Realisation Charge) with net dividends reinvested, Singapore Dollars. Return presented for a period exceeding one year is on an average annual compounded basis.

Inception date of the Trust and the Class A (SGD) Accumulating Units is 2 March 1998.

2. Source (performance calculation of the benchmark): Franklin Templeton. Performance calculation of the benchmark is based on NAV to NAV with net dividends re-invested, Singapore Dollars.

With effect from January 2017, the benchmark was rebranded from MSCI South East Asia Index to MSCI AC ASEAN Index. The benchmark was changed from the Morgan Stanley Capital International All Countries Far East ex Japan (ex China, Hong Kong, Taiwan and Korea) Index to the MSCI AC ASEAN Index (known as MSCI Southeast Asia Index prior to January 2017) on 1 October 2013 as the new benchmark is more widely known and well-understood in the industry than the old benchmark.

Benchmark performance shown is a chain-link of the performance of the MSCI AC ASEAN Index and, prior to 1 October 2013, the performance of the Morgan Stanley Capital International All Countries Far East ex Japan (ex China, Hong Kong, Taiwan and Korea) Index.

3. Classes which have not been incepted or which have been incepted for less than one year as at the date of the Registered Prospectus are not included in the above table as a track record of at least one year is not available in respect of such Classes.

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

## **16.2 Expense ratio**

The expense ratio of the Class A (SGD) Accumulating for the financial period ended 31 March 2022 is 1.75%. No other Classes were incepted as at 31 March 2022.

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

- (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
- (b) interest expense;
- (c) foreign exchange gains and losses of the Trust, whether realised or unrealised;
- (d) front end loads, back end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;



- (e) tax deducted at source or arising on income received, including withholding tax; and
- (f) dividends and other distributions paid to Holders.

### **16.3 Turnover ratio**

The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage of daily average net asset value of the Trust. The turnover ratio for the one year period ended 31 March 2022 is 47.26%.

## **17. Soft Dollar Commissions/Arrangements**

The Managers currently do not but shall be entitled to receive and enter into soft-dollar commissions/arrangements in respect of the Trust.

The Sub-Manager currently does not receive or enter into soft-dollar commissions/arrangements in respect of the Trust. The Managers and Sub-Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Managers may receive include specific advice as to the advisability of dealing in, or the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

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

The Managers will not accept or enter into soft dollar commissions/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Managers, assist it in its management of the Trust, provided that it shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

## **18. Conflicts of Interest**

- 18.1** The Managers and, as the case may be, the Sub-Manager (and the reference to "Managers" in this paragraph 18 shall include reference to the Sub-Manager as applicable) may from time to time have to deal with competing or conflicting interests of the Trust with other funds managed by the Managers. For example, the Managers may make a purchase or sale decision on behalf of some or all of the other funds managed by them without making the same decision on behalf of the Trust, as a decision whether or not to make the same investment or sale for the Trust depends on factors such as the cash availability and portfolio balance of the Trust. However, the Managers will use reasonable endeavours at all times to act fairly and in the interests of the Trust. In particular, after taking into account the availability of cash and relevant investment guidelines of the other funds managed by the Managers, the Managers will endeavour to ensure that securities bought and sold will be allocated in an equitable and practical manner among the Trust and the other funds managed by the Managers.

- 18.2** The factors which the Managers will take into account when determining if there are any conflicts of interest as described in paragraph 18.1 above include the assets and, where applicable, the debt securities of the Trust. To the extent that another fund managed by the Managers intends to purchase substantially similar assets, the Managers will ensure that the assets are allocated equitably and that the interests of all investors are treated equally between the Trust and the other funds.
- 18.3** The Managers may from time to time act as investment manager or investment adviser in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Trust. It is, therefore, possible that they may, in the course of business, have potential conflicts of interests with the Trust. The Managers will, at all times, have regard in such event to their obligations to the Trust and will ensure that such conflicts are resolved fairly. In addition, the Managers and each of their affiliated entities will, at all times, have regard to their obligations to the Trust and shall ensure that in any transaction carried out with the Trust, such transaction will be carried out as if effected on normal commercial terms negotiated at arm's length.
- 18.4** The Managers or their related entities or the Trustee may own, hold, dispose or otherwise deal with Units as though they were not a party to the Deed. If there is any conflict of interest arising as a result of that dealing, the Managers and the Trustee, following consultation, will resolve the conflict in a just and equitable manner as they deem fit.
- 18.5** Associates of the Trustee may be engaged to provide financial, banking or brokerage services to the Trust or buy, hold and deal in any investments, enter into any contracts or other arrangements with the Trustee and make profits from those activities. Such services, where provided, and such activities with the Trustee, where entered into, will be on an arm's length basis.

## **19. Reports**

### **19.1 Financial year-end and distribution of reports and accounts**

The financial year-end for the Trust is 31 March. The annual report, annual accounts and the auditor's report on the annual accounts will be prepared and sent or made available to the Holders within 3 months of the financial year-end (or such other period as may be permitted by the Authority). The semi-annual report and semi-annual accounts will be prepared and sent or made available to the Holders within 2 months of the financial half-year end (or such other period as may be permitted by the Authority).

## **20. Other Material Information**

### **20.1 Information on Investments**

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

### **20.2 Liabilities and Indemnities**

The following is an extract from the Deed. For full information on such liabilities and indemnities, please refer to the Deed:

- 20.2.1** The Trustee and the Managers shall incur no liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties provided that it or they have acted in good faith, without negligence and with due care.
- 20.2.2** The Trustee and the Managers shall incur no liability to the Holders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither the Trustee nor the Managers shall be under any liability therefor or thereby.
- 20.2.3** Neither the Trustee nor the Managers shall be responsible for any authenticity of any signature or of any seal affixed to any transfer or form of application, endorsement or other document (whether sent by mail, facsimile, electronic means or otherwise) affecting the title to or transmission of Units or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Managers respectively shall nevertheless be entitled but not bound to require that the signature of any Holder to any document required to be signed by him under or in connection with the Deed shall be verified to its or their reasonable satisfaction.
- 20.2.4** Any indemnity expressly given to the Trustee or the Managers in the Deed is in addition to and without prejudice to any indemnity allowed by law; provided nevertheless that any provision of the Deed shall be void insofar as it would have the effect of exempting the Trustee or the Managers from or indemnifying them against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or trust of which they may be guilty in relation to their duties where they fail to show the degrees of diligence and care required of them having regard to the provisions of the Deed.
- 20.2.5** The Trustee may act upon any advice of or information obtained from the Managers or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information, provided it has acted in good faith, without negligence and with due care. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant, broker, lawyer, custodian, joint custodian or sub-custodian, agent or other person as aforesaid or of the Managers, provided the Trustee has acted in good faith, without negligence and with due care. Any such advice or information may be obtained or sent by letter, electronic mail or

facsimile and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, electronic mail or facsimile although the same contains some error or is not authentic.

**20.2.6** The Trustee shall not be under any liability on account of anything done or suffered to be done by the Trustee in good faith in accordance with or in pursuance of any request or advice of the Managers (or the delegates or distributors appointed by the Managers). Whenever pursuant to any provision of the Deed by certificate, notice, instruction or other communication is to be given by the Managers (or the delegates or distributors appointed by the Managers) to the Trustee the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Managers (or the delegates or distributors appointed by the Managers) by any one person whose signature the Trustee is for the time being authorised by the Managers (or the delegates or distributors appointed by the Managers) under their common seal to accept and may act on verbal, electronic and facsimile instructions given by authorised officers of the Managers (or the delegates or distributors appointed by the Managers) specified in writing by the Managers (or the delegates or distributors appointed by the Managers) to the Trustee.

**20.2.7** The Trustee (or the Managers or their agents with the approval of the Trustee) shall (subject as hereinafter provided) be entitled to destroy all distribution mandates which have been cancelled or lapsed at any time after the expiration of one year from the date of cancellation or lapse thereof and all notifications of change of address after the expiration of one year from the date of the recording thereof and all forms of proxy in respect of any meeting of Holders one year from the date of the meeting at which the same are used and all registers, statements and other records and documents relating to the Trust at any time after the expiration of six years from the termination of the Trust. Neither the Trustee nor the Managers nor their agents shall be under any liability whatsoever in consequence thereof and unless the contrary be proved every document so destroyed shall be deemed to have been a valid and effective instrument duly and properly registered and every other document hereinbefore mentioned so destroyed shall be deemed to have been a valid and effective document in accordance with the recorded particulars thereof. Provided Always That:

- (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (ii) nothing in this paragraph 20.2.7 shall be construed as imposing upon the Trustee or the Managers or other agents any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of paragraph 20.2.7 (i) above are not fulfilled; and
- (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

### **20.3 Distributions**

Distributions of income, net capital gains and capital will be at the Managers' sole discretion. Distributions out of income, net capital gains and/or capital (if any) will lower the net asset value of the Trust.

It is intended that, in the normal course of business, accumulating Classes will not make any distributions whereas distributing Classes may distribute income, net capital gains or capital as the Managers deem fit.

Distributions in respect of a distributing Class will generally be declared at the following frequencies:

<b>Distributing Class letter designation</b>	<b>Frequency of distribution declaration</b>
(M)	Monthly
(Q)	Quarterly (generally in March, June, September, December)
(S)	Semi-Annually (generally in March, September)

Where there is no letter designation in the name of the distributing Class, distributions for such Class will be declared on an annual basis (generally in March).

**Distributions are at the discretion of the Managers and there is no guarantee that any distribution will be made and if distributions are made, such distributions are not in any way a forecast, indication or projection of the future or likely performance/distribution of the Trust. The making of any distribution shall not be taken to imply that further distributions will be made.**

#### **20.4 Investment Restrictions and Borrowing Limits**

**20.4.1** The Managers will ensure compliance with the CPF Investment Guidelines for CPFIS Included Funds issued by the CPF Board on 15 September 2003, as the same may be amended, restated, supplemented or replaced from time to time (the “**CPFIF**”).

**20.4.2** In addition, the Managers will ensure compliance with any investment and borrowing restrictions set out in Appendix 1 of the Code, as the same may be amended, restated, supplemented or replaced from time to time.

#### **20.5 Holder's Right to Vote**

A meeting of Holders duly convened and held in accordance with the provisions of the Schedule to the Deed shall be competent by Extraordinary Resolution:

**20.5.1** to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 37 of the Deed;

**20.5.2** to sanction a supplemental deed increasing the maximum permitted percentage of the management participation and/or the remuneration payable to the Trustee as provided in Clause 23(B) of the Deed;

**20.5.3** to terminate the Trust as provided in Clause 34(F) of the Deed;

**20.5.4** to remove the Auditors as provided in Clause 30(D) of the Deed;

**20.5.5** to remove the Trustee as provided in Clause 31(C)(iii) of the Deed;

**20.5.6** to remove the Managers as provided in Clause 32(A)(iv) of the Deed;

**20.5.7** to direct the Trustee to take any action (including the termination of the Trust) pursuant to Section 295 of the SFA; and

**20.5.8** to sanction and approve any matter tabled to them by the Managers and/or the Trustee at any extraordinary general meeting of the Trust,

but shall not have any further or other powers.

## **20.6 Termination of the Trust**

**20.6.1** The Trust is of indeterminate duration and may be terminated as provided in Clause 34 of the Deed.

**20.6.2** Either the Trustee or the Managers may in their absolute discretion terminate the Trust by not less than three months' notice in writing to the other given so as to expire at the end of the Accounting Period current at the end of the tenth year after the date of the Principal Deed or any year thereafter. Either the Trustee or the Managers shall be entitled by notice in writing to make the continuation of the Trust beyond any such date conditional on the revision to its or their satisfaction at least three months before the relevant date of its or their remuneration. In the event that the Trust shall fall to be terminated or discontinued the Managers shall give notice thereof to all Holders not less than three months in advance. Subject as aforesaid the Trust shall continue until terminated in the manner hereinafter provided in paragraphs 20.6.3 to 20.6.6.

**20.6.3** Subject to Section 295 of the SFA, the Trust may be terminated by the Trustee by notice in writing in any of the following events, namely:

- (i) if the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of their assets or if a judicial manager is appointed in respect of the Managers or if any encumbrancer shall take possession of any of their assets or if they shall cease business;
- (ii) if any law shall be passed, any authorisation withdrawn or revoked or the Authority issues any direction which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Trust; or
- (iii) if within the period of three months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new trustee within the terms of Clause 31 of the Deed.

The decision of the Trustee in any of the events specified in this paragraph 20.6.3 shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate the Trust pursuant to this paragraph 20.6.3 or otherwise. The Managers shall accept the decision of the Trustee and relieve the Trustee of any liability to them therefor and hold it harmless from any claims whatsoever on their part for damages or for any other relief.

**20.6.4** The Trust may be terminated by the Managers in their absolute discretion by notice in writing as hereinafter provided (i) if the average aggregate value of the Deposited Property shall be less than S\$3,000,000 after the end of the fifth year

after the date of the Principal Deed or any time thereafter or (ii) if any law shall be passed, any authorisation withdrawn or revoked or the Authority issues any direction which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Trust.

**20.6.5** The party terminating the Trust shall give notice thereof to the Holders fixing the date at which such termination is to take effect which date shall not be less than six months after the service of such notice and the Managers shall give written notice thereof to the Authority not less than seven days before such termination.

**20.6.6** The Trust may at any time after ten years from the date of the Principal Deed be terminated by Extraordinary Resolution of a meeting of the Holders duly convened and held in accordance with the provisions contained in the Schedule to the Deed and such termination shall take effect from the date on which the Extraordinary Resolution is passed or such later date (if any) as the Extraordinary Resolution may provide.

## **20.7 Termination of Class**

**20.7.1** Each Class is of indeterminate duration and may be terminated as provided in Clause 34A of the Deed.

**20.7.2** The Managers may in their absolute discretion terminate a Class by not less than one month's notice to the Trustee. In the event a Class is to be terminated in the manner provided in this paragraph, the Managers shall give notice thereof in writing to the Holders of that Class not less than one month in advance of such termination.

**20.7.3** A Class may be terminated by the Trustee if any law is passed or any direction is given by the Authority which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue that Class or if any approval or authorisation of that Class is revoked or withdrawn. The decision of the Trustee in such event shall be final and binding upon the Managers and the Holders but the Trustee shall be under no liability on account of any failure to terminate a Class pursuant to Clause 34A(C) of the Deed or otherwise.

**20.7.4** A Class may be terminated by the Managers:

- (i) if the Units of that Class in issue fall below a number to be determined by the Managers;
- (ii) if the Managers are of the view that it is not in the best interest of Holders of Units in that Class to continue the Class; or
- (iii) if any law is passed or any direction given by the Authority which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue that Class or if any approval or authorisation of that Class is revoked or withdrawn.

The decision of the Managers in any of the events specified in Clause 34A(D) of the Deed shall be final and binding upon the Trustee and the Holders but the Managers shall be under no liability on account of any failure to terminate a Class pursuant to Clause 34A(D) of the Deed or otherwise.

**20.7.5** The party terminating the Class in accordance with this paragraph shall give notice in writing of such termination to the Holders of that Class and by such notice fix the date at which such termination is to take effect, which date shall not be less than one month after the giving of such notice (or such other earlier date as may be necessary to comply with any law or direction given by the Authority).

**20.7.6** A Class may at any time be terminated by Extraordinary Resolution of a meeting of the Holders of that Class duly convened and held in accordance with the provisions contained in the Deed and such termination shall take effect on the date on which the said Extraordinary Resolution is passed or on such later date (if any) as the said Extraordinary Resolution may provide.

## **20.8 Valuation**

**20.8.1** The Value, except where otherwise expressly stated in the Deed and subject always to the requirements of the Code, with reference to any Authorised Investments which are:-

- (i) cash in hand and deposits placed with banks in or outside of Singapore and bank bills, shall be determined by reference to the face value of such Authorised Investments and the accrued interest thereon for the relevant period;
- (ii) Quoted Investments<sup>6</sup>, shall be calculated, as the case may be, by reference to the price appearing to the Managers or other agent on behalf of the Managers to be the last available price or quoted price, the official closing price, the latest known available closing price or the latest available closing price on a Recognised Exchange or OTC Market at the time of calculation for the Quoted Investment in question or at any time as may be approved by the Trustee; and
- (iii) Unquoted Investments<sup>7</sup>, shall be calculated by reference to the (a) last available price (if any); or (b) prices quoted by such persons, firms or institutions determined by the Managers to be making a market in that investment at the close of trading in the relevant market on which the particular Authorised Investment is traded (and if there shall be more than one such market maker, then such market maker as the Managers may determine).

PROVIDED THAT, if the quotations referred to in (ii) and (iii) above are not available, or if the value of the Authorised Investment determined in the manner described in (i), (ii) or (iii) above, in the opinion of the Managers, is not representative, then the value shall be such value as the Managers may with due care and in good faith consider in the circumstances to be fair value and is approved by the Trustee and the Managers shall inform the Holders of such change if required by the Trustee. For the purposes of this proviso, the "fair value" shall be determined by the Managers in consultation with a dealer or an approved valuer and with the approval of the Trustee in accordance with the Code.

---

<sup>6</sup> "Quoted Investments" means any Authorised Investment which is quoted or listed or in respect of which permission to deal is effective on any Recognised Exchange or any OTC Market.

<sup>7</sup> "Unquoted Investments" means any Authorised Investment which is not quoted, listed or dealt in on any Recognised Exchange or any OTC Market.



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

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

- (i) every Unit agreed to be issued by the Managers shall be deemed to be in issue and the Deposited Property shall be deemed to include not only cash or other assets in the hands of the Trustee but also the value of any cash, accrued interest on bonds or other assets to be received in respect of Units agreed to be issued after deducting therefrom or providing thereout the Preliminary Charge and (in the case of Units issued against the vesting of Authorised Investments) any moneys payable out of the Deposited Property pursuant to Clause 9 of the Deed;
- (ii) where Authorised Investments have been agreed to be purchased or otherwise acquired or sold but such purchase, acquisition or sale has not been completed, such Authorised Investments shall be included or excluded and the gross purchase, acquisition or net sale consideration excluded or included as the case may require as if such purchase, acquisition or sale had been duly completed;
- (iii) where in consequence of any notice or request in writing given pursuant to Clauses 12, 12A or 13 of the Deed, a reduction of the Trust by the cancellation of Units is to be effected but such reduction has not been completed, the Units in question shall not be deemed to be in issue and any amount payable in cash and the value of any Authorised Investments to be transferred out of the Deposited Property after deducting therefrom or providing thereout the Realisation Charge (if any) in pursuance of such reduction shall be deducted from the Value of the Deposited Property;
- (iv) there shall be deducted any amounts not provided for above which are payable out of the Deposited Property including:-
  - (a) any amount of Management Fee (which shall be deducted in accordance with the provision below in this paragraph 20.8 if the Management Fee differs between the Classes), the remuneration of the Trustee and any other expenses accrued but remaining unpaid;
  - (b) the amount of tax, if any, on net capital gains (including any provision made for unrealised capital gains) accrued up to the end of the last Accounting Period and remaining unpaid;
  - (c) the amount in respect of tax, if any, on net capital gains realised during a current Accounting Period prior to the valuation being made as in the estimate of the Managers will become payable; and
  - (d) the aggregate amount for the time being outstanding of any borrowings effected under Clause 16(C) of the Deed together with the amount of any interest and expenses thereon accrued pursuant to paragraph (v) of the said Clause 16(C) and remaining unpaid;

- (v) there shall be taken into account such sum as in the estimate of the Managers will fall to be paid or reclaimed in respect of taxation related to Income (as defined in the Deed) up to the time of calculation of the Value of the Deposited Property;
- (vi) there shall be added the amount of any tax, if any, on capital gains estimated to be recoverable and not received;
- (vii) any Value (whether of an Authorised Investment or cash) otherwise than in Singapore Dollars and any non-Singapore Dollar borrowing shall be converted into Singapore Dollars at the rate (whether official or otherwise) which the Managers shall after consulting with or in accordance with a method approved by the Trustee deem appropriate to the circumstances having regard inter alia to any premium or discount which may be relevant and to the costs of exchange except where such Value is in relation to a Class that is not denominated in Singapore Dollars, such Value (whether of an Authorised Investment or cash) otherwise than in the currency of the Class and any borrowings otherwise than in the currency of the Class may be converted into the currency of the Class at the rate (whether official or otherwise) which the Managers shall after consulting with or in accordance with a method approved by the Trustee deem appropriate to the circumstances having regard inter alia to any premium or discount which may be relevant and to the costs of exchange; and
- (viii) where the current price of an Authorised Investment is quoted "ex" dividend, interest or other payment but such dividend, interest or other payment has not been received the amount of such dividend, interest or other payment shall be taken into account,

the Managers may, subject to the prior approval of the Trustee, change the method of valuation provided in this paragraph, and the Trustee shall determine if the Holders should be informed of such change. In the case where the Trust has more than one Class, the Value of the proportion of the relevant Deposited Property attributable to each Class shall be calculated by apportioning the Value of the relevant Deposited Property (obtained in accordance with the provisions above provided that no deduction or addition shall be made in respect of expenses, charges or other amounts which are not common to all the Classes) between the Classes and then deducting from or adding to the value of the proportion of the Deposited Property for each Class any expense, charge or other amount attributable to such Class (including, but not limited to, the Management Fee if it differs between Classes within the Trust). For the avoidance of doubt, where any expense, charge or amount payable out of or payable into the Deposited Property pursuant to the Deed is attributable only to a particular Class within the Trust, such amount shall only be deducted from or added to the value of the Deposited Property which is attributable to that Class and shall not affect the calculation of the Value of the Deposited Property attributable to other Classes within the Trust.

If, in the Managers' opinion it is in the interest of Holders to do so, the Managers shall, in consultation with the Trustee, be entitled to make adjustments in the calculation of the Value per Unit on a Dealing Day upwards or downwards, as applicable, having regard to such circumstances as the Managers in their discretion deem appropriate. Such adjustments shall be made by an amount that is considered appropriate by the Managers in consultation with the Trustee which shall not exceed 3% of the Value per Unit on the relevant Dealing Day or such higher amount as the Managers may from time to time determine in consultation with the Trustee PROVIDED THAT, subject to applicable laws

and regulations, the Managers may, in exceptional circumstances (including but not limited to situations whereby extreme market turmoil or volatility may result in an unusual magnitude of the increase in the Fiscal and purchase charges and the Fiscal and sale charges incurred in the purchase and/or sale of Authorised Investments and the spread between the buying and selling prices of such Authorised Investments caused by subscriptions, realisations, conversions and/or exchanges of Units) and in consultation with the Trustee, temporarily apply an adjustment beyond 3% of the Value per Unit on the relevant Dealing Day or such higher amount as the Managers may from time to time determine in consultation with the Trustee if, in the Managers' opinion, it is in the interest of existing Holders to do so and the Managers shall give notice to the relevant Holders of such adjustment beyond such amount if so required by the Authority and/or the Trustee and in such manner as the Managers and Trustee may agree. Notwithstanding any other provision of the Deed, the Issue Price and Realisation Price per Unit calculated based on the Value per Unit as so adjusted shall apply in respect of all subscriptions, realisations, conversions and exchanges of Units of the Trust or the relevant Class on the relevant Dealing Day.

## **20.9 Dilution Adjustments**

The Trust is single priced and may fall in value due to various factors such as the Fiscal and purchase charges and the Fiscal and sale charges incurred in the purchase and sale of Authorised Investments and the spread between the buying and selling prices of such Authorised Investments caused by subscriptions and/or realisations of Units. This effect is known as "dilution".

To minimise the impact of dilution, the Managers may apply a technique known as "dilution adjustment" or "swing pricing" by adjusting the Value of the Trust so that such Fiscal and purchase charges and the Fiscal and sale charges and dealing spreads in respect of the Authorised Investments are, as far as practicable, passed on to the relevant Holders (i.e. those who are subscribing and/or realising Units on a particular Dealing Day) ("**Dilution Adjustment**").

The Managers shall be entitled, in consultation with the Trustee, to apply a Dilution Adjustment in circumstances that they deem are appropriate, having regard to the interest of Holders. Typically, a Dilution Adjustment is made if the net transaction on a Dealing Day exceeds a certain percentage of the previous Dealing Day's Value (the "**Threshold**"). The need to apply Dilution Adjustment will depend upon various factors, including but not limited to (i) the amount of subscriptions and/or realisations of Units on that Dealing Day, (ii) the impact of any Fiscal and purchase charges and/or Fiscal and sale charges incurred in the purchase and/or sale of Authorised Investments of the Trust, (iii) market conditions and (iv) the spread between the buying and selling prices of such Authorised Investments caused by subscriptions and/or realisations.

The returns of the Trust will be calculated based on the Value of the Trust after Dilution Adjustments have been applied and this could increase the variability of the Trust's returns. You should also note that the returns of the Trust may be influenced by the level of subscription or realisation activity (which may result in the application of swing pricing). In the usual course of business, to minimise the impact to the variability of the return of the Trust, the application of a Dilution Adjustment will be triggered mechanically and on a consistent basis and applied only when the net transaction exceeds the Threshold. You should note however that Dilution Adjustment only reduces the effect of dilution and does not eliminate it entirely. Applying a Dilution Adjustment only where the Threshold is hit

reduces the impact to the variability of the Trust's returns. However, dilution arising from a net transaction that is below the Threshold may not be reduced.

The Threshold will be set with the objective of protecting the Holders' interest while minimising impact to the variability of the Trust's return by ensuring that the Value is not adjusted where the dilution impact on the Trust is, in the opinion of the Managers, not significant, and may be varied by the Managers in their discretion. Where a Dilution Adjustment is made, it will typically increase the Value when there are net subscriptions into the Trust and decrease the Value when there are net realisations. The Value of each Class in the Trust will be calculated separately but any Dilution Adjustment will, in percentage terms, affect the Value of each Class in an equal manner. You should also note that the fees and charges applying to the Trust (including fees based on the Value of the Trust, where applicable) will be based on the Value without any Dilution Adjustment applied.

The amount of the Dilution Adjustment applied by the Managers may vary over time depending on various factors such as market conditions but will under normal circumstances not exceed 3% of the Value per Unit on the relevant Dealing Day. The Managers reserve the right to apply Dilution Adjustment of an amount not exceeding 3% of the Value per Unit on the relevant Dealing Day where they deem appropriate and have the discretion to vary the amount of Dilution Adjustment within such 3% limit, in consultation with the Trustee, from time to time without giving notice to the relevant Holders.

Subject to applicable laws and regulations, in exceptional circumstances (including but not limited to situations whereby extreme market turmoil or volatility may result in an unusual magnitude of the increase in the Fiscal and purchase charges and the Fiscal and sale charges incurred in the purchase and/or sale of Authorised Investments and the spread between the buying and selling prices of such Authorised Investments caused by subscriptions and/or realisations of Units), the Managers may, in consultation with the Trustee, temporarily apply a Dilution Adjustment beyond 3% of the Value per Unit on the relevant Dealing Day if, in their opinion, it is in the interest of existing Holders to do so. In such cases, the Managers shall give notice to the relevant Holders if so required by the Authority and/or the Trustee and in such manner as the Managers and Trustee may agree.

## **20.10 Use of Financial Derivative Instruments**

The global exposure of the Trust to financial derivatives or embedded financial derivatives shall not exceed 100% of the net asset value of the Trust at any time (or such other percentage as may be allowed under the Code). Such exposure will be calculated using the commitment approach as described in, and in accordance with the provisions of, the Code.

If the Trust nets its over-the-counter financial derivative positions, the Managers will obtain the legal opinions as stipulated in paragraph 5.15 of Appendix 1 of the Code (or as may otherwise be required under the Code) prior to any such netting.

The Managers and (as the case may be) the Sub-Manager have the necessary expertise to manage the risk relating to the use of financial derivative instruments and will ensure that the risk management and compliance procedures are adequate and have been or will be implemented.

## 20.11 US Foreign Account Tax Compliance Act (“FATCA”)

FATCA was enacted in the US in 2010. It introduces a number of new customer identification, reporting and tax withholding requirements applicable to foreign (*i.e.*, non-US) financial institutions (“**FFIs**”) that are aimed at preventing citizens and residents of the US from evading US taxes by holding their assets in financial accounts outside of the US with such FFIs. The term “FFI” is defined very broadly and therefore the Trust is considered a FFI.

***The following is a general discussion of the application of FATCA to the Trust, as well as existing and prospective investors or Holders of the Trust. It is included for general informational purposes only, should not be relied upon as tax advice and may not be applicable depending upon your particular situation. You should consult your tax advisor regarding the tax consequences to you of the purchase, ownership and disposition of the Units of the Trust, including the tax consequences under US federal laws (and any proposed changes in applicable law).***

### **FFI AGREEMENTS AND FATCA WITHHOLDING**

FATCA generally requires FFIs to enter into agreements (“**FFI Agreements**”) with the US Internal Revenue Service (“**IRS**”), under which they agree to identify and report information to the IRS on any US reportable accounts held by them. The IRS assigns a global intermediary identification number to each FFI that has entered into an FFI Agreement, which confirms the FFI’s status as a “Participating FFI”. If an FFI fails to enter into an FFI Agreement and is not otherwise exempt, it will be treated as a nonparticipating FFI and may become subject to a 30 per cent withholding tax on “withholdable payments” or “passthru payments” (as defined in FATCA) it receives (collectively “**FATCA Withholding**”), unless the FFI complies with FATCA under other permissible alternatives.

### **APPLICATION OF FATCA TO THE TRUST AND INVESTORS**

Singapore and the US signed a FATCA Model 1 Intergovernmental Agreement (the “**Model 1 IGA**”) on 9 December 2014 and the Model 1 IGA entered into force on 18 March 2015.

Under the Model 1 IGA, Singapore-based financial institutions will have to comply with the relevant FATCA provisions in the Income Tax Act 1947 and the regulations in the Income Tax (International Tax Compliance Agreements)(United States of America) Regulations 2015 which implements such FATCA requirements into Singapore laws and, under such changes, the Managers, the Trustee, distributors and / or other service providers to the Trust may be required to report and disclose information of certain investors in the Trust including any “U.S. Person” or any “U.S. Reportable Account” (as defined in the Model 1 IGA) to the relevant Singapore authorities which will in turn report the information to the IRS. Existing and prospective investors in the Trust may therefore be requested to provide additional information to the Managers, the Trustee, distributors and / or other service providers to the Trust in order to enable the Trust and such parties to satisfy their obligations under Singapore laws, regulations and guidance which have been implemented as part of the Model 1 IGA. Failure by an investor to provide such information may result in such investor being subject to FATCA Withholding.

Guidance in Singapore as to the mechanics and scope of this new reporting and withholding regime has been provided in the Inland Revenue Authority of Singapore’s e-Tax Guide entitled “Compliance Requirements of the Singapore-US Intergovernmental

Agreement on Foreign Account Tax Compliance Act” which was published on 17 March 2015. There can be no assurance as to the timing or impact of such guidance on future operations of the Trust or on any investor in the Trust.

## **20.12 Automatic Exchange of Information (“AEOI”)**

The Common Reporting Standard (“**CRS**”) is a new, single global standard on AEOI which was approved by the Council of the Organisation for Economic Cooperation and Development (“**OECD**”) in July 2014. The CRS builds on the FATCA reporting regime to maximise efficiency and reduce costs for implementing jurisdictions and their financial institutions. The CRS sets out details of the financial information to be exchanged, the financial institutions required to report, together with common due diligence standards to be followed by financial institutions.

Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their non-resident customers. Over 100 jurisdictions have committed to exchanging information under the CRS and Singapore has committed to implement the CRS with the first exchange to take place by September 2018. The Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 (“**CRS Regulations**”) incorporate the requirements of the CRS into Singapore’s domestic legislative framework. The CRS Regulations entered into force on 1 January 2017.

The CRS Regulations requires and empowers all financial institutions to put in place necessary processes and systems to collect financial account information from 1 January 2017. The Trust is required to disclose the name, address, jurisdiction(s) of tax residence, date and place of birth, account reference number and tax identification number(s) of each reportable person in respect of a reportable account for CRS and information relating to each of your investments (including but not limited to the value of and any payments in respect of the Units) to the Inland Revenue Authority of Singapore who may in turn exchange this information with the tax authorities in territories who are participating jurisdictions for the purposes of the CRS. In order to comply with its obligations, the Trust may require additional information and documentation from you.

The non-provision of information requested by the Trust pursuant to CRS may result in the inability to process instructions from such investor, including any redemption requests, and/or otherwise deal with the investor or his accounts and holdings in the Trust or other appropriate action taken by the Trust. The refusal to provide the requisite information to the Trust may also be reported to the Inland Revenue Authority of Singapore.

The above description is based in part on CRS Regulations and guidance from the OECD in relation to the CRS, all of which are subject to change.

You will be deemed by your Applying for Units (as defined in paragraph 20.13 below) to have authorised and to have obtained consent from third party individuals, whose personal information you have disclosed to the Trust, to the automatic disclosure of such information by the Administrator, or other relevant person to the Inland Revenue Authority of Singapore and other relevant tax authorities.

You should consult your own tax advisers on the requirements applicable to you under these arrangements.

## 20.13 Use of Personal Data

You should note the following:

By signing the subscription application form or applying for Units through an approved agent's or a distributor's website (collectively "**Applying for Units**"), each investor consents and acknowledges that any personal data including any personal data relating to the investor and/or third party individuals (e.g. beneficial owners, family members, trustees, partners or directors or authorised signatories of investors who are not individuals) ("**Data**") provided to the Managers, Sub-Manager, Principal Distributor, Trustee, Custodian, Registrar, administrator, any approved agent or distributor, and/or their related corporations, associates or affiliates ("**Recipients**", each a "**Recipient**") whether directly or through appointed distributors or agents or otherwise collected by or on behalf of a Recipient from publicly available or other sources, in connection with the investor's application for or investment in the Trust, may be collected, stored, processed, maintained, used and disclosed by a Recipient for the following purposes: (i) updating and maintaining the register; (ii) implementing, operating, managing and administering the investor's investment in the Trust and any related accounts on an ongoing basis, including but not limited to transactional purposes such as processing instructions or trades of investors or persons acting on behalf of investors; (iii) complying with any applicable legal, governmental, compliance or regulatory requirements within Singapore and in any foreign jurisdiction, including complying with any requests made to any Recipient by any government authority or regulatory body and any rules and regulations relating to anti-money laundering and countering the financing of terrorism and mitigating any adverse result under any laws relating to tax; (iv) complying with any applicable treaty or agreement with or between Singapore and a foreign jurisdiction; (v) fulfilling a judgment or order of court or of any other tribunal within Singapore and in an applicable foreign jurisdiction; (vi) providing client-related services, including providing customer support, responding to queries or feedback given by investors or persons acting behalf of investors, and communicating with and disseminating of statements of account, notices, reports, materials, communications (whether of a marketing nature or otherwise) to investors or persons acting on behalf of investors; (vii) verifying the identity of investors or persons acting on behalf of investors; (viii) exercising or enforcing the rights of a Recipient under contract or pursuant to applicable laws and regulations; (ix) administering, operating, processing or managing the Units or the Trust; (x) the prevention of crime, fraud or misuse of services, processing for the creation or maintenance of physical, network or information technology security measures, auditing and processing for statistical purposes or business analysis and monitoring; (xi) for all other purposes required or authorised under any applicable legal, governmental, compliance or regulatory requirements within Singapore and in any foreign jurisdiction, including but not limited to complying with the Income Tax (International Tax Compliance Agreements) (Common Reporting Standard) Regulations 2016 of Singapore; (xii) conducting general administration in relation to the foregoing; and (xii) all purposes directly related to one or more of the foregoing.

By Applying for Units, each investor also consents and acknowledges that, for the purposes set out above, Data may be disclosed and transferred by a Recipient to the following parties in Singapore or in a foreign jurisdiction: (i) any person or entity including government authorities, regulatory bodies, courts and tribunals to whom a Recipient is under an obligation to make disclosure pursuant to any domestic or foreign legal process, legal obligation, regulatory obligation or request from a government authority or regulatory body; (ii) any CPF agent bank or SRS operator; (iii) related corporations, associates or

affiliates of a Recipient; and (iv) any agent, contractor, third party service provider, intermediary or professional adviser which provides administrative, mailing, data storage or processing, business process, human resource, information technology, audit, advisory or any other services to a Recipient in connection with the operation of the business of the Recipient.

By Applying for Units, each investor warrants that any Data provided by or on behalf of that investor to a Recipient is true, accurate and complete, that changes to such Data shall be notified to a relevant Recipient in a timely fashion, and to the extent that any such Data relates to a third party individual, that the prior consent of such third party individual, which will allow a Recipient to collect, use and disclose Data of that individual in the manner and for the purposes described above, has been obtained, and consents and acknowledges all such collection, use and disclosure on behalf of that third party individual.

Pursuant to the Personal Data Protection Act 2012 of Singapore, an individual may withdraw his/her consent to the collection, use and/or disclosure of his/her Data. Investors may wish to note that a notice of withdrawal of consent submitted by an investor or a third party individual relevant to that investor: (1) may result in the inability to process instructions from such investor, including any redemption requests, and/or otherwise deal with the investor or his accounts and holdings in the Trust; and (2) shall not prevent the continued use or disclosure of Data for the purposes of compliance with any legal, governmental, compliance or regulatory requirements within Singapore and in any foreign jurisdiction, unless otherwise prohibited by applicable mandatory laws.

## **21. Queries and Complaints**

For any queries or complaints regarding the Trust, you may contact the Managers at:

Address : 7 Temasek Boulevard  
#38-03 Suntec Tower One  
Singapore 038987

Telephone : (65) 6241 2662  
(65) 6432 9447

Email : [TAOversightSEAsia@franklintempleton.com](mailto:TAOversightSEAsia@franklintempleton.com)

Website : <https://www.franklintempleton.com.sg>



**Franklin Templeton Martin Currie Southeast Asia Trust**

**Prospectus**

**Signed:**

---

**Lim Seh Kuan**

for and on behalf of

**Tariq Ashfaq Ahmad**

Director

**Signed:**

---

**Lim Seh Kuan**

for and on behalf of

**Manraj Singh Sekhon**

Director

**Signed:**

---

**Lim Seh Kuan**

for and on behalf of

**Ong Tek Khoan**

Director

**Signed:**

---

**Lim Seh Kuan**

Director



Issued by Templeton Asset Management Ltd  
(Registration no.(UEN): 199205211E)