

The Directors, whose names appear in the section entitled "Directory for the Fund" contained in this Placing Memorandum (the "**Memorandum**"), accept responsibility for the information contained in this Memorandum. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. Unless otherwise indicated herein, the opinions expressed in this Memorandum are those of the Directors.

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**AMENDED AND RESTATED PLACING MEMORANDUM**

relating to:

**ASIA ALPHA FUND**

(an exempted company incorporated with limited liability under the Companies Law of the Cayman Islands)

Placement of:

Participating Shares of U.S.\$0.01 par value each at the prevailing Subscription Price on the relevant Dealing Day for Subscriptions

**MANAGER :**

**UOB ASIA INVESTMENT PARTNERS PTE. LTD.**

**No copy of this memorandum has been registered in any jurisdiction in connection with the placing of Participating Shares, other than registration with CIMA.**

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**THESE ARE SPECULATIVE SECURITIES**

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**The offering of participating shares in Asia Alpha Fund (the "Fund") described in this Memorandum has not been registered with or approved by the U.S. Securities and Exchange Commission (the "SEC") or the securities agency or commission of any other jurisdiction. This is a private offering pursuant to exemptions provided by Section 4(2) of the Securities Act (as defined herein), Rule 506 thereunder, and applicable securities laws. Neither the SEC nor the securities commission of any other jurisdiction has passed upon the value of these securities, made any recommendations as to their purchase, approved or disapproved this offering, or passed upon the adequacy or accuracy of this Memorandum. Any representation to the contrary is a criminal offence. No copy of this Memorandum has been registered in any jurisdiction in connection with the placing of Participating Shares (as defined herein), other than registration with the Cayman Islands Monetary Authority.**

10 February 2015

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Name : \_\_\_\_\_

Copy No: \_\_\_\_\_

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## IMPORTANT

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**This Memorandum is distributed on a confidential basis in connection with a private offering of the Participating Shares (as defined in the section entitled "Definitions"), none of which will be issued to any person other than a person to whom the Manager (as defined in the section entitled "Definitions") sends this Memorandum.**

**This Memorandum has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Fund (as defined below), and is to be used by the prospective investor to whom it is furnished solely in connection with the consideration of the purchase of Participating Shares. The information contained herein may not be reproduced or used in whole or in part for any other purpose, nor may it be transmitted or otherwise disclosed without the prior written consent of the Fund. Each prospective investor accepting this Memorandum agrees to return it promptly upon request.**

**Prospective investors should read this Memorandum carefully before deciding whether to purchase Participating Shares and should pay particular attention to the information set forth under the sections entitled "Risk Factors" and "Conflicts of Interest". An investment in the Fund may be deemed speculative and involves significant risk. It is designed only for experienced and sophisticated persons who are able to bear the risk of the substantial impairment or loss of their investment in the Fund. Investors should understand such risks and have the financial ability and willingness to accept such risks for an extended period of time. The Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.**

**The distribution of this Memorandum and the offering of Participating Shares may be restricted in certain jurisdictions. Accordingly, this Memorandum does not constitute an offer or solicitation to sell or a solicitation of an offer to buy, nor may there be any offer, solicitation or sale of the Participating Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make any such offer, solicitation or sale. No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. This Memorandum is not, and under no circumstances is it to be construed as, a prospectus or advertisement, and the offering contemplated in this Memorandum is not, and under no circumstances is it to be construed, a public offering of Participating Shares. By accepting receipt of this Memorandum, the investor is deemed to have agreed not to duplicate or provide copies of this Memorandum to persons other than such investor's professional advisers solely for the purposes of assisting the investor in making an investment decision in respect of the Participating Shares and agrees to return this Memorandum and all related information promptly upon request of the Manager or at such time as the investor is no longer considering an investment in the Participating Shares.**

**No offer to purchase or subscribe for Participating Shares in the Fund will arise until a validly executed Subscription Agreement (as defined below) and Verification Documents (as defined below) has actually been received by an authorised representative of the Administrator's Delegate**

(as defined below) and cleared funds for the full subscription amount have been received in the Fund's account designated by the Administrator (as defined below) or the Administrator's Delegate.

The information set out herein is for general guidance only, and it is the responsibility of any person or persons in possession of this Memorandum and wishing to subscribe for Participating Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective subscribers for Participating Shares should inform themselves as to applicable legal requirements, any applicable exchange control regulations, and any applicable taxes in the countries of their respective citizenship, residence, or domicile. No persons receiving a copy of this Memorandum or the Subscription Agreement in any jurisdiction may treat this Memorandum or the Subscription Agreement as constituting an invitation to them to subscribe for Participating Shares, nor should they in any event use such Subscription Agreement, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Subscription Agreement could lawfully be used without compliance with any registration or other legal requirements.

The Participating Shares are not insured or guaranteed by any governmental agency of any country. The Participating Shares are not deposits or obligations of any bank or other financial institution, and are not guaranteed by any bank or other financial institution. The Participating Shares are subject to investment risks, including the possible loss of the entire amount invested.

#### **Reliance on Memorandum**

Only Participating Shares are offered pursuant to this Memorandum and the Constitution (as defined below). No offering literature or advertising in any form whatsoever may be employed in the offering of the Participating Shares other than this Memorandum. The Participating Shares are offered solely on the basis of the information contained in this Memorandum. No person has been authorised to give any information or to make any representation in connection with the offering of the Participating Shares other than those contained in this Memorandum and, if given or made, such information or representations must not be relied on as having been authorised by the Fund, the Directors, the Manager, the Custodian, the brokers of the Fund (if any), the Administrator or the Administrator's Delegate. Recipients of this Memorandum should assume that the information appearing in this Memorandum or any documents incorporated by reference in this Memorandum is accurate only as of the date indicated on the front cover of the applicable document or as specifically indicated in the applicable document. Neither the delivery of this Memorandum nor the allotment or issue of Participating Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof.

### **CAYMAN ISLANDS**

The Fund falls or will fall within the definition of a "Mutual Fund" in terms of the Mutual Funds Law (as amended) of the Cayman Islands and accordingly is regulated in terms of that Mutual Funds Law. However, the Fund is not required to be licensed or employ a licensed mutual fund

administrator since the minimum aggregate investment purchasable by a prospective investor in the Fund is equal to or exceeds US\$100,000 or its equivalent in any other currency.

As a regulated mutual fund, the Fund is or will be subject to the supervision of CIMA. The Fund must file this Memorandum and details of any changes that materially affect any information in this Memorandum with CIMA. The Fund must also file annually with CIMA accounts approved by an approved auditor, together with a return containing particulars specified by CIMA, within six (6) months of its financial year end or within such extension of that period as CIMA may allow. A prescribed fee must also be paid annually.

CIMA may, at any time, instruct the Fund to have its accounts audited and to submit them to CIMA within such time as CIMA specifies. In addition, CIMA may ask the Directors to give CIMA such information or such explanation in respect of the Fund as CIMA may reasonably require to enable it to carry out its duty under the Mutual Funds Law.

CIMA shall, whenever it considers it necessary, examine, including by way of on-site inspections or in such other manner as it may determine, the affairs or business of the Fund for the purpose of satisfying itself that the provisions of the Mutual Funds Law and applicable anti-money laundering regulations are being complied with.

The Directors must give CIMA access to or provide at any reasonable time all records relating to the Fund and CIMA may copy or take an extract of a record it is given access to. Failure to comply with these requests by CIMA may result in substantial fines on the part of the Directors and may result in CIMA applying to the court to have the Fund wound up.

CIMA may take certain actions if it is satisfied that a regulated mutual fund:

- (a) is or is likely to become unable to meet its obligations as they fall due;
- (b) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- (c) is not being managed in a fit and proper manner; or
- (d) has persons appointed as Director, manager or officer that is not a fit and proper person to hold the respective position.

The powers of CIMA include, *inter alia*, the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to CIMA including the ability to cancel the registration of the Fund and to apply to the court for approval of other actions.

This Memorandum is based on the law and practice currently in force in the Cayman Islands and is subject to changes therein. No invitation to the public in the Cayman Islands to subscribe for any Participating Shares is permitted to be made. However, Cayman Islands Exempted and Ordinary Non-Resident Companies and certain other legal entities formed under the laws of but not resident in the Cayman Islands and engaged in business outside of the Cayman Islands may be permitted to acquire shares. This Memorandum should be read in conjunction with the Constitution.

## **SINGAPORE**

**The offer which is the subject of the Memorandum is not authorized or recognized by the Monetary Authority of Singapore ("MAS") and Participating Shares are not allowed to be offered to the retail public. The Memorandum is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you in light of your own personal circumstances.**

**Recipients of the Memorandum in or from Singapore should note that the offering of the Participating Shares is subject to the terms of the Memorandum and the SFA. Accordingly, the Participating Shares may not be offered or sold, nor may the Memorandum or any other document or material in connection with the offer or sale of such Participating Share be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A(1)(c) of the SFA) (each an "Institutional Investor"), (ii) to a relevant person as defined in Section 305 of the SFA or any person pursuant to an offer referred to in Section 305(2) of the SFA (each a "Relevant Investor") and in accordance with the conditions specified in Section 305 of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.**

**Subject to all other restrictions on transferability imposed by the Fund, recipients of the Memorandum represent and warrant that where the Participating Shares are initially acquired pursuant to an offer made in reliance on an exemption under:**

- (a) Section 304 of the SFA by an Institutional Investor, subsequent sales of the Participating Shares will only be made to another Institutional Investor; and**
- (b) Section 305 of the SFA by a Relevant Investor, subsequent sales of the Participating Shares will only be made to an Institutional Investor or another Relevant Investor.**

**In addition, it should be noted that where the Participating Shares are initially acquired in Singapore pursuant to an offer made in reliance on an exemption under Section 305 of the SFA by:**

- (a) a corporation referred to in Section 305A(2) of the SFA (a "Relevant Corporation"), the securities of the Relevant Corporation shall not be transferred within six (6) months after the Relevant Corporation has acquired any Participating Shares unless the transfer is in accordance with the conditions of Section 305A(2) of the SFA; and**
- (b) a trust referred to in Section 305A(3) of the SFA (a "Relevant Trust"), the rights and interest (howsoever described) of the beneficiaries thereof in the Relevant Trust shall not be transferred within six (6) months after any Participating Shares have been acquired for the Relevant Trust unless the transfer is in accordance with the conditions of Section 305A(3) of the SFA.**

Investors should therefore ensure that their own transfer arrangements comply with the restrictions. Investors should seek legal advice to ensure compliance with the above arrangement.

The Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

No offer to purchase Participating Shares in the Fund will arise until a validly executed Subscription Agreement and Verification Documents has actually been received by an authorized representative of the Administrator's Delegate at its principal place of business in Singapore and cleared funds for the full subscription amount have been received in the Fund's account designated by the Administrator's Delegate or its authorized representative.

This Memorandum constitutes an offer of the Participating Shares only if the Manager authorizes delivery to a prospective investor. By accepting receipt of this Memorandum, the investor agrees not to duplicate or provide copies of this Memorandum to persons other than such offeree's professional advisers solely for the purposes of assisting the offeree in making an investment decision in respect of the Participating Shares and agrees to return this Memorandum and all related information promptly upon the request of the Manager or at such time as the offeree is no longer considering an investment in the Participating Shares. No offering documents or advertising in any form whatsoever may be employed in the offering of the Participating Shares other than this Memorandum. No representations or warranties of any kind are intended or should be inferred with respect to the economic return (on a pre-tax or post-tax basis) from an investment in the Participating Shares, the magnitude of risk exposure related to an investment in the Participating Shares or the Manager's ability to monitor, manage or hedge such risk exposure.

An investment in Participating Shares is subject to investment risk, including the possible loss of the entire principal amount invested. Investment in Participating Shares represents an indirect investment in the securities owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. The value of the securities in which the Fund invests will affect the value of the Participating Shares. The value of the Participating Shares at any point in time may be worth less than the original investment in the Fund, even after taking into account the reinvestment of dividends and distributions. See "Risk Factors" at Part IV and –"Conflicts of Interest" at Part VI of this Memorandum.

\* \* \* \*

This Memorandum contains a fair summary of the material terms of the information purported to be summarised in this Memorandum. However, this is a summary only and does not purport to be complete. Accordingly, to the extent that statements made in this Memorandum summarise provisions of any agreement or document, such statements are qualified in their entirety by reference to the provisions of such agreements and documents.

If an investor is in doubt as to the contents of this Memorandum, the investor should consult its stock broker, bank manager, solicitor or accountant or other financial adviser for independent professional advice.

**Prospective investors should not construe the contents of this Memorandum as advice relating to investment, legal, or taxation matters. Each investor should seek and rely on its own legal counsel, accountants, or other representatives as to legal, tax, and related matters concerning the fund and an investment therein and as to its suitability for such an investment.**

**This Memorandum has been prepared on the basis of the relevant legislation and regulations of the Cayman Islands and Singapore and their interpretations, which are believed to reflect accurately the current interpretations by relevant authorities as at the date of this Memorandum. It should be appreciated that relevant legislation and regulations, and their interpretation by relevant authorities, may be altered in the future.**

**Potential investors should carefully review this Memorandum in its entirety together with the Constitution and the Subscription Agreement. In the event there is any inconsistency between this Memorandum and the Constitution, the Constitution shall prevail.**

**Prospective investors' attention is drawn to the contents of the section entitled "Risk Factors" at Part IV of this Memorandum.**

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## FORWARD-LOOKING STATEMENTS

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Certain statements in this Memorandum constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual fees, costs, expenses, results, performance or achievements of the Fund or the Manager, or industry results, to be materially different from any future fees, costs, expenses, results, performance, or achievements expressed or implied by such forward-looking statements. These forward-looking statements are typically identified by terminology such as, "may", "will", "should", "expects", "anticipates", "plans", "intends", "believes", "estimates", "projects", "predicts", "seeks", "potential", "continue" or other similar terminology. Similar forward-looking statements may be contained in other documents that may accompany, or be delivered before, this Memorandum upon a prospective investor's request. These forward-looking statements are not guarantees of future performance and are based on numerous current assumptions that are subject to significant uncertainties and contingencies, many of which are outside the Manager's control, regarding the Manager's present and future business strategies and the environment in which the Fund or the Manager will operate in the future. Because these statements reflect the Manager's current views concerning future events, these statements necessarily involve risks, uncertainties, and assumptions. The section entitled "**Risk Factors**" in this Memorandum discusses some of the important risk factors that may affect the Fund's returns. Investors should carefully consider those risks and other information in this Memorandum before deciding whether to invest in the Fund. Actual future performance could differ materially from these forward-looking statements and financial information.

Among the important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements are the condition of, and changes in, the domestic, regional or global economy that result in deterioration of the markets in which the Manager seeks to invest, changes in political relations, government laws and regulations affecting the Fund, interest rates, relations with service providers, relations with lenders, the allocation of the Fund's assets and the timing thereof relative to that which was assumed, and other matters not yet known to the Manager or not currently considered material by the Manager. These forward-looking statements speak only as of the date of this Memorandum. The Manager does not intend to update the forward-looking statements contained in this Memorandum to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, subject to compliance with all applicable laws and regulations and/or any regulatory or supervisory body or agency.



## TABLE OF CONTENTS

|  | <b><u>PAGE</u></b> |
|--|--------------------|
| <b>DIRECTORY FOR THE FUND .....</b>                  | <b>9</b>           |
| <b>DEFINITIONS .....</b>                             | <b>11</b>          |
| <b>SUMMARY .....</b>                                 | <b>19</b>          |
| <b>PART I .....</b>                                  | <b>28</b>          |
| <b>FUND INVESTMENT INFORMATION .....</b>             | <b>28</b>          |
| <b>PART II .....</b>                                 | <b>30</b>          |
| <b>INFORMATION ON THE FUND AND THE PLACING .....</b> | <b>30</b>          |
| <b>PART III .....</b>                                | <b>51</b>          |
| <b>FEES AND EXPENSES .....</b>                       | <b>51</b>          |
| <b>PART IV .....</b>                                 | <b>56</b>          |
| <b>RISK FACTORS .....</b>                            | <b>56</b>          |
| <b>PART V .....</b>                                  | <b>75</b>          |
| <b>TAXATION .....</b>                                | <b>75</b>          |
| <b>PART VI .....</b>                                 | <b>83</b>          |
| <b>GENERAL INFORMATION .....</b>                     | <b>83</b>          |

## DIRECTORY FOR THE FUND

### *Directors of the Fund*

Teh Han Yi  
Wong Kim Choong

### *Manager*

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Singapore 048624

### *Registered Office of the Fund*

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Cayman Islands

### *Administrator*

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68 West Bay Road  
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Cayman Islands

### *Administrator's Delegate and Custodian*

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### *Legal Adviser to the Manager as to Singapore Law*

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### *Auditor to the Fund*

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### *Legal Advisers to the Manager as to United States Law*

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## DEFINITIONS

In this Memorandum, unless the context otherwise requires, the following expressions shall bear the following meanings respectively:

|                                |   |  |
|--------------------------------|---|--|
| "Administrator"                | : | Bank of Bermuda (Cayman) Limited acting in its capacity as administrator to the Fund, or such other administrator appointed by the Fund from time to time.   |
| "Administration Agreement"     | : | The administration agreement between the Fund and the Administrator, as amended, modified or supplemented from time to time.   |
| "Administrator's Delegate"     | : | HSBC Institutional Trust Services (Singapore) Limited acting in its capacity as Administrator's delegate, or such other person as may be appointed the Administrator's delegate from time to time.   |
| "Auditors"                     | : | Ernst & Young Ltd. or such other firm of accountants acting as auditors to the Fund.   |
| "Board"                        | : | The Board of Directors of the Fund from time to time.  |
| "Business Day"                 | : | A day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore are open for normal banking business, or such other day as the Board or its duly appointed delegate may designate from time to time either generally or in any particular case as a Business Day. |
| "CIMA"                         | : | The Cayman Islands Monetary Authority.   |
| "Class"                        | : | Any class of Participating Shares as may from time to time be issued by the Fund, including Class A Participating Shares.  |
| "Class A Participating Shares" | : | Participating Shares denominated in U.S. Dollars and designated as Class A Participating Shares.   |
| "Companies Law"                | : | The Companies Law (as amended) of the Cayman Islands.  |
| "Constitution"                 | : | The memorandum and articles of association of the Fund, as may be amended from time to time.   |
| "Custodian"                    | : | HSBC Institutional Trust Services (Singapore) Limited acting in its capacity as custodian of the   |

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|  |   | Fund's assets or each of such other person or persons as may be appointed as custodian of some or all of the Fund's assets from time to time.  |
| "Custodian Agreement"                      | : | The custodian agreement entered into between the Fund and the Custodian, as amended, modified or supplemented from time to time.   |
| "Dealing Day"                              | : | A Dealing Day for Subscriptions or a Dealing Day for Redemptions, as the context requires.   |
| "Dealing Day for Redemptions"              | : | The first Business Day of each calendar month or such other day(s) as the Board may designate from time to time either generally or in any particular case as a Dealing Day for Redemptions.   |
| "Dealing Day for Subscriptions"            | : | The first Business Day of each calendar month or such other day(s) as the Board or the Manager may designate from time to time either generally or in any particular case as a Dealing Day for Subscriptions.  |
| "Dealing Deadline for Redemptions"         | : | In respect of any particular Dealing Day for Redemptions on which Participating Shares are to be redeemed, means 3:00 p.m. Singapore time on the date falling forty five (45) days prior to the Valuation Point in relation to that Dealing Day for Redemptions (or if such a date is not a Business Day, the immediately preceding Business Day), or such other day or time as the Board may designate from time to time or in any particular case.               |
| "Dealing Deadline for Subscriptions"       | : | In respect of any particular Dealing Day for Subscriptions on which Participating Shares are to be issued, means 3:00 p.m. Singapore time on the date falling fifteen (15) days prior to the Valuation Point in relation to that Dealing Day for Subscriptions (or if such a date is not a Business Day, the immediately preceding Business Day), or such other day or time as the Board or the Manager may designate from time to time or in any particular case. |
| "Dealing Deadline for Subscription Monies" | : | In respect of any particular Dealing Day for Subscriptions on which Participating Shares are to be issued, means 3:00 p.m. Singapore time on the date falling one (1) New York Business Day prior to the Valuation Point in relation to that Dealing Day for Subscriptions (or if such a date is not a Business  |

Day, the immediately preceding Business Day), or such other day or time as the Board or the Manager may designate from time to time or in any particular case.

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| "Directors"            | : | The directors of the Fund from time to time.  |
| "Eligible Investor"    | : | A Non-U.S. Person who satisfies the criteria for holding Participating Shares as set out in the section entitled "Eligible Investors" in this Memorandum.   |
| "EUSD"                 | : | The European Union Savings Directive.   |
| "FINRA"                | : | The United States Financial Industry Regulatory Authority, Inc.   |
| "Fund"                 | : | Asia Alpha Fund, an exempted company incorporated with limited liability in the Cayman Islands.   |
| "High Water Mark"      | : | In respect of each Participating Share of the relevant Class, the greater of (i) the Subscription Price per Participating Share of the relevant Class at the time of issue of that Participating Share or (ii) the highest Net Asset Value per Participating Share of the relevant Class in respect of which a Performance Fee has been paid at the end of any previous Performance Period (if any) during which such Participating Share was in issue. |
| "IFRS"                 | : | International Financial Reporting Standards.  |
| "Manager"              | : | UOB Asia Investment Partners Pte. Ltd., or such other person as may be appointed by the Fund as Manager from time to time.  |
| "Management Fee"       | : | The management fee payable by the Fund to the Manager, as more particularly described in the section entitled "Management Fee" in this Memorandum.  |
| "Management Agreement" | : | The management agreement between the Fund and the Manager, as amended from time to time.  |
| "Management Share"     | : | A voting non-redeemable non-participating share in the capital of the Fund of U.S.\$1.00 par value issued subject to and in accordance with the provisions of the Companies Law and the Constitution and having the rights and being subject to the restrictions as   |

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|  |   | provided for under the Constitution with respect to such share.  |
| "Master Fund"                                  | : | Has the meaning given to it in the part entitled "Summary" in this Memorandum.   |
| "Memorandum"                                   | : | This Placing Memorandum issued in connection with the Placing, as amended from time to time.   |
| "Mutual Funds Law"                             | : | The Mutual Funds Law (as amended) of the Cayman Islands.   |
| "Net Asset Value " or "NAV"                    | : | The value of the Fund's net assets as calculated in the manner set out in the section entitled "Net Asset Valuation" in this Memorandum.   |
| "Net Asset Value per Participating Share"      | : | In respect of any Class of Participating Shares, the Net Asset Value per Participating Share of the relevant Class of the Fund calculated in the manner set out in the section entitled "Net Asset Valuation" in this Memorandum.  |
| "New York Business Day"                        | : | A day (other than a Saturday, Sunday or gazetted public holiday) on which banks in New York are open for normal banking business or such other day as the Board or its duly appointed delegate may designate from time to time either generally or in any particular case as a New York Business Day.                        |
| "Non-U.S. Person"                              | : | A person who is not a U.S. Person.   |
| "OFAC"   | : | The Office of Foreign Assets Control of the U.S. Department of the Treasury.   |
| "Parallel Fund"                                | : | Has the meaning given to it in the part entitled "Summary" in this Memorandum.   |
| "Participating Share"                          | : | A non-voting participating redeemable share of any Class in the capital of the Fund of U.S.\$0.01 nominal or par value each issued in accordance with the Companies Law and the Constitution, and having the rights and being subject to the restrictions as provided for under the Constitution with respect to such share. |
| "Peak Net Asset Value per Participating Share" | : | In relation to any particular Class of Participating Shares, the Peak Net Asset Value per Participating Share of the relevant Class is the highest Net Asset Value per Participating Share of the relevant Class   |

in effect as at the end of any Performance Period in respect of which a Performance Fee (other than a Performance Fee Redemption as defined in the section entitled "Equalisation Adjustments" in this Memorandum) was charged, which is used for the calculation of the Performance Fee.

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| "Performance Fee"        | : | The performance fee payable by the Fund to the Manager, as more particularly described in the section entitled "Performance Fee" in this Memorandum.   |
| "Performance Period"     | : | Shall have the meaning ascribed to it in the section entitled "Performance Fee" in this Memorandum.  |
| "Placing"                | : | The placing of Participating Shares described in this Memorandum.  |
| "Redeeming Shareholder"  | : | A Shareholder who has requested the redemption of part or all of his Participating Shares in accordance with the Constitution.   |
| "Redemption Price"       | : | In respect of each Class of the redemption price per Participating Share of the relevant Class calculated in the manner described in the section entitled "Subscription and Redemption Prices of Participating Shares" in this Memorandum. |
| "Register"               | : | The register of members of the Fund required to be kept pursuant to the Companies Law.   |
| "S\$"                    | : | The lawful currency of Singapore.  |
| "SEC"                    | : | The Securities and Exchange Commission of the United States.   |
| "SFA"                    | : | The Securities and Futures Act (Cap. 289) of Singapore.  |
| "Shareholder"            | : | A person who is registered on the Register as a holder of Participating Shares.  |
| "Subscription Agreement" | : | The prescribed form issued by the Fund pursuant to which prospective investors may make applications for Participating Shares.   |
| "Subscription Charge"    | : | A charge payable to the Manager upon the issue of a Participating Share of any Class of such an amount as shall from time to time be determined by the   |



Board or its duly appointed delegate generally or in relation to any specific transaction, provided that it shall not exceed five per cent (5.0%) of the subscription amount invested by an investor excluding the amount of such Subscription Charge. Such Subscription Charge may be imposed, waived or covered in the sole discretion of the Board or its duly appointed delegate generally or in any particular case.

- "Subscription Price" : The subscription price per Participating Share shall in relation to any relevant Class of Participating Shares issued on a particular Dealing Day for Subscriptions, be the price calculated in the manner described in the section entitled "Subscription and Redemption Prices of Participating Shares", subject to the provisions for adjustments described in the section entitled "Performance Fee".
- "Underlying Fund" : A collective investment scheme into which the Fund may invest.
- "United States" or "U.S." : The United States of America (including the States and the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction.
- "U.S. Person" : Means: (a) any natural person resident of or in the United States; (b) any partnership, corporation or other entity organized or incorporated under the laws of the United States or which has its principal place of business in the United States, or a pension plan for the employees, officers or principals of such entity; (c) any estate of which any executor or administrator is a U.S. Person or the income of which is subject to U.S. income tax regardless of source; (d) any trust of which any trustee is a U.S. Person or the income of which is subject to U.S. income tax regardless of source; (e) any agency or branch of a foreign entity located in the United States; (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; (h) any partnership or corporation if (A) organized or incorporated under the laws of any

foreign jurisdiction and (B) formed by a U.S. Person principally for the purpose of (1) investing in Participating Shares of the Fund or (2) investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the U.S. Securities Act of 1933, as amended) who are not natural persons, estates or trust; and (i) any entity organized principally for passive investment such as a commodity pool, investment company or other similar entity (other than a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States) in which U.S. Persons who do not qualify as qualified eligible persons (as defined in Rule 4.7 under the U.S. Commodity Exchange Act, as amended) hold units of participation representing in the aggregate 10% or more of the beneficial interest in the entity or which has as a principal purpose the facilitating of investment by a U.S. Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 under the U.S. Commodity Exchange Act, as amended, regulations by virtue of its participants being Non-U.S. Persons.

|                            |   |  |
|----------------------------|---|--|
| "U.S.\$" or "U.S. Dollars" | : | The lawful currency of the United States of America.   |
| "Valuation Point"          | : | The close of business of the last market relevant to the Fund on the Business Day preceding each Dealing Day or such other day or time as the Board or its duly appointed delegate may designate from time to time either generally or in any particular case as a "Valuation Point".  |
| "Verification Documents"   | : | The documents to be provided by an investor for the purpose of verifying the identity and source of payment of subscription monies and compliance with any law or regulation of any jurisdiction, as the Board, the Manager, the Administrator or the Administrator's Delegate may require at the time of subscription or at any time subsequent to that date. |

In this Memorandum, unless otherwise stated or the context otherwise requires:

- (1) capitalised terms not otherwise defined in this Memorandum shall have the meanings set out in the Constitution;
- (2) "in writing" and "written" includes printing, type, telex, facsimile, electronic mail, photography and all other modes of representing or reproducing words in permanent visible form;
- (3) words importing the singular include the plural and vice versa, and words importing one gender include both genders and the neuter and vice versa;
- (4) references to a person include an individual, body corporate, partnership, any other unincorporated body or association, and any government or government agency; and
- (5) any reference to legislation or a legislative provision shall include such legislation or legislative provision and any regulations made in pursuance thereof as from time to time modified, consolidated or re-enacted whether before or after the date of this Memorandum so far as such modification, consolidation or re-enactment applies or is capable of applying to any transactions entered into prior to the date of this Memorandum.

## SUMMARY

The following is a summary description of the Fund and the offering of the Participating Shares. This summary does not purport to be complete and is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Memorandum and the Constitution, which is available to prospective investors upon request.

**Prior to making an investment in the Fund, potential investors should carefully review this Memorandum in its entirety together with the Constitution and the Subscription Agreement. In the event of any inconsistency between this Memorandum and the Constitution, the Constitution shall prevail. For a discussion of certain risk factors to be considered in connection with an investment in the Fund, see the section entitled "Risk Factors".**

The Fund : The Fund was incorporated as an exempted company with limited liability under the Companies Law on 4 December 2006 and a filing has been made to register the Fund with CIMA pursuant to Section 4(3) of the Mutual Funds Law. Prior to registration, the Fund was not a "mutual fund" under the Mutual Funds Law of the Cayman Islands as the Fund had issued Participating Shares to a single investor.

Participating Shares are generally being offered pursuant to this Memorandum to Non-U.S. Persons who are Eligible Investors. At the date of this Memorandum, the Participating Shares available for subscription are the Class A Participating Shares.

The Fund is currently organised as a standalone fund, but the Fund and the Manager reserve the right to restructure the Fund into a "feeder fund" whereby substantially all of the Fund's assets will be invested in the participating shares of another fund with a substantially similar investment objective and strategy (a "**Master Fund**"), without the consent of the Shareholders. Additional "feeder funds" may also be established and structured to invest in the participating shares of the Master Fund. The Manager may also establish other investment vehicles ("**Parallel Funds**") at any time and without the consent of the Shareholders, to invest alongside the Fund. The terms of issue of shares in any additional feeder funds or any Parallel Funds will be set out in separate offering documents.

Investment Objective : The investment objective of the Fund is to provide investors with access to a diversified portfolio of

Asia Pacific open-ended funds, with the ultimate goal of matching or exceeding the long-term Asian market returns with lower volatility, i.e. superior risk-adjusted returns.

|                              |   |
|------------------------------|---|
| New Issues                   | : While it is not anticipated to be a significant part of the Fund's investment strategy, the Fund may invest in "new issues" (i.e., equity securities which are issued in an initial public offering). The Fund may designate one or more Classes or sub-classes as unrestricted Participating Shares (" <b>Unrestricted Participating Shares</b> ") or as restricted Participating Shares (" <b>Restricted Participating Shares</b> "). Unrestricted Participating Shares may only be issued to persons who, under applicable FINRA Rules, are not Restricted Persons (as defined in the section entitled "Information on the Fund and Placing" in this Memorandum). Profits and losses attributable to any new issues acquired by the Fund shall, pursuant to applicable FINRA Rules 5130 and 5131 (" <b>New Issues Rules</b> "), be allocated only to Unrestricted Participating Shares and not to Restricted Participating Shares either entirely or to the extent required by such New Issues Rules. The Classes of Restricted Participating Shares will be identical in all other respects to the Participating Shares described herein save with respect to their participation in the Fund's investment in new issues. |
|                              | A Shareholder's ability to participate in returns from new issues will be based upon its representations in its Subscription Agreement, as updated periodically.  |
|                              | For further details and an explanation of the New Issues Rules, please see the section entitled "Information on the Fund and Placing".  |
| Directors of the Fund        | : The Board currently consists of two (2) directors. Please refer to the section entitled "Directors" for further details.  |
| Manager                      | : UOB Asia Investment Partners Pte. Ltd. has been appointed by the Fund under the Management Agreement to manage the Fund's investments. Please refer to the section entitled "Manager" in this Memorandum for further details.   |
| Minimum Initial Subscription | : A new investor must subscribe for Participating Shares of the relevant Class having a minimum   |

aggregate value of U.S.\$1,000,000 (exclusive of any applicable Subscription Charge and bank and handling charges), unless otherwise agreed by the Board or its duly appointed delegate from time to time either generally or in any particular case, provided that in no circumstances will the minimum initial subscription be less than U.S.\$100,000 or such other minimum amount as may be prescribed by the Mutual Funds Law.

Issue of Participating Shares : Investors shall be entitled to subscribe for Participating Shares of the relevant Class on each Dealing Day for Subscriptions, the Subscription Agreement and subscription monies for such Participating Shares to be received by the Dealing Deadline for Subscriptions and the Dealing Deadline for Subscription Monies in relation to such Dealing Day for Subscriptions respectively, by the Administrator's Delegate. All subscriptions for Participating Shares of the relevant Class from new investors must be for an aggregate value of U.S.\$1,000,000 (exclusive of any applicable Subscription Charge and bank and handling charges), unless otherwise agreed by the Board or its duly appointed delegate from time to time either generally or in any particular case, provided that in no circumstances will the minimum subscription be less than U.S.\$100,000 or such other minimum amount as may be prescribed by the Mutual Funds Law. Existing Shareholders of the Fund may subscribe for additional Participating Shares of the relevant Class of a value of at least U.S.\$1,000,000 (exclusive of any applicable Subscription Charge and bank and handling charges) unless otherwise agreed by the Board or its duly appointed delegate from time to time either generally or in any particular case.

Redemption : Generally, a Shareholder may require the Fund to redeem all or part of his Participating Shares as of any Dealing Day for Redemptions, provided that written notice of a redemption request must be received by the Administrator's Delegate by the relevant Dealing Deadline for Redemptions.

Redemptions of any Class of Participating Shares will be dealt with on any particular Dealing Day for Redemptions at a Redemption Price which will be, subject to the provisions for adjustments as

described in the sections entitled "Subscription and Redemption Prices of Participating Shares", "Equalisation Adjustments" and "Redemptions" respectively, the Net Asset Value per Participating Share of the relevant Class in the Fund, calculated as at the Valuation Point in relation to such Dealing Day for Redemptions and calculated in the manner set out in the section entitled "Net Asset Valuation" in this Memorandum. Partial redemptions are permitted provided that the minimum redemption amount is U.S.\$100,000 or such other amount as determined by the Directors from time to time either generally or in any particular case and that the redemption does not result in the Shareholder holding Participating Shares of the relevant Class the value of which is less than U.S.\$200,000 (or such other amount prescribed by the Board from time to time either generally or in any particular case as the minimum value of Participating Shares that may be held).

If any redemption request would reduce the aggregate value of the remaining Participating Shares of the relevant Class held by the relevant Redeeming Shareholder to an amount below the minimum value described above, the request will, at the discretion of the Board, be treated as a request to redeem the entire shareholding of that Redeeming Shareholder.

#### Limitations on Redemptions

- : For any Dealing Day for Redemptions, the Board reserves the right to postpone redemptions in respect of each and any Class, if (i) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the number of all the Participating Shares of a relevant Class in issue or of all the Participating Shares in issue, in which case, the Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the number of Participating Shares of the relevant Class in issue or of all the Participating Shares in issue (as applicable) or (ii) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the total number of shares in issue of the relevant class of the Master Fund (if any), in which case, the

Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the total number of shares in issue of the relevant class of the Master Fund; or (iii) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the aggregate net asset value of the Fund and the Parallel Funds (if any), in which case, the Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the aggregate net asset value of the Fund and the Parallel Funds (if any); or (iv) the Board needs to realise part or all of the assets of the Fund in order to satisfy one or more redemptions pursuant to the Board's right of compulsory redemption in circumstances as stated in this Memorandum.

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Board to postpone redemption requests will be treated as if the request had been made without priority in respect of the next Dealing Day for Redemptions and all following Dealing Days for Redemptions (in relation to which the Board has the same power to further postpone such redemption requests) until the original request has been satisfied in full, provided always that the redemptions on any subsequent Dealing Day for Redemptions shall always be subject to the discretion of the Board to reduce each request for redemptions on a *pro rata* basis as aforesaid to ensure that they cover no more than the relevant percentage of the relevant Class of Participating Shares in issue as at such Dealing Day for Redemptions. Where redemptions are postponed in the manner described above, the Participating Shares shall be redeemed at the Redemption Price prevailing on the day such Participating Shares are redeemed. Investors should note that until the original request has been satisfied in full, any unsatisfied portion of such request will continue to be at risk in the Fund's business.

Suspension of Redemptions

: The Board may suspend redemptions in the circumstances set out in the section entitled "Suspension of the Issue and Redemption of Participating Shares".



- Fund's Right to Compulsorily Redeem : The Board may, in its sole discretion, compulsorily redeem some or all of a Shareholder's Participating Shares, at any time upon prior notice, for any reason or for no reason whatsoever.
- In addition, the Board has the right to compulsorily redeem a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager. Please refer to the section entitled "Performance Fee" below for further information.
- Transfer of Participating Shares : Transfer of Participating Shares are subject to prior approval by the Board. The Board will not register the transfer of Participating Shares to a transferee not approved by the Board. The Board may decline to register any transfer of Participating Shares in whole or in part for any reason or no reason whatsoever, including circumstances where the transfer to, or holding of Participating Shares by, a transferee would, in the conclusive determination of the Board, cause or be likely to cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Fund, to the Manager or to Shareholders as a whole in any jurisdiction or where the transferee is not an Eligible Investor.
- Valuations : The Administrator's Delegate will calculate the Net Asset Value and Net Asset Value per Participating Share of each Class as at each Valuation Point for the purposes of issuing and redeeming Participating Shares and the calculation of the various fees described in this Memorandum. Valuations will be made in accordance with the valuation rules as set out in the Constitution and this Memorandum, the key relevant provisions of which are described below in the section entitled "Net Asset Valuation". All valuations will be made in U.S.\$.
- Distribution Policy : It is the present intention of the Board not to declare or pay any dividend. Income earned will be reinvested and reflected in the value of the Participating Shares. However, this does not preclude the Board from declaring a dividend at any time in the future if it considers it appropriate. If a dividend is declared, it will be paid in accordance with the Constitution and any applicable laws of the Cayman Islands.

Management Fee : The Fund will pay to the Manager a monthly Management Fee in arrears in respect of Class A Participating Shares, equal to one-twelfth of one per cent (1.0%) of the Net Asset Value of Class A Participating Shares, accrued and calculated as at each Valuation Point. The Management Fee is payable within five (5) Business Days after the finalization of the valuation report for that relevant month. The Management Fee in respect of Class A Participating Shares will be calculated by reference to the Net Asset Value of Class A Participating Shares before deduction for any accrued Management Fee or Performance Fee.

Performance Fee : In addition to the Management Fee, the Fund will pay the Manager a Performance Fee in respect of the performance of the Fund for each Performance Period.

For each Performance Period, the Performance Fee in respect of a Participating Share of any Class is equal to ten per cent (10.0%) of the appreciation in the Net Asset Value of that Class of Participating Shares (as the case may be) during that Performance Period above the High Water Mark applicable to such Participating Share. The Performance Fee in respect of each Performance Period will be calculated by reference to the Net Asset Value before deduction of any accrued Performance Fee.

Please refer to the section entitled "Performance Fee" for details.

Other Costs and Expenses : The Fund bears all the costs of its establishment (including legal, accounting and other professional fees and expenses) and of or incidental to the Placing, including the preparation and printing of this Memorandum (and all updates as may be desirable or necessary) and all relevant agreements as may be referred to herein.

The Fund bears all its operating and administrative expenses, including all fees payable by the Fund to the Manager, the Custodian and the Administrator and all fees payable to third parties and other expenses (other than those to be borne by the Manager) incurred in its operations, including but not limited to, fees, taxes, expenses for legal,

valuation, auditing and consulting services, expenses of engaging third party professionals to carry out due diligence on potential investments and their managers, promotional expenses, registration fees, renewal fees and other expenses due to supervisory authorities in various jurisdictions, insurance premiums in respect of directors' and officers' liability insurance, legal fees of Directors pursuant to their performance of duties for the Fund, brokerage fees, the costs of updating this Memorandum and other documents relating to the Fund, the costs of publishing the Net Asset Value and the costs of printing and distributing the annual and any periodic reports and statements.

- Liquidation : The Fund may be liquidated at any time the NAV is less than U.S.\$30 million with the approval of a special resolution of the holders of the Management Shares. The Directors may also present a winding up petition on behalf of the Fund without the prior sanction of the holders of the Management Shares.
- Tax Considerations : Prospective investors should carefully review the tax matters discussed under Part V of this Memorandum and are advised to consult their tax advisers as to the tax consequences of an investment in the Fund.
- Risks : An investment in the Fund is speculative and involves substantial risks and conflicts of interest, including those relating to the Manager and its principals. Investment in the Fund is only suitable for investors who can afford to lose all or a substantial portion of their investment. Please refer to the section entitled "Risk Factors".
- Conflicts of Interest : Investors should note that conflicts of interest may arise between the Manager and its affiliates with respect to the management of the assets of the Fund. Please refer to the section entitled "Conflicts of Interest".
- Shareholder Reporting : A copy of the annual report and audited accounts of the Fund will be sent to the Shareholders within six (6) months from the end of the period to which such report and accounts relate. The Administrator will provide Shareholders with monthly statements in electronic format as soon as reasonably practicable after the end of each month.

Past Performance and Other Financial : Information on the past performance and audited  
Information accounts of the Fund may be obtained upon request  
to the Manager via:

Telephone: +65 6539 2646/ +65 6539 3251/ +65  
6539 4329

Facsimile: +65 6532 7558

Post: 80 Raffles Place

UOB Plaza

Singapore 048624

Email: UOBAIP@UOBgroup.com

## **PART I**

### **FUND INVESTMENT INFORMATION**

#### **Investment Objective and Approach**

The investment objective of the Fund is to provide investors with access to a diversified portfolio of Asia Pacific open-ended funds, with the ultimate goal of matching or exceeding the long-term Asian market returns with lower volatility, i.e. superior risk-adjusted returns.

Asia Pacific open-ended funds refer to funds that invest a significant portion of their assets in the Asia Pacific region through a variety of instruments, including equities, bonds, currencies and derivatives, or in any investment opportunities that benefit from, derive a significant profit from, or heavily influenced by companies or economies in the region.

The Fund may also invest in currencies or equity derivatives for hedging purposes, and in listed or marketable securities for liquidity management purposes. The Manager has the discretion to hedge portfolio risk if it considers that the investment objective of the Fund will be better achieved in doing so.

There can be no assurance that the Fund's investment strategy will be successful, or that the investment objective will be met. Past performance is not indicative of future performance. The investment objective may be changed by the Directors without notice to or consent from the Shareholders.

#### **Borrowing and Leverage**

The Fund will not borrow for investment purposes. The Fund can however utilise overdraft facilities or bridging loans to facilitate short term liquidity requirements, for example, to meet redemption obligations or facilitate investments by the Fund which will eventually be funded with proceeds from the realisation of the Fund's other investments or cash inflows from subscriptions received by the Fund. The Fund does not anticipate undertaking overdraft facilities or bridging loans exceeding in aggregate 10% of the Fund's Net Asset Value at the time an overdraft facility or a bridging loan is undertaken.

The Manager has the discretion to exceed these limits without notice to or consent of the Shareholders if it considers the objectives of the Fund will be better achieved in doing so. The borrowing restrictions may be changed by the Directors without notice to the Shareholders.

#### **Currency Hedging**

Where the assets of the Fund are denominated in a currency other than U.S. Dollars, and where suitable instruments become available over time, the Fund or its delegate may enter into currency hedging transactions to hedge the currency exposure risk using such derivative instruments as it may from time to time determine.

## Investment Restrictions

The Fund will endeavour to adhere to the following investment restrictions:

- not more than 20% of the latest available Net Asset Value of the Fund may be invested in any one Underlying Fund;
- the Fund's investments may constitute more than 10% of an Underlying Fund's net assets, provided that not more than 10% of the latest available Net Asset Value of the Fund is invested into such Underlying Fund; and
- not more than 20% of the latest available Net Asset Value of the Fund may be invested in listed securities.

The investment restrictions outlined above apply to any investment at the time that investment is made, and will be measured by reference to the latest Net Asset Value at the time such investment is made.

The Fund may exceed the thresholds set out above in the initial period when the Fund is in fund raising mode, or where the breach is due to appreciation or depreciation in the assets of the Fund, changes in exchange rates, movements in the relative value of the investments of the Fund or by reason of the exercise of any rights arising in relation to such investments or the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment, or where the Manager believes that the Fund should capitalise on an investment opportunity.

The thresholds set out above are an indication of the limits within which it is anticipated the investments of the Fund will be managed. The Manager has the discretion to exceed these restrictions without notice to or consent of the Shareholders if it considers the objectives of the Fund will be better achieved in doing so. If any of the investment restrictions set out above are significantly exceeded, the Manager may take such steps to bring the investments of the Fund within or close to the stated thresholds over such period of time as it may consider appropriate considering all the circumstances but the Fund and the Manager shall not be under any liability in the event any of the thresholds are exceeded.

The investment restrictions may be changed by the Directors without notice to or consent from the Shareholders.

**An investment in the Fund involves a high degree of risk. There can be no assurance that the Fund's investment objective will be achieved or that the investors will receive a return of their capital. In addition, investment results may vary substantially on a monthly, quarterly or annual basis. Please refer to the section entitled "Risk Factors" for an overview of potential risks involved in an investment in the Fund.**

## PART II

### INFORMATION ON THE FUND AND THE PLACING

#### **Introduction**

##### **Structure of the Fund**

The Fund was incorporated as an exempted company with limited liability under the Companies Law on 4 December 2006 and a filing has been made to register the Fund with CIMA pursuant to Section 4(3) of the Mutual Funds Law. The Fund will be subject to regulation under the Mutual Funds Law. Prior to registration the Fund was not a "mutual fund" under the Mutual Funds Law of the Cayman Islands as the Fund had issued Participating Shares to a single investor.

The Fund's objects, as set out in the Constitution, are unrestricted and the Fund is capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law. The business of the Fund includes the realisation and distribution of the Fund's assets to Shareholders during a wind down of the Fund's operations.

Participating Shares are generally being offered pursuant to this Memorandum to Non-U.S. Persons who are Eligible Investors.

The Fund is currently organised as a standalone fund, but the Fund and the Manager reserve the right to restructure the Fund into a "feeder fund" whereby substantially all of the Fund's assets will be invested in the participating shares or interests of another fund with a substantially similar investment objective and strategy (a "**Master Fund**"), without the consent of the Shareholders. Additional "feeder funds" may also be established and structured to invest in the participating shares of the Master Fund. The Manager may also establish other investment vehicles ("**Parallel Funds**") at any time and without the consent of the Shareholders, to invest alongside the Fund. The terms of issue of shares or interests in any additional feeder funds or any Parallel Funds will be set out in separate offering documents.

As at the date of this Memorandum (set out on the cover of this Memorandum), the Fund is offering Class A Participating Shares, which may from time to time be designated as Unrestricted Participating Shares and Restricted Participating Shares, the rights of which are set out in this Memorandum and the Constitution.

The Board may establish new Classes of Participating Shares, without the consent of existing Shareholders in such a manner and on such terms as the Directors may determine. Each such Class may have different rights, investment parameters, fee structures, redemption periods and/or such other features as the Board may determine in its sole discretion. The offering of such new Classes of Participating Shares for subscription may be accompanied by a separate offering document or by a supplement to this Memorandum.

## Side Letters

The Fund and/or the Manager have not as at the date on the cover of this Memorandum, but may from time to time enter into letter agreements or other similar agreements (collectively, "**Side Letters**") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, management fees and incentive fees and minimum investment amounts) than such Shareholders have pursuant to this Memorandum. As a result of such Side Letters, new Classes of Participating Shares may be established by the Board without the approval of the existing Shareholders and certain Shareholders may receive additional benefits (including, but not limited to, reduced fee obligations and/or expanded informational rights) which other Shareholders will not receive. The Board will not be required to notify any or all of the other Shareholders of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Board be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders. The Board may enter into such Side Letters with any party as the Board may determine in its sole and absolute discretion at any time. The other Shareholders will have no recourse against the Fund, the Manager and/or any of their affiliates in the event that certain Shareholders receive additional and/or different rights and/or terms as a result of such Side Letters.

Potential investors are requested to specifically consider the risk disclosures described in Part IV of this Memorandum.

## New Issues

The Fund may invest in "new issues" (i.e., equity securities which are issued in an initial public offering). FINRA adopted the FINRA Rules 5130 and 5131 (including any successor or replacement FINRA Rules, the "**New Issues Rules**"), which implement in part the requirement that FINRA members (principally broker-dealers and investment bankers) make a bona fide public distribution at the public offering price of the securities of an initial public offering of equity (a "**new issue**"). The New Issues Rules restrict FINRA members and their associated persons from, amongst other things, selling with limited exception any new issue securities to any FINRA member, to any associated person of a FINRA member, to any senior officer of a bank, savings and loan institution or insurance company, or to certain other restricted persons (collectively, "**Restricted Persons**").

FINRA Rule 5130 prohibits FINRA members from selling securities in a new issue to the Fund if Restricted Persons would be allocated, in aggregate, more than 10% of the profits and losses relating to those new issues. Also, the practice known as "spinning" is also banned by generally prohibiting a FINRA member from allocating a new issue to any account (e.g., a private investment fund) in which executive officers and directors of any single public company or covered non-public company, or together with persons materially supported by such executive officers or directors (each, a "**Rule 5131 Restricted Person**"), have a beneficial interest in excess of 25% of the account. The Fund will treat Rule 5131 Restricted Persons as Restricted Persons to the extent required by the New Issues Rules or advisable for administrative convenience.

The Fund may designate one or more Classes or sub-classes as unrestricted Participating Shares ("**Unrestricted Participating Shares**") or as restricted Participating Shares ("**Restricted Participating Shares**"). Unrestricted Participating Shares may only be issued to persons who, under the New Issues Rules, are not Restricted Persons. The profits or losses attributable to investments by the Fund in equity securities which are issued and subject to the New Issues Rules shall be allocated



only to Unrestricted Participating Shares and not to Restricted Participating Shares either entirely or to the extent required by such New Issues Rules. The Fund may, however, avail itself of a "de minimis" general exemption pursuant to which not more than 10% of any new issue profits and losses may be allocated to Restricted Persons.

If, at any time, the Fund changes its treatment of a Shareholder (from "Restricted Person" or to a "Restricted Person", as the case may be), the Fund may convert (by redemption and re-issue) such Shareholder's Restricted Participating Shares/Unrestricted Participating Shares into Unrestricted Participating Shares/Restricted Participating Shares, as applicable. For example, if a holder of Unrestricted Participating Shares subsequently becomes a "Restricted Person" under the New Issues Rule, the Unrestricted Participating Shares held by such Shareholder will be converted into, by way of redemption and re-issue, a number of Restricted Participating Shares having an aggregate net asset value equal to the net asset value of such Unrestricted Participating Shares.

Pursuant to the above, certain Shareholders will be limited, under applicable New Issues Rules, from fully participating in the profits and losses generated by "new issues". In addition, the Fund may limit the participation of certain Shareholders in "new issues" to an extent not required by FINRA. Shareholders may receive "new issue" allocations disproportionate to such Shareholders' respective proportionate Participating Shares, and those Shareholders that are restricted from participating in "new issues" will not be compensated in any respect for their capital in the Fund being used to acquire "new issues".

The Fund reserves the right to vary its policy with respect to the allocation of new issues as it deems appropriate for the Fund as a whole, in light of, among other things, existing interpretations of, and amendments to, the FINRA Rules and practical considerations, including administrative burdens and principals of fairness and equity.

## **Eligible Investors**

### **General**

Only Eligible Investors may subscribe for or hold Participating Shares. The Board has the right to compulsorily redeem all Participating Shares held by a Shareholder who is not or who ceases to be an Eligible Investor.

For these purposes an Eligible Investor is a person to whom the issue or transfer of, or where the holding of Participating Shares (i) would not constitute a breach of the laws of any jurisdiction; (ii) would not be contrary to the regulations of any government authority; (iii) would not give rise to circumstances (whether taken alone or conjunctively with other persons or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Fund and/or its Shareholders as a whole incurring any liability for taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the Fund and/or its Shareholders might not otherwise have suffered or incurred; (iv) would not give rise to circumstances which may cause the Fund to breach the terms of any license, registration or approval procured by it in relation to its investments; (v) would satisfy the requirements set out in this section entitled "Eligible Investors"; and (vi) would satisfy any other requirements determined by the Directors in their discretion.

## **Financial Knowledge and Experience**

Each investor must represent and warrant in his, her or its Subscription Agreement that, among other things, he, she or it has reviewed this Memorandum and understands the risks of an investment in the Fund, has the financial knowledge and experience to evaluate such investment, is able to bear the substantial risks of an investment in the Fund and can afford to lose his, her or its entire investment.

## **Singapore**

Eligible Investors must also satisfy the requirements for an "accredited investor" or "institutional investor", each as defined under the SFA. A detailed list of the categories of "accredited investors" and "institutional investors" is set out in the Subscription Agreement.

## **Cayman Islands**

No invitation may be made to the public in the Cayman Islands to subscribe for the Participating Shares and this Memorandum does not constitute such an invitation. Participating Shares may not be sold or transferred to members of the public of the Cayman Islands, except to an exempted or ordinary non-resident company, exempted limited partnership and exempted trust incorporated or registered in the Cayman Islands.

**THE FOREGOING REQUIREMENTS ARE REGULATORY MINIMA ONLY.**

**PERSONS WITH QUESTIONS AS TO WHETHER THEY QUALIFY AS "ACCREDITED INVESTORS" OR "INSTITUTIONAL INVESTORS" ARE ADVISED TO REFER SUCH QUESTIONS TO THEIR OWN LEGAL ADVISERS.**

**A POTENTIAL INVESTOR MUST CONSULT HIS, HER OR ITS OWN LEGAL, TAX AND FINANCIAL ADVISERS WITH RESPECT TO HIS, HER OR ITS INDIVIDUAL CIRCUMSTANCES AND THE SUITABILITY OF AN INVESTMENT IN THE FUND.**

**THE PURCHASE OF THE PARTICIPATING SHARES OFFERED UNDER THIS MEMORANDUM INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE MADE ONLY BY THOSE PERSONS WHO CAN AFFORD TO BEAR THE RISK OF A TOTAL LOSS OF THEIR INVESTMENT. THE DIRECTORS AND/OR THE MANAGER RESERVE THE RIGHT TO REJECT ANY SUBSCRIPTION AGREEMENT IN WHOLE OR IN PART, AND WILL EXERCISE THIS RIGHT TO PREVENT ANY INVESTOR FOR WHICH THE DIRECTORS AND/OR THE MANAGER HAVE REASON TO BELIEVE THE FUND MAY NOT BE AN APPROPRIATE INVESTMENT FROM INVESTING IN THE FUND.**

**IF THE INVESTOR NAMED ON THE COVER PAGE OF THIS MEMORANDUM HAS ANY REASON TO BELIEVE THAT SUCH INVESTOR IS NOT A SUITABLE INVESTOR, SUCH INVESTOR MAY NOT SUBSCRIBE FOR PARTICIPATING SHARES IN THE FUND AND SHOULD RETURN THIS MEMORANDUM AND ALL OTHER RELATED DOCUMENTS TO THE MANAGER.**

**QUALIFICATION AS AN ELIGIBLE INVESTOR IS NO ASSURANCE THAT AN INVESTMENT IN THE FUND WOULD BE SUITABLE FOR A PARTICULAR INVESTOR.**

## Issues of Shares

Participating Shares of the relevant Class may be issued on any Dealing Day for Subscriptions to new investors or Shareholders, subject to a minimum initial subscription value of U.S.\$1,000,000 (exclusive of any applicable Subscription Charge and bank and handling charges) for each new investor, unless otherwise agreed by the Board or its duly appointed delegate from time to time either generally or in any particular case, provided that in no circumstances will the minimum subscription be less than U.S.\$100,000 or such other minimum amount as may be prescribed the Mutual Funds Law from time to time. For the avoidance of doubt, for the purposes of determining the minimum initial subscription, persons jointly applying for Participating Shares shall, if accepted, be considered as one investor. Subscribers may make subscriptions either by cash, or in the discretion of the Directors and/or the Manager, by other non-cash consideration (or a combination of both).

Existing Shareholders of the Fund may subscribe for additional Participating Shares of the relevant Class of a minimum subscription value of U.S.\$1,000,000 (exclusive of any applicable Subscription Charge and bank and handling charges) unless otherwise agreed by the Board or its duly appointed delegate from time to time either generally or in any particular case. The price at which Participating Shares of the relevant Class will be issued on any particular Dealing Day for Subscriptions will be the Subscription Price per Participating Share of such Class calculated in the manner described below under the section entitled "Subscription and Redemption Prices of Participating Shares", subject to the provisions for adjustments as described in the section entitled "Performance Fee" below. Participating Shares in the Fund may be issued in fractions of up to 1/1000th of a Participating Share and be rounded down. The benefits derived from any fractional amounts remaining will be retained by the Fund.

A Subscription Charge may be payable by investors for Participating Shares of any Class in the Fund.

No Participating Shares will be issued until and unless the investor has provided such due diligence or any other supporting documents which the Directors, the Manager, the Administrator or the Administrator's Delegate may request or require to, *inter alia*, verify its identity and the source of payment of the subscription monies (collectively, "**Verification Documents**"), to the satisfaction of the Directors and/or the Administrator. The Fund reserves the right to reject any Subscription Agreement that is incomplete. Further, the Directors and/or the Manager reserve the right to refuse any application to subscribe for Participating Shares on a discretionary basis. The Directors, the Manager, the Administrator and the Administrator's Delegate shall not be liable to the subscriber for any loss suffered by the subscriber as a result of the delay in acceptance or the rejection of such application. Please refer to the Subscription Agreement for further details.

Subscription Agreements and Verification Documents (if applicable) for the subscription of Participating Shares to be issued on a particular Dealing Day for Subscriptions must be sent to the Administrator's Delegate in Singapore at the address set out in the Subscription Agreement marked for the attention of the Investor Services Department so as to arrive no later than the Dealing Deadline for Subscriptions in relation to such Dealing Day for Subscriptions, with a copy to the Manager. Payment in full in cleared funds must also be received in U.S.\$ by telegraphic transfer to the relevant account of the Fund (details of which are contained in the Subscription Agreement) prior to the relevant Dealing Deadline for Subscription Monies. Investors are reminded that for cleared funds to be received by the relevant account of the Fund (details of which are contained in the Subscription Agreement) prior to the Dealing Deadline for Subscription Monies, payment must be made for value at least one (1) New York Business Day prior to the relevant Dealing Deadline for Subscription

Monies. Unless otherwise agreed by the Directors and/or the Manager, any Subscription Agreement and/or payment received after the relevant Dealing Deadline for Subscriptions or Dealing Deadline for Subscription Agreements (as applicable) mentioned will be held over to the next Dealing Day for Subscriptions without interest and Participating Shares will be issued at the Subscription Price applicable to that next Dealing Day for Subscriptions. All subscription monies must originate from an account in the name of the subscriber. No third party payments will be permitted. The Directors and/or the Manager have the discretion to accept Subscription Agreements received after the Dealing Deadline for Subscriptions but before the Valuation Point applicable to that Dealing Day for Subscriptions and subscription monies received after the Dealing Deadline for Subscription Monies but before the Valuation Point applicable to that Dealing Day for Subscriptions. No Participating Shares will be issued until and unless the subscriber has provided Verification Documents to the satisfaction of the Directors, the Manager, the Administrator and the Administrator's Delegate. Participating Shares shall be deemed to be issued on the relevant Dealing Day for Subscriptions if a completed subscription has been accepted by the Fund.

No Subscription Agreement can be withdrawn by an investor once such Subscription Agreement has been received by the Administrator's Delegate on behalf of the Fund.

Participating Shares may not be issued during the period of any suspension of the issue of Participating Shares or of the determination of the Net Asset Value.

### **Subscriptions**

Subscription Agreements and Verification Documents may be sent by facsimile to the Administrator's Delegate at the facsimile number stated in the Subscription Agreement, provided the original of the Subscription Agreement is forwarded to the Administrator's Delegate promptly. None of the Fund, the Manager, the Administrator and the Administrator's Delegate accepts any responsibility for any loss arising from the illegibility of the Subscription Agreement, or non-receipt by the Administrator's Delegate of any Subscription Agreement sent by facsimile, or for any loss caused in respect of any action taken as a consequence of any Subscription Agreement sent by facsimile believed in good faith to have originated from properly authorised persons. The aforementioned non-acceptance of responsibility for any loss arising from the non-receipt of any Subscription Agreement sent by facsimile is notwithstanding the fact that a facsimile transmission report produced by the originator of such transmission discloses that the transmission was sent.

The Directors, the Manager, the Administrator and the Administrator's Delegate reserve the right to request such information as is necessary to verify the identity of an investor and the source of the payment of subscription monies and/or to comply with any law or regulation of any jurisdiction. In the event of delay or failure by an investor to produce any information required for verification purposes, the Directors, the Manager, the Administrator and/or the Administrator's Delegate may refuse to accept the Subscription Agreement and, if so, any subscription monies received will be returned without interest to the account from which monies were originally debited by telegraphic transfer at the risk and expense of the investor. The Directors, the Manager, the Administrator and the Administrator's Delegate shall not be liable to any investor for any loss suffered by the investor as a result of the delay in acceptance or the rejection of such Subscription Agreement.

Participating Shares will be issued in registered form and share certificates will not be issued. A confirmation notice will be issued by the Administrator's Delegate as soon as practicable to successful

investors on acceptance of their Subscription Agreement and receipt in cleared funds of their subscription monies.

The Directors and/or the Manager reserve the right to reject any Subscription Agreement for Participating Shares in whole or in part. If any Subscription Agreement is not accepted in whole or in part, the subscription monies or (where a Subscription Agreement is accepted in part only) the balance thereof will be returned (without interest) to the account from which the monies were originally debited by telegraphic transfer at the risk and expense of the investor.

All taxes or duties applicable, if any, shall be borne by the investor.

Although Participating Shares will not be issued until the applicable Dealing Day for Subscriptions, subscription monies are immediately deposited into the Fund and kept in custodial status without interest. Prior to the issuance of the Participating Shares on the relevant Dealing Day for Subscriptions, the Administrator or the Administrator's Delegate may release funds to ensure that investment in Underlying Funds by the Fund can be effected on the relevant Dealing Day for Subscriptions. None of the Manager, the Fund, the Administrator or the Administrator's Delegate will be liable for any loss which an investor may suffer as a result of the release of subscription proceeds in these circumstances.

No Participating Shares shall be issued during any period when the determination of Net Asset Value is suspended pursuant to the Constitution. This prohibition shall not apply in relation to applications for Participating Shares that have been received and accepted by the Fund prior to the commencement of the period of suspension.

## **Redemptions**

### **(a) General**

Generally, a Shareholder may require the Fund to redeem all or part of its Participating Shares as of any Dealing Day for Redemptions, provided that notice in writing of a redemption request must be received by the Administrator's Delegate by the relevant Dealing Deadline for Redemptions.

Redemptions of Participating Shares on any particular Dealing Day for Redemptions will be at the relevant Redemption Price, calculated for the relevant Dealing Day for Redemptions in the manner described in the section entitled "Subscription and Redemption Prices of Participating Shares" and subject to certain adjustments as described below.

Where any Redeeming Shareholder submitting a Redemption Notice does not identify the date of purchase of Participating Shares of the relevant Class thereof to be redeemed, the Fund will redeem Participating Shares of the relevant Class in the order in which they were first purchased by the Redeeming Shareholder (that is on a "first-in first out" basis).

In order to be dealt with on a particular Dealing Day for Redemptions, a request for the redemption of Participating Shares must be received by the Administrator's Delegate in Singapore by the relevant Dealing Deadline for Redemptions. If a redemption request is received after the relevant Dealing Deadline for Redemptions, it will be held over to the next following Dealing Day for Redemptions and the Participating Shares will be redeemed based

on the Redemption Price applicable on that next Dealing Day for Redemptions. The Directors have the discretion to accept redemption requests received after the relevant Dealing Deadline for Redemptions but before the Valuation Point applicable to that Dealing Day for Redemptions either generally or in any particular case provided that they advise the Administrator's Delegate before the relevant Valuation Point.

Until otherwise notified, redemption requests shall be made (i) by mail or (ii) by facsimile (with the original to follow promptly by mail) to the Administrator's Delegate at the address or facsimile number set out below, with a copy to the Manager by facsimile:

To: HSBC Institutional Trust Services (Singapore) Limited  
20 Pasir Panjang Road (East Lobby)  
#12-21 Mapletree Business City  
Singapore 117439

Facsimile: +65 6535 5244  
Attention: Investor Services Department (AFS)

Copy to: UOB Asia Investment Partners Pte. Ltd.  
Facsimile: +65 6532 7558

None of the Fund, the Administrator and/or the Administrator's Delegate accepts any responsibility for any loss arising from the illegibility of the redemption request or, non-receipt by the Administrator or the Administrator's Delegate of any redemption request sent by facsimile, or for any loss caused in respect of any action taken as a consequence of any redemption requests sent by facsimile believed in good faith to have originated from properly authorised persons. The non-acceptance of responsibility for any loss arising from the non-receipt of any redemption request sent by facsimile is notwithstanding the fact that a facsimile transmission report produced by the originator of such transmission discloses that the transmission was sent.

Where a redemption request is sent by facsimile, the Administrator's Delegate will not pay the redemption proceeds to the Redeeming Shareholder until such time as the original written redemption request is received by the Administrator's Delegate. Redemption requests should state the number or amount and Class(es) of Participating Shares to be redeemed, the name in which such Participating Shares are registered and the Shareholder number (if any) and give payment instructions for the redemption proceeds. Investors should note that the redemption proceeds will not be paid to any party other than the Redeeming Shareholder. A Shareholder which is a corporation must provide the Administrator's Delegate with a certified copy of a list of authorised signatures at the time that it first subscribes for Participating Shares and must promptly provide to the Administrator's Delegate full details of any amendments that are made to such authorised signatory list from time to time.

A Redeeming Shareholder will, except as referred to below and subject to the provisions for adjustments as described in this section and in the section entitled "Equalisation Adjustments" in this Memorandum, be paid an amount equal to the Redemption Price per Participating Share of the relevant Class calculated in the manner described under the section entitled "Subscription and Redemption Prices of Participating Shares" in this Memorandum.

Any handling, administration or processing fees charged by the Administrator's Delegate or any other professional party in relation to a redemption shall be deducted from the gross redemption proceeds in determining the net redemption proceeds payable to the Shareholder. If at any time during the period from the time as at which the Redemption Price is calculated and the time at which redemption monies are converted out of any currency into U.S.\$, there is a devaluation of that currency, the amount payable to any relevant redeeming Shareholder may be reduced as the Board considers appropriate to take account of the effect of such devaluation.

Save as requested by the redeeming Shareholder and approved in writing by the Board, redemption proceeds will be paid in U.S.\$ and will be paid by telegraphic transfer at the risk and expense of the Redeeming Shareholder to the pre-designated bank account of the Redeeming Shareholder (or in the case of joint Shareholders, the account designated in relation to the Shareholder who is named first in the register of Shareholders). The signature on the relevant payment instruction will require verification to the satisfaction of the Administrator's Delegate before payment will be made. In the event of failure or delay by a Shareholder to produce any information required for verification purposes, the Administrator's Delegate may delay payment of or refuse to pay any redemption proceeds. The Fund, the Manager, the Administrator and the Administrator's Delegate shall not be liable to any Shareholder for any loss (including, without limitation, exchange risk) suffered by the Shareholder as a result of the delay of payment of or refusal to pay any redemption proceeds.

Payment of the net redemption proceeds payable to a Shareholder will, subject to any declaration by the Fund of a suspension or limitation on redemptions or any adjustment to the Net Asset Value of the Participating Shares redeemed by such Shareholder on the relevant Dealing Day for Redemptions prior to the payment of such net redemption proceeds, generally be made after forty five (45) days from either the relevant Dealing Day for Redemptions, or after receipt of the original redemption documentation completed to the satisfaction of the Administrator's Delegate, whichever is the later (although it may not always be the case). All costs of effecting any telegraphic transfer will be borne by the Redeeming Shareholder and may be deducted from the gross redemption proceeds in determining the net redemption proceeds payable to the relevant Shareholder.

The Directors have the power to determine to pay the redemption proceeds (or any amount thereof) by way of delivery of assets *in specie* which may be comprised of, among other things, interests in special purpose vehicles holding the actual investment or participations in the actual investment which will remain held by the Fund. The Directors have the power to divide *in specie* the whole or any part of the assets of the Fund and apportion such assets in satisfaction or part satisfaction of the redemption proceeds to one or more Redeeming Shareholders on such terms as they may determine.

For the purpose of determining the value to be ascribed to any assets of the Fund used for payment of redemption proceeds by way of a delivery of assets *in specie*, the value ascribed to such assets shall be the value of such assets on the relevant Dealing Day for Redemptions (calculated in accordance to this Memorandum). The risk of a decline in the value of such assets in the period from the relevant Dealing Day for Redemptions to the date upon which such assets are distributed to the Redeeming Shareholder and the risk of any loss or delay in liquidating such assets, will be borne by the Redeeming Shareholder.

Redemption of part of a holding is permitted, provided that the minimum redemption amount is U.S.\$100,000 or such other amount as determined by the Directors from time to time either generally or in any particular case and that the redemption does not result in the Shareholder holding Participating Shares the aggregate value of which is less than U.S.\$200,000 (or such other amount prescribed by the Board from time to time either generally or in any particular case as being the minimum value of Participating Shares that may be held). If any redemption request would reduce the aggregate value of the remaining Participating Shares held by the relevant Redeeming Shareholder to an amount less than the minimum value described above, the request will be treated as a request to redeem the entire shareholding.

Further, the Directors reserve the right to suspend the redemption rights of a Shareholder and/or delay or refuse to make any redemption payment to a Shareholder if the Directors, the Manager, the Administrator or the Administrator's Delegate suspects or is advised that the payment of any redemption proceeds to such Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Fund, the Manager, the Administrator and the Administrator's Delegate with any such laws or regulations in any relevant jurisdiction. The Director, the Manager, the Administrator and the Administrator's Delegate shall not be liable to the Redeeming Shareholder for any loss suffered by such Shareholder as a result of the delay in or the rejection of making such redemption payment.

In accordance with the anti-money laundering ("AML") obligations applicable to the Fund, requests for transfer or payment of redemption proceeds will not be effected until receipt of all outstanding identification documents and information pertaining to AML obligations and completion of call back procedures to confirm payment instructions not matching with the Administrator's and/or Administrator's Delegate's records as stated in the Subscription Agreement. None of the Fund, the Manager, the Administrator, the Administrator's Delegate and their agents or affiliates accepts any responsibility for any loss caused as a result of any such delay or refusal to process transfer requests or effect payment of redemption proceeds (as the case may be) and claims for payment of interest due to such delays will not be accepted.

In the case of the Directors deciding to recommend the winding up of the Fund, the Fund will exercise its rights of compulsory redemption under the Constitution and will commence liquidation of its holdings in order to partially or fully redeem all outstanding Participating Shares prior to the formal commencement of winding up proceedings. All such compulsory redemptions must be made in accordance with the Constitution and the applicable provisions of the laws of the Cayman Islands.

The right of any Shareholder to require the redemption of Participating Shares will be suspended during any period when the calculation of the Net Asset Value is suspended by the Fund.

Redemption requests shall be irrevocable by the Shareholder except with the prior consent in writing of the Directors.

If a determination is made to effect a suspension of the voluntary redemption of Participating Shares pursuant to the Constitution, a Redeeming Shareholder who has submitted a



Redemption Notice (as defined in the Constitution) may withdraw his, her or its Redemption Notice during the period of suspension. Any withdrawal of a Redemption Notice under the Constitution shall be made in writing and shall only be effective if actually received by the Administrator's Delegate before termination of the period of suspension, by facsimile (with the original to follow promptly by mail) at the address or facsimile number set out in this section. If the Redemption Notice is not so withdrawn the redemption of the Participating Shares shall be made at such time and in such order of priority as the Directors may determine.

**(b) Limitations on Redemptions**

For any Dealing Day for Redemptions, the Board reserves the right to postpone redemptions in respect of each and any Class, if:

- (i) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the number of all the Participating Shares of a relevant Class in issue or of all the Participating Shares in issue, in which case, the Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the number of Participating Shares of the relevant Class in issue or of all the Participating Shares in issue (as applicable); or
- (ii) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the total number of shares in issue of the relevant class of the Master Fund (if any), in which case, the Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the total number of shares in issue of the relevant class of the Master Fund; or
- (iii) requests are received in respect of any one Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the aggregate net asset value of the Fund and the Parallel Funds (if any), in which case, the Board may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of the aggregate net asset value of the Fund and the Parallel Funds (if any); or
- (iv) the Board needs to realise part or all of the assets of the Fund in order to satisfy one or more redemptions pursuant to the Board's right of compulsory redemption in circumstances as stated in this Memorandum.

Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Board to postpone redemption requests will be treated as if the request had been made without priority in respect of the next Dealing Day for Redemptions and all following Dealing Days for Redemptions (in relation to which the Board has the same power to further postpone such redemption requests) until the original request has been satisfied in full, provided always that the redemptions on any subsequent Dealing Day for Redemptions shall always be subject to the discretion of the Board to reduce each request for redemptions on a *pro rata* basis as aforesaid to ensure that they cover no more than the relevant percentage of the relevant Class of Participating Shares in issue as at such Dealing Day for redemptions.

Where redemptions are postponed in the manner described above, the Participating Shares shall be redeemed at the Redemption Price prevailing on the day such Participating Shares are redeemed. Investors should note that until the original request has been satisfied in full, any unsatisfied portion of such request will continue to be at risk in the Fund's business.

**(c) Suspension of the Issue and Redemption of Participating Shares**

The Board may at any time declare a suspension of (1) the determination of the Net Asset Value; and/or (2) the subscription for Participating Shares; and/or (3) the redemption of Participating Shares at the option of the Shareholder (either in whole or in part); and/or (4) the purchase of Participating Shares; and/or (5) the payment of any amount to a Redeeming Shareholder in connection with the redemption of Participating Shares, in each case for the whole or part of any such period and in such circumstances as the Board may determine which may include without limitation, during (i) any period when any stock exchange, commodities exchange, futures exchange or over-the-counter market on which a substantial part of the Fund's investments is quoted, listed or dealt in is closed otherwise than for ordinary holidays; (ii) any period when dealings on any exchange or market are restricted or suspended; (iii) the existence of any circumstances as a result of which disposal of some or all of the Fund's investments cannot, in the absolute discretion of the Manager, be effected normally or without prejudicing the interests of Shareholders; (iv) the breakdown in the systems and/or means of communication normally employed in determining the Net Asset Value or the Subscription Price or Redemption Price per Participating Share of any Class or when for any other reason the value of any of the Fund's investments cannot be reasonably or accurately ascertained; (v) any period when realisation of the Fund's investments or the transfer of funds involved in such realisation cannot, in the opinion of the Manager, be effected at normal prices or normal rates of exchange; (vi) any period when the business operations of the Manager, the Administrator or the Administrator's Delegate in relation to the operations of the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; (vii) any period where, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of any asset of the Fund cannot be effected at the normal rates of exchange, as determined by the Manager; or (viii) where the holders of Management Shares have resolved to commence winding-up or other insolvency or dissolution proceedings; (ix) where such suspension is required by law or any applicable legal process; (x) any period during which the determination of the net asset value of the Master Fund (if any) or the issue and redemption of participating shares of the Master Fund or the payment of redemption proceeds in relation thereto is suspended; (xi) in the event that holders of management shares in the Master Fund (if any) resolve to wind up the Master Fund; (xii) when such suspension is required by law or applicable legal process; or (xiii) any period when a redemption or a subscription would result in a violation by the Fund, the Master Fund (if any), the Directors, the Manager or any of their respective affiliate of any applicable laws or regulations or disgorgement by the Fund or the Master Fund (as the case may be) of profits from the disposition of securities.

Any suspension declared shall take effect at such time as the Board shall declare and shall remain in effect until the Board shall declare the suspension to be at an end. Where possible, all reasonable steps shall be taken to bring the period of suspension to an end as soon as possible.

The Board may with respect to any Shareholder suspend the redemption rights of such Shareholder, including the right to receive the Redemption Price, if the Board:

- (a) suspects or is advised that the payment of any redemption proceeds to such a redeeming Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction; or
- (b) considers such refusal necessary or appropriate to ensure the compliance by the Fund, the Manager, the Administrator or any of their respective delegates, with any applicable anti-money laundering or other laws or regulations in any relevant jurisdiction; or
- (c) determines that it is in the best interests of the Shareholders; or
- (d) is required to do so pursuant to an agreement between the Fund and/or Manager with any government division or department.

Each declaration of a suspension by the Board shall be consistent with such official rules and regulations (if any) relating to the subject matter thereof as shall have been promulgated by any authority having jurisdiction over the Fund as shall be in effect at the time. To the extent not inconsistent with such official rules and regulations, the determination of the Directors shall be conclusive.

The Manager will notify Shareholders of any suspension mentioned above and the subsequent lifting of the suspension. In the event of any such suspension being imposed, the Board shall instruct the Administrator to cease accepting any Subscription Agreements or redemption requests and may, at its discretion, cancel any Subscription Agreements or redemption requests received prior to such suspension being imposed, and any investors or Shareholders, as the case may be, may be required to re-submit their Subscription Agreements or redemption requests upon the lifting of the suspension. A Shareholder who has submitted a redemption request after a determination to effect a suspension may withdraw his, her or its redemption request during the period of the suspension. The Board may nominate any other day or time as a Valuation Point, or to issue or redeem Participating Shares in substitution for a Dealing Day in respect of which determination of the Net Asset Value has been suspended.

**(d) Compulsory Redemption**

The Board may, in its sole discretion, compulsorily redeem some or all of a Shareholder's Participating Shares for any reason or no reason whatsoever, at any time upon prior notice. Redemptions will be made at the relevant Redemption Price, calculated for the relevant Dealing Day for Redemptions in the manner described in the section entitled "Subscription and Redemption Prices of Participating Shares". Payment will be made in accordance with the procedures applicable to Participating Shares that are redeemed at the request of the Shareholder. Such redemption shall be effective on the date specified in such notice to the Shareholder.

In particular, but without limiting the generality of the foregoing, the Board may redeem a Shareholder's Participating Shares if it, in its sole discretion, determines that the continued participation of such Shareholder in the Fund may result in the Fund, the Manager, or the

Shareholders as a whole incurring any legal, tax, regulatory, pecuniary or material administrative disadvantage.

In addition, the Board has the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager. Please refer to the section entitled "Performance Fee" below for further information.

The Directors may also compulsorily redeem part or all of a Shareholder's Participating Shares if the Shareholder fails to provide such information as the Fund may require for the Fund's compliance with FATCA (as defined below).

The Board may compulsorily redeem the Participating Shares held by a Shareholder who fails or refuses to furnish all Verification Documents on a timely basis.

### **Information on the Fund**

#### **Directors**

The Directors have overall authority over, and responsibility for, the operations and management of the Fund. The Fund has, however, delegated the investment management of the Fund and its investments to the Manager and the administration of the Fund to the Administrator on the terms of the Management Agreement and Administration Agreement, respectively.

The current Directors of the Fund are Teh Han Yi and Wong Kim Choong. Their respective curriculum vitae are set out below:

#### ***Teh Han Yi***

Teh Han Yi is currently the Chief Financial Officer of UOB China, Country Head of Finance and Corporate Services. She is a qualified accountant, with more than 20 years of experience in Banking and IT industry covering Asia. Prior to joining UOB China, she was with IBM Global Business Services, Greater China where she was the Financial Management Solution Leader and Citi Global Wealth Management (Asia Pacific) as Head, Planning & Analysis. She was with UOB and Overseas Union Bank earlier in her career from 1995 to 2007. She graduated from Nanyang Technological University with a Bachelor of Accounting.

#### ***Wong Kim Choong***

Mr. Wong was appointed as Director and CEO of UOB Malaysia on 1 October 2012. He holds a Bachelor of Commerce from the University of Toronto, Canada. Mr. Wong has 31 years of banking experience.

He started his career with United Overseas Bank Limited in 1983, where he served for over 14 years. During the 14 years with United Overseas Bank Limited, Mr. Wong held various management and senior positions in Consumer Banking, Corporate Banking and Commercial Banking. He was transferred to UOB Malaysia in 1997 where he was appointed as Head of Corporate and Commercial Banking and subsequently as Deputy CEO in 2003. In 2004, he was appointed as Director and

Country CEO of United Overseas Bank (Thai) Public Company Limited, a position he held until his appointment as a Director and CEO of UOB Malaysia in October 2012.

New Directors may be appointed, from time to time, as additional Directors or to replace vacancies in the Board and if there have been changes in the Board, the Fund will notify Shareholders of such changes as soon as practicable after such change.

The Directors shall serve until their death, resignation or removal in accordance with the Constitution. The Constitution does not stipulate a retirement age for Directors.

A Director is not required to be a Shareholder of the Fund.

As of the date of this Memorandum, save as disclosed in this Memorandum, no Director or connected person has any interest, direct or indirect, in the share capital of the Fund.

There are no existing or proposed service contracts between any of the Directors and the Fund. None of the Directors has any interest, direct or indirect, in any transactions which are unusual in their nature or significant to the business of the Fund, save that Teh Han Yi and Wong Kim Choong are both employees of related companies of the Manager.

A Director shall be at liberty to vote in respect of any contract or transaction in which he is interested provided, however, that the nature of the interest of that Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon.

Every Director (including any alternate Director appointed pursuant to the Constitution), Secretary (as defined in the Constitution) or assistant Secretary or other officer for the time being and from time to time of the Fund (but not including the Auditors) and the personal representatives of the same (each an "**Indemnified Person**") shall be indemnified and secured harmless out of the assets and funds of the Fund against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such Indemnified Person, other than by reason of such Indemnified Person's own dishonesty, wilful default or fraud as determined by a court of competent jurisdiction, in or about the conduct of the Fund's business or affairs or (including as a result of any mistake of judgment) or in the execution or discharge of his, her or its duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Indemnified Person in defending (whether successfully or otherwise) any civil proceedings concerning the Fund or its affairs in any court whether in the Cayman Islands or elsewhere. No Indemnified Person shall be liable:

- (a) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Fund; or
- (b) for any loss on account of defect of title to any property of the Fund; or
- (c) on account of the insufficiency of any security in or upon which any money of the Fund shall be invested; or
- (d) for any loss incurred through any bank, broker or other similar Person; or
- (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Indemnified Person's part; or

- (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of such Indemnified Person's office or in relation thereto,

unless the same shall happen through such Indemnified Person's own dishonesty, wilful default or fraud as determined by a court of competent jurisdiction.

The Board may exercise all the powers of the Fund to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Fund or any third party.

### **Manager**

The Manager of the Fund is UOB Asia Investment Partners Pte. Ltd., a private limited company incorporated in Singapore on 21 January 2013. UOB Asia Investment Partners Pte. Ltd. is a wholly-owned subsidiary of United Overseas Bank Limited, a public limited company incorporated in Singapore on 6 August 1935 which is listed on the Main Board of the Singapore Exchange Securities Trading Limited. The Manager has been appointed by the Fund to manage, supervise, select and evaluate investments of the Fund, subject to compliance with applicable laws, the Constitution and in accordance with the terms of the Management Agreement.

The fund management industry in Singapore is regulated by the Monetary Authority of Singapore ("MAS") and no person can act as a fund manager in Singapore unless he is the holder of a capital markets services licence for fund management or unless he falls within the categories of persons who are exempt from licensing. As at the date set out on the cover of this Memorandum, the Manager holds a capital markets services licence for fund management.

The Manager is regulated by the MAS. The contact details of the MAS are as follows:

|               |   |   |
|---------------|---|---|
| Address       | : | Monetary Authority of Singapore<br>Investment Intermediaries Department<br>10 Shenton Way<br>MAS Building, Singapore 079117 |
| Telephone No. | : | +65 6225 5577   |
| Facsimile No. | : | +65 6229 9229   |

Pursuant to the Management Agreement, the Manager is entitled to be indemnified by the Fund in respect of any loss or liability incurred by it in connection with the performance of its duties as Manager except that caused by fraud, negligence or wilful default on the part of the Manager or its agents.

Either party to the Management Agreement may terminate the Management Agreement by not less than three (3) months' written notice to the other party although where any party has gone into liquidation (except voluntary liquidation for the purposes of reconstruction or amalgamation or merger upon terms previously approved in writing by the other party) or if a receiver or administrator (or equivalent) is appointed over all or any substantial part of its assets or if any party has failed to remedy a material breach of the Management Agreement, the notice may take immediate effect.

The Manager may delegate any of its powers under the Management Agreement to any other person or persons as the Manager considers appropriate, to manage and invest the assets of the Fund.

As at the date of this Memorandum, the Manager is covered for various risks under a group insurance policy for the UOB group. The Manager may from time to time if it considers appropriate in its discretion, put in place or procure to be put in place, an additional or alternative professional indemnity insurance policy covering such customary risks on such terms and conditions as the Manager deems appropriate. Such insurance policy coverage may be varied from time to time.

The investment team of the Manager is led by Low Han Seng, whose curriculum vitae is set out below:

### ***Low Han Seng***

Low Han Seng is currently an Executive Director in UOB Asia Investment Partners and has primary responsibility for managing the alternative investment fund-of-funds advisory business. He has been involved in a variety of investment management functions since 1997 and has been the Secretary of the UOB Group Investment Committee for more than ten (10) years. He has been responsible for UOB's proprietary investment in PE and Hedge Funds since 1998. He started his career at Hewlett Packard Singapore (Sales) as a Systems Engineer and later joined Bain & Company (Asia) Inc. as a Consultant where he was involved in helping clients in South East Asia. Han Seng has a degree in Electrical and Electronic Engineering from the Nanyang Technological Institute of Singapore and an MBA from the European Institute of Business Administration (INSEAD) in Fontainebleau.

Details of the other key investment officers of the Manager are available upon request.

The Manager and/or its directors, employees, related entities and connected persons and their respective directors and employees may from time to time subscribe, directly or indirectly, for Participating Shares. The Directors may permit such persons to subscribe for Participating Shares of an amount lower than U.S.\$1,000,000, provided that in no circumstances will the amount of subscriptions from such persons be less than U.S.\$100,000 or such other minimum amount as may be prescribed by the Mutual Funds Law or other applicable laws from time to time.

### **Administrator and Administrator's Delegate**

Bank of Bermuda (Cayman) Limited has been appointed as the Administrator of the Fund. Bank of Bermuda (Cayman) Limited was incorporated in the Cayman Islands, on 21 June 1988 and is a licensed trust company under the Banks and Trust Companies Law (as amended) and a licensed mutual fund administrator pursuant to the Mutual Funds Law (as amended).

The Administrator is responsible for the general administration of the Fund, including keeping the register of Shareholders, arranging for the issue and redemption of Participating Shares, calculating asset valuations and fees and administering uninvested cash.

The Administrator has delegated certain of its functions and duties to the Administrator's Delegate in Singapore. However, the principal register will be maintained by the Administrator or its affiliates in the Cayman Islands.

The Administrator and the Administrator's Delegate are indirect wholly-owned subsidiaries of HSBC Holdings plc, a public company incorporated in England and Wales. The HSBC group is one of the

largest banking and financial services organisations in the world with well-established businesses in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

Pursuant to the Administration Agreement, the Administrator is entitled to be indemnified by the Fund against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (except to the extent that they are caused by the Administrator's fraud, negligence or wilful default) which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties.

In calculating the Net Asset Value, the Administrator may rely upon, and will not be responsible for any inaccuracy, error or delay in, any pricing information furnished to it by automatic pricing services or other service providers, brokers, market makers or intermediaries, or by the manager, administrator or valuation agent of any other collective investment scheme into which the Fund invests. If and to the extent that the Manager is responsible for or otherwise involved in the pricing of any of the Fund's assets, the Administrator may accept, use and rely on such prices, without verification, in determining the Net Asset Value and shall not be liable to the Fund, any Shareholder or any other person in doing so.

The Administrator is not responsible for any failure by the Fund or the Manager to adhere to the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines. The Administrator will not participate in transactions or activities or make any payments denominated in U.S. Dollars, which, if carried out by a U.S. Person, would be subject to OFAC sanctions.

Neither the Administrator, the Administrator's Delegate nor their employees or agents are directly involved in the business affairs, organisation, sponsorship or investment management of the Fund, nor responsible for the preparation or issue of this Memorandum other than the description above.

The appointment of the Administrator may be terminated by not less than sixty (60) days' notice in writing.

The Administrator will be responsible for the administration of uninvested cash of the Fund as cash custodian of the Fund, but will have no control over investments and/or cash held by any other person on behalf of the Fund, including any custodian (if appointed) or any broker. The Administrator will have no responsibility or liability for any loss or damage which the Fund or any investor may sustain or suffer as a result of the acts, omissions, liquidation, bankruptcy or insolvency of such person. Likewise, the Administrator has no responsibility whatsoever for any loss or damage which the Fund or any investor may sustain as a result of the acts or omissions of the Directors of the Investment Manager.

### **Custodian**

HSBC Institutional Trust Services (Singapore) Limited has been appointed as the Custodian of such part of the assets of the Fund which are delivered to and accepted by the Custodian from time to time. The Custodian is a company incorporated under the laws of Singapore and is regulated by the Monetary Authority of Singapore.

The Custodian is entitled to be indemnified from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful default on the part of the



Custodian or any agent, sub-custodian or delegate appointed by it and for which it would be liable under the Custodian Agreement) which may be imposed on, incurred by or asserted against the Custodian in performing its obligations or duties.

In performing its duties, the Custodian may, at the expense of the Fund, appoint such agents, sub-custodians and delegates as it thinks fit to perform in whole or in part any of its duties and discretions (included in such appointment are powers of sub-delegation). The Custodian will be liable for the acts of such agents, sub-custodians and delegates as if such acts were the acts of the Custodian except in respect of certain emerging markets notified to the Fund.

The Custodian will not be responsible for the safekeeping, validity, authenticity or registration of investments in unlisted securities, including any physical documents that evidence interests in unlisted securities.

The Custodian will not (except in circumstances provided in the Custodian Agreement) be responsible for any loss suffered by the Fund by reason of liquidation, bankruptcy or insolvency of any agent, sub-custodian or delegate but will use reasonable endeavours to recover any property held by such person, and recover any losses or damages suffered by the Fund as a direct consequence.

The Custodian will not be responsible for any cash, securities and/or other assets of the Fund which are not deposited with or held to the Custodian's order. In particular, the Custodian will not be responsible for (i) any cash, securities and/or other assets placed with any prime brokers, co-custodians, brokers or any other party outside the Custodian's global custodian network or (ii) any cash placed in any account with any bank or financial institution which is not in the name of the Custodian.

The Custodian is under no duty to supervise compliance with the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines of the Fund. The Custodian will not participate in transactions or activities or make any payments denominated in US dollars, which, if carried out by a U.S. person, would be subject to OFAC sanctions.

The appointment of the Custodian may be terminated by not less than ninety (90) days' notice in writing.

Neither the Custodian nor its employees, agents or delegates are directly involved in the business affairs, organisation, sponsorship or management of the Fund; nor responsible for the preparation or issue of this offer document other than the description above.

The Fund reserves the right to appoint custodians and sub-custodians and to change brokerage and custody arrangements by agreement with any of its brokers and custodians and to appoint additional or alternative brokers and custodians at any time.

### **Brokers**

As at the date of this Memorandum, the Fund has not appointed any broker. The Fund may, and the Manager reserves the right to appoint broker(s) on behalf of the Fund from time to time, and to vary or terminate any of such appointments at any time.

### **Auditors**

Under the standard terms of the annual engagement letter which the Fund will enter into with the Auditors, the Auditors' liability under such letter is expected be capped based upon a multiple of fees paid to the Auditors under such letter, except to the extent finally determined to have resulted from wilful or intentional neglect or misconduct or fraudulent behaviour by the Auditors.

#### **Holder(s) of the Management Shares in the Fund**

Low Han Seng holds two (2) Management Shares with a par value of U.S.\$1.00 each in the Fund. The rights associated with these Management Shares are described in the section entitled "Rights of the Management Shares in the Fund". The holders of the Management Shares will have no right to receive dividends nor any rights to participate and receive surplus funds upon liquidation of the Fund other than a return of the nominal paid-up capital per Management Share of U.S.\$1.00.

#### **Financial Period**

The Fund's financial year-end is 31 December. Its first financial year-end was 31 December 2007 and the Fund's first financial year end as a regulated mutual fund will be 31 December 2015.

#### **Dividends**

It is the present intention of the Directors not to declare or pay any dividend or distribution. Income earned will be reinvested and reflected in the value of the Participating Shares. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate. If a dividend is declared, it will be paid in accordance with the Constitution and any applicable laws of the Cayman Islands. Holders of Management Shares will not be entitled to dividends.

#### **Reports, Accounts and Statements**

A copy of the annual report and audited accounts of the Fund will be sent to the Shareholders within six (6) months from the end of the period to which such report and accounts relate. The Administrator will provide Shareholders with monthly statements in electronic format as soon as reasonably practicable after the end of each month.

The financial statements will be prepared in accordance with the prevailing IFRS and be audited by the Auditors.

In the case of joint Shareholders, the documents described above will be sent to the Shareholder who is named first in the register of Shareholders.

Certain strategic investors may also receive enhanced or more frequent reports or information, pursuant to special arrangements with the Fund or the Manager.

#### **Legal Adviser to the Manager as to Matters of United States Law**

Sidley Austin, Hong Kong and Sidley Austin LLP, Chicago (together "**Sidley Austin**") served as U.S. counsel to the Manager in connection with the review and update of this Memorandum with respect to "new issues" only. Sidley Austin may continue to serve in such capacity in the future, but has not

assumed any obligation to update this Memorandum. Sidley Austin may advise the Manager and its affiliates in matters relating to the operation of the Fund on an ongoing basis. Sidley Austin does not represent, and has not represented, the current or prospective investors of the Fund in the course of the organisation of the Fund (as the case may be), the negotiation of its business terms, the offering of the Participating Shares or in respect of its ongoing operations. Prospective investors must recognise that, as they have had no representation in the organisation process, the terms of the Fund relating to themselves and the Participating Shares have not been negotiated at arm's length.

Sidley Austin's engagement by the Manager in respect of the Fund is limited to the specific matters as to which it is consulted by the Manager and, therefore, there may exist facts or circumstances that could have a bearing on the Fund's (or the Manager's) financial condition or operations with respect to which Sidley Austin has not been consulted and for which Sidley Austin expressly disclaims any responsibility. More specifically, Sidley Austin does not undertake to monitor the compliance of the Fund, the Fund's directors, or the Manager and its affiliates with the investment program, valuation procedures and other guidelines set forth in this Memorandum, nor does it monitor compliance with applicable laws. In updating this Memorandum, Sidley Austin relied upon information furnished to it by the Fund and/or the Manager, and did not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Manager, the Fund's service providers and their affiliates and personnel.

## **PART III**

### **FEES AND EXPENSES**

#### **Establishment Expenses**

The Fund bears all the costs of its establishment (including legal, accounting and other professional fees and expenses) and of or incidental to the offer of Participating Shares in any jurisdiction, including the preparation and printing of this Memorandum (and all updates as may be necessary from time to time) and all relevant agreements referred to in this Memorandum.

#### **Operating and Administrative Expenses**

The Manager and the Administrator are responsible for providing and paying for all office personnel, office space and office facilities required for the performance of their respective services to the Fund.

The Fund bears all its operating and administrative expenses, including all fees payable by the Fund to the Manager, the Custodian and the Administrator and all fees payable to third parties and other expenses (other than those to be borne by the Manager) incurred in its operations, including but not limited to, fees, taxes (including value added tax payable thereon), expenses for legal, valuation, auditing, administration and consulting services, expenses of engaging third party professionals to carry out due diligence on potential investments and their managers, promotional expenses (to such extent as may be permitted under applicable laws), registration fees, renewal fees and other expenses due to supervisory authorities in various jurisdictions, insurance premiums in respect of directors' and officers' liability insurance, legal fees of Directors pursuant to their performance of duties for the Fund, brokerage fees, the costs of updating this Memorandum and other documents relating to the Fund, the costs of publishing the Net Asset Value and the costs of printing and distributing the annual and any periodic reports and statements.

#### **Management Fee**

The Fund pays to the Manager a monthly Management Fee in arrears in respect of Class A Participating Shares, equal to one-twelfth of one per cent (1.0%) of the Net Asset Value of Class A Participating Shares, accrued and calculated as at each Valuation Point.

The Management Fee is payable within five (5) Business Days after the finalization of the valuation report for that relevant month. The Management Fee in respect of Class A Participating Shares will be calculated by reference to the Net Asset Value of Class A Participating Share before deduction for any accrued Management Fee or Performance Fee.

#### **Performance Fee**

The Manager will also be entitled to receive a Performance Fee from the Fund calculated on a share-by-share basis so that each Participating Share of the relevant Class is charged a Performance Fee that equates precisely with that Participating Share's performance. This method of calculation ensures that (i) any Performance Fee paid to the Manager is charged only to those Participating Shares which have appreciated in value above the High Water Mark, (ii) all holders of Participating Shares of the same Class have the same amount of capital per Participating Share at risk in the Fund, and (iii) all

Participating Shares of the same Class have the same Net Asset Value per Participating Share of the relevant Class.

A "Performance Period" for each Participating Share is (for the first Performance Period in respect of such Participating Share) a period commencing on the initial date the Participating Share is issued and ending at the close of business on the first to occur of (1) or (2) below, and thereafter, is each period commencing as of the day following the last day of the preceding Performance Period for the Participating Shares and ending as of the close of business on the next to occur of (1) each 31 December or (2) the date the Participating Share is redeemed.

For each Performance Period, the Performance Fee in respect of each Participating Share of any Class is equal to ten per cent (10.0%) of the appreciation in the Net Asset Value per Participating Share of that particular Class during that Performance Period above the High Water Mark applicable to such Participating Share. The Performance Fee in respect of each Performance Period will be calculated by reference to the relevant Net Asset Value before deduction for any accrued Performance Fee.

If the Management Agreement is terminated before 31 December in any year, the Performance Fee in respect of the then Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period.

The Performance Fee will be payable in arrears within five (5) Business Days after the finalisation of the valuation report as at the last Valuation Point occurring in the relevant Performance Period. In the case of Participating Shares redeemed during a Performance Period, the accrued Performance Fee in respect of such Participating Shares is payable within fourteen (14) days after the date of redemption.

The Performance Fee payable to the Manager in respect of any Performance Period may be paid either in cash or in Participating Shares in the Fund at the applicable Net Asset Value per Participating Share as at the last Valuation Point of that Performance Period, at the Manager's option. The Board has the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager.

The Manager may from time to time or in any particular case and at its sole discretion and out of its own resources decide to waive or rebate to some or all Shareholders or their agents or to intermediaries, part or all of the Management Fee and/or Performance Fee including in particular during any wind down of the Fund's business. Any such rebates may be applied in paying up additional Participating Shares to be issued to the Shareholder.

### **Equalisation Adjustments**

If an investor subscribes for Participating Shares of any Class at a time when the applicable Net Asset Value per Participating Share of that particular Class is other than the Peak Net Asset Value per Participating Share of that Class, certain adjustments will be made to reduce inequities that could otherwise result to the investor or to the Manager.

- (A) If Participating Shares of any Class are subscribed for at a time when the applicable Net Asset Value per Participating Share of that particular Class is less than the Peak Net Asset Value per Participating Share of that particular Class, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Participating Shares. With respect to any appreciation in the value of those Participating Shares up to the Peak Net

Asset Value per Participating Share of that particular Class, the Performance Fee will be charged at the end of each Performance Period by redeeming such number of the investor's Participating Shares as having an aggregate Net Asset Value (after accrual for any Performance Fee) equal to ten per cent (10.0%) of any such appreciation (a "**Performance Fee Redemption**"). The aggregate Net Asset Value of the Participating Shares so redeemed will be paid to the Manager as a Performance Fee. Performance Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Participating Share for each Class of Participating Shares. As regards the investor's remaining Participating Shares, any appreciation in the Net Asset Value per Participating Share of those Participating Shares above the Peak Net Asset Value per Participating Share of the relevant Class will be charged a Performance Fee in the normal manner described above. In the event that an investor redeems any Participating Share on a day other than the last day of the relevant Performance Period and an equalisation adjustment is required to be made in respect of such Participating Share, the value of such adjustment shall be deducted from the redemption proceeds in respect of that Participating Share and will be paid to the Manager.

- (B) If Participating Shares of any Class are subscribed for at a time when the applicable Net Asset Value per Participating Share of that particular Class is greater than the Peak Net Asset Value per Participating Share of that particular Class, the investor will be required to pay an amount in excess of the then current Net Asset Value per Participating Share of that particular Class equal to ten per cent (10.0%) of the difference between the then current Net Asset Value per Participating Share of that particular Class (before accrual for the Performance Fee) and the Peak Net Asset Value per Participating Share of that particular Class (an "**Equalisation Credit**"). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Participating Share accrued with respect to the other Participating Shares of that particular Class in the Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Participating Share of that particular Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a credit against Performance Fees that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Participating Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Participating Shares of the same Class have the same amount of capital at risk per Participating Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the Fund subsequent to the issue of the relevant Participating Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Point in the Net Asset Value per Participating Share of that particular Class, the Equalisation Credit will also be reduced by an amount equal to ten per cent (10.0%) of the difference between the Net Asset Value per Participating Share of that particular Class (before accrual for the Performance Fee) applicable at the date of issue and as at that Valuation Point. Any subsequent appreciation in the Net Asset Value per Participating Share of that particular Class will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Performance Period, if the Net Asset Value per Participating Share of that particular Class (before accrual for the Performance Fee) exceeds the Peak Net Asset Value per Participating Share of that particular Class, that portion of the Equalisation Credit equal to

ten per cent (10.0%) multiplied by the number of Participating Shares of that particular Class subscribed by the Shareholder will be applied to subscribe for additional Participating Shares of that Class for the Shareholder. Additional Participating Shares will continue to be so subscribed for at the end of each Performance Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Participating Shares was made, has been fully applied. If the Shareholder redeems his/her Participating Shares of any particular Class before the Equalisation Credit has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Participating Shares of that particular Class being redeemed and the denominator of which is the number of Participating Shares of that particular Class held by the Shareholder immediately prior to the redemption.

### **Administrator and Administrator's Delegate**

The Administrator will receive administration fees from the Fund at such rates as may be agreed between the Fund and the Administrator from time to time. The Administrator will also be entitled to be reimbursed by the Fund for all out-of-pocket expenses incurred in the course of its duties. The Administrator will also be entitled to receive an inception fee which shall be borne by the Fund, together with transaction and processing fees. The Administrator and the Administrator's Delegate will share the fees payable for administration services provided to the Fund, in such proportion as may be agreed between the Administrator and the Administrator's Delegate.

### **Custodian**

The Custodian will be entitled to, in its capacity as Custodian, annual fees comprising custody fees and transaction fees, and such other fees as may be agreed with the Fund from time to time in relation to any other facilities the Custodian provides to the Fund.

### **"Soft Dollar" Payments**

The Manager is expected to derive substantial direct or indirect benefit from services provided by brokers, particularly to the extent the Manager uses soft dollars to pay for expenses which it would otherwise be required to pay. In selecting brokers to effect transactions with or for the Fund, the Manager, subject to any overall duty to obtain "best execution" of fund transactions, will have authority to and may consider the full range and quality of the services and products provided by various brokers, including factors such as the ability of the brokers to execute transactions efficiently, the responsiveness to the Manager's instructions, its facilities, reliability, and financial responsibility, and the value of any research or other services or products they provide. As long as the services or other products provided by a particular broker (whether directly or through a third-party) and the Manager determines in good faith that the amount of commission charged by such broker is reasonable in relation to the value of such brokerage and research services, the Manager may utilise the services of that broker to execute transactions for the Fund on an agency or riskless principal basis even if (i) the Fund would incur higher transaction costs than it would have incurred had another broker been used and (ii) the Fund does not necessarily benefit from the research services or products provided by that broker.

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

### **Brokerage Commissions**

The Fund will pay brokerage commissions, interest expense, exchange, clearing and other related transaction fees and charges. The Manager will transact with brokers and dealers (including its affiliates) on the basis of best execution and in consideration of such broker's or dealer's ability to effect the transactions, the facilities, reliability and financial responsibility of such broker or dealer, special execution capabilities and the provision or payment (or rebate to the Fund for payment) by such broker or dealer of the costs of research and brokerage services which are of benefit to the Fund, the Manager and related investment vehicles and accounts.

### **Directors**

All Directors are entitled to be paid directors' fees and reimbursed for their out-of-pocket expenses properly incurred by them in attending and returning from meetings of the Board or any committee thereof, meetings of Shareholders or otherwise in connection with the business of the Fund.

The Directors' fees (if any) will be determined by the Directors or by ordinary resolution of the holders of the Management Shares. As at the date of this Memorandum, Directors' fees are not payable.



## **PART IV**

### **RISK FACTORS**

*There is a high degree of risk associated with an investment in the Fund and an investment in the Fund should be made only after consultation with independent qualified sources of investment and tax advice. An investment in the Participating Shares is suitable only for persons who can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following risk factors before subscribing for Participating Shares:*

#### **Potential Loss of Investment**

No guarantee or representation is made that the Fund's investment program will be successful. Prospective investors should be aware that the value of the Participating Shares and the return derived from them can fluctuate. As is true of any investment, there is a risk that an investment in the Fund will be lost entirely or in part. The Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

#### **Multi-Manager**

Prospective investors should carefully consider the effect of the Manager's strategy of investing all or substantially all of the Fund's assets with selected third-party managers on the Fund. Two aspects of this investment strategy that will affect the success of the Fund are the increased cost and the risk of delegating control of a majority of the Fund's assets to persons other than the Manager. The Manager has no ability to control the manner in which third-party investment managers will make investments or whether they will act in accordance with any disclosure documents or descriptive materials given by them to the Fund.

#### **Investment Strategy**

Successful implementation of the Manager's strategy requires accurate assessments of general economic conditions, the prospects of individual companies or industries, and the future behaviour of other financial market participants. Even with the most careful analysis, the direction of the financial markets is often driven by unforeseeable economic, political and other events and the reaction of market participants to these events. There can be no assurance that the Manager's strategy will be successful and an unsuccessful strategy may result in significant losses to the Fund.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE GIVEN THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

#### **Access to Information**

The Fund will receive periodic reports from such investment manager(s) at the same time as any other investor in such investment vehicles. The Manager will request detailed information on a continuing basis from each third-party investment manager(s) regarding such investment manager's historical performance and investment strategies. However, the Manager may not always be provided with detailed information regarding all the investments made by the third-party investment managers

because certain of this information may be considered proprietary information by those investment managers. This lack of access to information may make it more difficult for the Manager to select, allocate among and evaluate third-party investment managers.

### **Calculation of Net Asset Value**

If prices or valuations of investments in Underlying Funds are for any reason unavailable within a reasonable period following a Valuation Point, the Directors may delay the calculation of the final Net Asset Value of the Fund until such prices or valuations become available and the Net Asset Value may be provisionally calculated based on the information which is available for the purposes of allotting Participating Shares or forwarding a proportion of the redemption monies to Shareholders. The final Net Asset Value might be calculated only once all prices become available. Investors should therefore note that the Net Asset Value (and consequently the relevant Subscription Price, Redemption Price and other Net Asset Value based calculations) will not be adjusted even if it subsequently turns out that any Net Asset Value calculations were wrong. Further, the Underlying Funds may have lengthy redemption notice periods or are otherwise subject to moratoriums and lock-ups which may affect the Fund's liquidity from time to time. Each of the circumstances described above may result in significant delay in the payment of redemption proceeds to an investor.

Where no net asset values are, or are likely to be available in respect of Underlying Funds, the net asset values will be determined in such manner as deemed appropriate by the Directors. Further the valuation date of which the Underlying Funds calculate their net asset values may not coincide with the Valuation Point of the Fund and the calculation of the Net Asset Value may be based on historic net asset values of an Underlying Fund which may vary from its actual value on the Valuation Point. In each of the circumstances described above, the proceeds of redemption or subscription prices may represent a discount or premium (as the case may be) on the value of the net assets attributable to such Participating Shares.

### **Performance Fee**

Performance fees payable by the Fund will be based on realised and unrealised gains and losses. Accordingly, performance fees may be paid on unrealised gains which may subsequently never be realised as investments may be sold at a loss in a later period. Investors who hold Participating Shares may bear different proportionate shares of the performance fees payable by the Fund. Further, the payment to the Manager of the Performance Fee described in the section entitled "Performance Fee" may create an incentive for the Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if the Performance Fee were based solely on a flat percentage of assets under management.

### **Currency and Portfolio Hedging**

The Manager and/or managers of certain Underlying Funds may from time to time trade currencies or derivatives to hedge currency and portfolio risk. Please refer to sections (C), (D) and (E) of the risk factor entitled "Risks Associated the Fund's Investments into Underlying Funds" for more details on derivatives, swaps and currency risks. The proposed hedging activities by the Manager and possibly by managers of Underlying Funds may involve a high degree of leverage and may create unexpected loss.

## **Risks Associated with the Fund's Investments into Underlying Funds**

As the Fund's assets will be invested in Underlying Funds, the Fund will be indirectly exposed to the risks associated with those funds. Some of the potential risks are set out below. In each case, the Fund's exposure will be limited to its investment in the relevant Underlying Fund.

### **(A) Leverage**

As part of their investment strategies, Underlying Funds may utilise leverage such as trading on margin. Leverage has the effect of magnifying changes in the value of the portfolio and creates opportunities for greater total returns. However, at times of adverse price movements, the portfolio may incur substantial losses. Furthermore, if the assets of the portfolio pledged to secure the borrowings decline in value, the Underlying Fund may have to liquidate some or all of its assets to meet the collateral requirements at times and at prices that are disadvantageous to the Underlying Fund.

The low margin deposits normally required in futures and option trading permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a futures contract may result in immediate and substantial profits or losses to the investor. Thus, like other leveraged investments, any trade may result in losses well in excess of the amount invested.

### **(B) Short Sales**

Underlying Funds may engage in "short sales" (i.e., the sale of a security which the Underlying Funds do not own in the hope of purchasing the same security at a later date at a lower price) in which there is no limit to the amount of potential loss. The Underlying Funds will incur a loss as a result of a short sale if the price of the security increases between the date of the short sale and the date on which the Underlying Funds cover their short position (i.e., purchase the security in the open market.) The Underlying Funds will realise a gain if the security declines in price between these dates by an amount sufficient to offset net expenses of the short sale. A short sale involves the theoretically unlimited risk of loss occasioned by an increase in the market price of the security that is the subject of the short sale. In addition, a short sale involves the risk that borrowed securities will have to be returned to the lender at a time when such securities cannot be borrowed from other sources, potentially requiring the Fund to close a short sale transaction at an inopportune time or under disadvantageous circumstances.

### **(C) Derivatives**

The Underlying Funds' investments may include derivatives such as swaps, warrants, options and futures. The risk of investing in swaps, warrants, options and futures depends on the terms attached to them and on the volatility of financial stock markets on which they are traded. Because over-the-counter derivatives – such as swaps, options, warrants and forwards – are customised transactions, they often assemble risks in complex ways. This can make the measurement and control of these risks more difficult and create the possibility of unexpected loss. The prices of futures and other derivatives contracts are volatile and may be influenced, among other things, by actual and expected changes in the underlying security or securities index or in interest rates and currency exchange rates, which are in turn affected by fiscal and monetary policies and national and international political and economic events. Due to the relatively low margin deposits required, futures trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures or derivatives contract may result in an immediate and substantial loss, or gain, to the Underlying Funds.

The primary risk with derivative investments is that their use may amplify a gain or loss, potentially earning or losing substantially more money than the actual cost of the derivative instrument. Derivatives involve special risks, including: (1) the risk that interest rates, securities prices, commodities markets, futures markets and currency markets will not move in the direction that the Manager anticipates; (2) imperfect correlation between the price of derivative instruments and movements in the prices of the securities, commodities, interest rates or currencies being hedged; (3) the fact that skills needed to use these strategies are different than those needed to select portfolio securities; (4) the possible absence of a liquid secondary market for any particular instrument and possible exchange imposed price fluctuation limits, either of which may make it difficult or impossible to close out a position when desired; (5) the risk that adverse price movements in an instrument can result in a loss substantially greater than the Underlying Fund's initial investment in that instrument (in some cases, the potential loss is unlimited); (6) particularly in the case of privately negotiated instruments, the risk that the counterparty will not perform its obligations, which could leave the Underlying Fund worse off than if it had not entered into the position; and (7) the inability to close out certain hedged positions to avoid adverse tax consequences.

#### **(D) Swaps and Other Hedging Positions**

The Underlying Funds may use swaps, which are types of derivatives, and other hedging positions to increase total return. A swap is a contract under which two parties agree to make periodic payments to each other based on specified interest rates, an index or the value of some other instruments, applied to a stated, or "notional", amount. Swaps can be classified generally as interest rate swaps, currency swaps, commodity swaps or equity swaps, depending on the type of index or instrument used to calculate the payments. In addition to swaps, the Underlying Funds may become parties to various other customised derivative instruments entitling the counterparty to certain payments on the gain or loss on the value of an underlying or referenced instrument. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk.

Moreover, to the extent that options, swaps, swaptions and other derivative instruments are used by the Underlying Funds, it should be noted that they inherently contain much greater leverage than does a non-margined purchase of the underlying security, or instrument inasmuch as only a very small portion of the value of the underlying security, commodity or instrument is required to be paid in order to effect such investments.

#### **(E) Futures Contracts, Options, Foreign Exchnage and Leveraged Foreign Exchnage Transactions**

The risk of loss in trading futures contracts, options, foreign exchange and leveraged foreign exchange transactions can be substantial. In particular:

- If the Fund purchases or sells a futures contract or leveraged foreign exchange transaction, the Fund may sustain a total loss of the Fund's position. If the market moves against the Fund's position, the Fund may be called upon to deposit a substantial amount of additional margin funds on short notice in order to maintain its position. If the Fund does not provide the required funds within the specified time, its position may be liquidated at a loss, and the Fund will be liable for any resulting deficit in its account.

- Under certain market conditions, the Fund may find it difficult or impossible to liquidate a position.
- The placement of contingent orders by Fund or the Investment Manager authorised by the Fund, such as a 'stop-loss' or 'stop limit' order, will not necessarily limit the Fund's losses to the intended amounts, since market conditions may make it difficult or impossible to execute such orders.
- A 'spread' position may not be less risky than a simple 'long' or 'short' position.
- The high degree of leverage that is often obtainable in futures and leveraged foreign exchange trading can work against the Fund as well as for the Fund. The use of leverage can lead to large losses as well as gains.
- The Fund is subject to substantial charges for management and advisory fees. It may be necessary for the Fund to make substantial trading profits to avoid depletion or exhaustion of its assets.

#### **(F) Exchange Control and Currency Risk**

The Underlying Funds' assets may be invested in securities denominated in currencies other than U.S.\$ and any income received by the Underlying Funds from those investments will be received in those currencies. There is therefore a currency exchange risk which may affect the value of the Participating Shares to the extent that the Underlying Funds make such investments. The Underlying Funds may from time to time invest their assets in countries which have exchange control restrictions and the Underlying Funds may encounter difficulties or delay in relation to the receipt of its divestments due to such controls existing in various countries.

To the extent the Underlying Fund seeks to hedge its currency exposure, it may not always be practicable to do so. Moreover, hedging may not alleviate all currency risks. Furthermore, the Underlying Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies.

To the extent the Underlying Fund enters into currency forward contracts (agreements to exchange one currency for another at a future date), these contracts involve a risk of loss if the Underlying Fund fails to predict accurately the direction of currency exchange rates. In addition, forward contracts are not guaranteed by an exchange or clearing house. Therefore, a default by the forward contract counterparty may result in a loss to the Underlying Fund for the value of unrealised profits on the contract or for the difference between the value of its commitments, if any, for purchase or sale at the current currency exchange rate and the value of those commitments at the forward contract exchange rate.

Techniques used to hedge currency exposure may reduce but will not eliminate the risk of loss due to unfavourable currency fluctuations and they tend to limit any potential gain that might result from favourable currency fluctuations. Some countries restrict conversion of their currency into other currencies, including the U.S.\$, and for some currencies, there is no significant foreign exchange market.

There can be no guarantee that instruments suitable for hedging currency or market shifts will be available at the time the Underlying Fund wishes to use them, or will be able to be liquidated when the Underlying Fund wishes to do so. In addition, the Underlying Fund may choose not to enter into hedging transactions with respect to some or all of its positions.

#### **(G) Market Risk**

Financial markets are increasingly more volatile. Wide swings in market prices that have been a feature of smaller and less developed markets are also becoming common in major financial markets. In many instances, market prices defy rational analysis or expectation for prolonged periods of time and are influenced by movements of large funds as a result of short-term factors, counter-speculative measures or other reasons. Market volatility of large enough magnitude can sometimes weaken what is deemed to be a sound fundamental basis for investing in a particular market. Investment expectations may therefore fail to be realised in such instances too.

The prices of financial instruments in which the manager of an Underlying Fund may invest can be volatile. Price movements of forward and other derivative contracts in which the Underlying Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Underlying Fund is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses.

#### **(H) Political & Economic Risks**

The net asset value of an Underlying Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, imposition of confiscatory taxation and or withholding taxes on interest payments, changes in interest rates and other political and economic developments in law or regulations and, in particular, the risk of, and change in, legislation relating to the level of foreign ownership, including nationalisation and expropriation of assets.

#### **(I) Investments in Emerging Markets**

Some of the markets in which an Underlying Fund may invest are emerging markets, and as a consequence tend to be substantially smaller, less liquid, less regulated and more volatile than major securities markets, such as those in more developed economies. The limited liquidity of securities in some emerging countries could also affect the Underlying Fund's ability to acquire or dispose of securities at the price and at the time it wishes to do so.

#### **(J) No control over Portfolio Issuers**

The Fund may from time to time acquire substantial positions in the securities of particular companies. Nevertheless, the Fund is not likely to obtain representation on the board of directors of any company or Underlying Fund which the Fund may invest and will not take any control over the management of any such company or Underlying Fund in which the Fund may invest and the success of each investment will depend on the ability and success of the management of such company or Underlying Fund in addition to economic and market factors.

#### **(K) Fee Structure**

Where the Fund invests in Underlying Funds or segregated accounts managed by external managers, the Fund will bear indirectly fees charged by the managers and other service providers of such

Underlying Funds or segregated accounts. Investors should note that the fees and expenses borne by the Fund may constitute a relatively higher percentage of the net asset values than in relation to other types of funds.

## **(L) Other Risks**

Each strategy employed by the Underlying Funds typically will involve a different set of complex risks, many of which are not described in this Memorandum. Each prospective investor should make such investigation and evaluation of such risks as he considers appropriate.

### **Investments in Publicly Traded Securities**

Some of the markets in which the Fund may invest are emerging markets, and consequently tend to be substantially smaller, less liquid, less regulated and more volatile than major securities markets, such as those in more developed economies. The limited liquidity of securities in some emerging countries could also affect the Fund's ability to acquire or dispose of securities at the price and at the time it wishes to do so.

### **Emerging Markets**

The Fund will invest in assets in an emerging market. Investing in an emerging market involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for U.S. Dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of Shareholders.

### **Geopolitical Events**

Uncertainties arising from war, the continued threat of terrorism, the ongoing military and other actions and heightened security measures in response to these threats, international tensions between the United States and other nations, and the outbreak of infectious diseases throughout the world may cause disruptions to commerce, reduced economic activity, and continued volatility in markets throughout the world. Some of the assets in the Fund's portfolio may be adversely affected by declines in the securities markets and economic activity because of these factors. The Manager cannot predict at this time the extent and timing of any decreased commercial and economic activity resulting from the above factors, or how any such decrease might affect the value of securities and other assets held by the Fund. The aforementioned factors could also result in incidents or circumstances that would disrupt the normal operations of the Manager, the Administrator, the

Custodian, any of the broker-dealers, Underlying Funds or their respective managers, which could also have negative effects on the investment performance of the Fund.

### **Political & Economic Risks**

The Net Asset Value of the Fund may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, imposition of confiscatory taxation and or withholding taxes on interest payments, changes in interest rates and other political and economic developments in law or regulations and, in particular, the risk of, and change in, legislation relating to the level of foreign ownership, including nationalisation and expropriation of assets.

### **Regulatory Change**

The regulation of the U.S. and non-U.S. securities markets and of investment funds such as the Fund has undergone substantial change in recent years, and such change is expected to continue for the foreseeable future.

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental as well as self-regulatory scrutiny of the "hedge fund" industry in general. Legislation imposing greater regulation of the "alternative investment" industry is periodically proposed in various countries, and it is impossible to predict what, if any, changes in regulation applicable to the Fund, the Manager, the markets in which they trade and invest or the counterparties with which they do business may be instituted in the future. Any such regulation, such as the imposition of onerous exchange trading limits, could have a material adverse impact on the Manager's ability to implement its investment strategies and the profit potential of the Fund, as well as require increased transparency as to the identity of the Shareholders.

### **AIFM Directive**

The European Council and the European Parliament have approved the Alternative Investment Fund Managers Directive 2011/61/EU (the "**AIFM Directive**") published by the European Commission on alternative investment fund managers ("**AIFMs**"). The AIFM Directive will be supplemented with further rules and is required to be transposed into the laws of the European Union (the "**EU**") Member States. The overarching purpose of the AIFM Directive is to (a) regulate AIFMs based in the EU and (b) prohibit AIFMs from either (i) managing any alternative investment fund ("**AIF**") in the EU or (ii) marketing shares in AIFs to investors in the EU unless authorised and, in the case of an AIF domiciled outside of the EU (such as the Fund), unless the domicile of the AIF meets certain conditions. To obtain authorisation and to manage an AIF in the EU, an AIFM (such as the Manager) would need to comply with various obligations in relation to the AIF which may create significant additional compliance costs that may be passed to investors in the relevant AIF.

The Manager, marketing a non-EU AIF (the Fund) to persons within the EU, will be required to, *inter alia*: (i) confirm that MAS and CIMA have each entered into a cooperation agreement or memorandum of understanding with the regulator of each EU country into which the Fund is to be marketed; (ii) confirm that the Cayman Islands is not listed as a non-cooperative country for the purposes of the Financial Action Task Force; and (iii) provide certain additional regulatory and/or financial information to investors in the EU and regulators of such EU Member States.



The Fund, as a non-EU AIF managed by a non-EU AIFM (the Manager), may only be marketed to investors in the EU in accordance with applicable national private placement rules. Each EU Member State retains the discretion over its national private placement rules and retains the authority to enact new rules that may require an AIF to become registered with a local regulator before securities can be offered in that EU Member State and/or restrict or limit the ability for interests in any non-EU AIF (such as the Fund) from being marketed in such EU Member State. "Reverse solicitation", where an EU investor approaches a non-EU AIFM regarding shares in a non-EU AIF, is outside the scope of the AIFM Directive and remains permissible in most EU Member States at present.

Hence, it is not possible to determine at present the full impact that the AIFM Directive will have on the Fund or the Manager. The Fund or the Manager may be required to implement steps to comply with Member State national rules to implement the AIFM Directive where the Fund is to be marketed. Compliance measures may be significant or may require amendments to the structure of the Fund (eg redomiciling to another jurisdiction). Regulatory changes impairing the ability of the Manager to manage investments of the Fund, or limiting the Fund's ability to market Participating Shares in the future due to the implementation of the AIFM Directive, may have a material adverse effect on the Fund's ability to carry out its investment approach and in turn to achieve its investment objective.

### **Repatriation of Capital, Dividends, Interest and Other Income Risks**

It may not be possible for the Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government consent to do so. The Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions which may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

### **Currency Fluctuation**

The Fund may invest in securities issued by Underlying Funds which are denominated in currencies other than the U.S.\$. A change in value of any such currency against the U.S.\$ will cause a corresponding change in the value of the Fund's securities that are denominated in such currency. Those changes may also affect the Fund's income and profitability. Certain countries maintain their currencies at artificial levels relative to the U.S.\$. This type of system can lead to sudden and large adjustments in such currency, which can result in losses to investors. The Fund may enter into currency hedging transactions to attempt to reduce its currency exposure in certain countries. These techniques may reduce but will not eliminate the risk of loss due to unfavorable currency fluctuations and they tend to limit any potential gain that might result from favorable currency fluctuations. Some countries restrict conversion of their currency into other currencies, including the U.S.\$, and for some currencies, there is no significant foreign exchange market.

### **Counterparty Risk**

The Fund will transact most of its investments through financial institutions including but not limited to brokers, dealers and banks. All transactions will carry counterparty risks until the transactions have settled. All deposits of securities or cash with a custodian, bank or financial institution will carry counterparty risk. Upon default by a counterparty the Fund may be forced to unwind certain

transactions and the Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Fund's assets.

### **Default of Broker or Custodian**

Certain brokerages and banks will have custody of the Fund's assets. Bankruptcy or fraud at any of these institutions may impair the operational capabilities or the capital position of the Fund. A custodian appointed by the Fund (if any) may not be required to segregate the Fund's assets deposited with it, in which case the Fund's assets may be subject to the claims of such custodian's general creditors if such custodian becomes insolvent.

### **Reliance on Manager**

Shareholders have no right to participate in the management of the Fund or to make any decisions with respect to the investments to be made by the Fund. Consequently, they must rely on the Manager with respect to the management and investment decisions of the Fund. In the event that UOB Asia Investment Partners Pte. Ltd. cannot continue as Manager, which might occur, for example, upon bankruptcy or dissolution, the Fund may have to be dissolved. Further, in the event that the key investment officers of the Manager cease to provide their investment expertise to the Manager, the quality of the investment management services provided to the Fund may be adversely affected. In such cases, it might not be possible to realise the full value of the Fund's investments.

### **Shareholders Will Not Participate in Management**

A Shareholder has no right to participate in the management of the Fund or in the conduct of its business. There exists broad discretion to expand, revise, or contract the Fund's business without the consent of the Shareholders. Any decision to engage in a new activity could result in the exposure of the Fund's capital to additional risks which may be substantial.

### **Conflicts of Interest**

The Directors, the Administrator, the Administrator's Delegate, the Custodian and the Manager may from time to time act as directors, managers, prime brokers, administrators or custodians in relation to or otherwise be involved in other companies established by parties other than the Manager that have similar objectives to those of the Fund. In such event should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly.

The managers of Underlying Funds will generally be subject to the same conflicts of interest as those outlined above.

The Manager or its connected persons may also acquire Participating Shares. Please see the section entitled "Conflicts of Interests" in this Memorandum for further details.

The Manager may also have a conflict of interest when allocating and/or recommending investment opportunities between the Fund and other clients. However, when making investments where a conflict of interest may arise, the Manager will endeavour to act in a fair and equitable manner as between the Fund and other clients.

## **Performance Fee**

The payment to the Manager of the Performance Fee described in the section entitled "Performance Fee" in this Memorandum may create an incentive for the Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if the Performance Fee were based solely on a flat percentage of assets under management.

## **Liquidity and Realisation of Investment**

An investment in the Fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investments. There is no secondary market for the Participating Shares and an investment in the Fund is a relatively illiquid investment. As the redemption of the Participating Shares is subject to the restrictions set out in the section entitled "Redemptions", an investor in the Fund may not be able to dispose of or realise his, her or its investment in the Fund at the time of his, her or its choosing. Participating Shares are not transferable save with the approval of the Board.

No partial redemptions will be permitted if, immediately thereafter the value of a redeeming Shareholder's holding would be less than U.S.\$200,000 (or such other amount prescribed by the Board from time to time either generally or in any particular case as the minimum value of Participating Shares that may be held). Participating Shares may not be redeemed when the calculation of the Net Asset Value is suspended. Redemptions may be limited in certain situations, including if redemption requests are received for any Dealing Day for Redemptions aggregating more than twenty per cent (20.0%) (or such other percentage as the Board may determine) of the number of all the Participating Shares of a relevant Class in issue or of all the Participating Shares in issue.

Further, the Board does not presently intend to pay dividends or other distributions to Shareholders and the only avenues for the realisation of an investment in the Fund are through a redemption of Participating Shares or pursuant to a liquidation of the Fund.

The Fund is not required to maintain sufficient cash holdings at all times to meet redemption requests from time to time. In the event that the Fund does not have sufficient cash to meet all redemption requests at a particular time or the size of a redemption is substantial enough to have a significant impact on the Net Asset Value of the Fund, the Fund may have to liquidate assets at an inopportune time to fund redemptions and the Fund may not be able to realise the full value of such investments pursuant to such liquidation.

Where the Fund maintains cash holdings to meet redemption requests, the Fund will not be fully invested in the markets. Investors in the Fund may therefore not be able to realise the full potential of their investments as the returns of the Fund will not correlate to the expected gains had the Fund been fully invested at the relevant time.

## **Suspension of Redemptions**

The redemption of Participating Shares by Shareholders may be suspended by the Directors at any time in the event that certain circumstances, such as the restriction or suspension of dealings on any exchange, arise. For further details, please see the section entitled "Suspension of the Issue and Redemption of Participating Shares".

In such event, the Directors may instruct the Administrator to cease accepting any redemption requests and may, at their discretion, cancel any redemption requests received prior to such suspension being imposed, and Shareholders may be required to re-submit their redemption requests upon the lifting of the suspension.

### **Compulsory Redemption of a Shareholder's Participating Shares**

The Board may, in its sole discretion, compulsorily redeem some or all of a Shareholder's Participating Shares for any reason or no reason whatsoever, at any time upon prior notice. Redemptions will be made at the relevant Redemption Price, calculated for the relevant Dealing Day for Redemptions in the manner described in the section entitled "Subscription and Redemption Prices of Participating Shares". Payment will be made in accordance with the procedure applicable to Participating Shares that are redeemed at the request of the Shareholder. Such redemption shall be effective on the date specified in such notice to the Shareholder.

In particular, but without limiting the generality of the foregoing, the Board may redeem a Shareholder's Participating Shares if it, in its sole discretion, determines that the continued participation of such Shareholder in the Fund may result in the Fund, the Manager, or the Shareholders as a whole incurring any legal, tax, regulatory, pecuniary or material administrative disadvantage.

In addition, the Board has the right to redeem or cause to be redeemed a Shareholder's Participating Shares at the end of a Performance Period in order to pay a Performance Fee to the Manager. Please refer to the section entitled "Performance Fee" for further information.

The Directors may also compulsorily redeem part or all of a Shareholder's Participating Shares if the Shareholder fails to provide such information as the Fund may require for the Fund's compliance with FATCA (as defined below).

The Board may compulsorily redeem the Participating Shares held by a Shareholder who fails or refuses to furnish all Verification Documents on a timely basis.

Such redemptions may occur at Net Asset Value(s) that are not optimal for an investor, relative to the Net Asset Value(s) at which an investor subscribes into the Fund.

### **In-kind Distributions**

Certain investments in the Fund's portfolio may become illiquid. Although the Directors expect to distribute only cash to the Shareholders in satisfaction of redemptions, there can be no assurance that the Directors will meet this objective. In addition, if significant redemptions are requested, the Manager may be unable to liquidate Fund investments at the time such redemptions are requested or may be able to do so only at prices that the Manager believes do not reflect the true value of such investments and which would adversely affect the Shareholders.

For the purpose of determining the value to be ascribed to any assets of the Fund used for an in-kind redemption, the value ascribed to such assets shall be the value of such assets on the relevant Dealing Day for Redemptions. The risk of a decline in the value of such assets in the period from the relevant Dealing Day for Redemptions to the date upon which such assets are distributed to the redeeming

Shareholder, and the risk of any loss or delay in liquidating such securities, will be borne by the redeeming Shareholder.

### **Limitation of Liability**

The Auditors may severely limit their liability under the terms of their engagement, which will limit the Fund's rights of possible recourse against the Auditors.

### **Possible Indemnification Obligations**

The Fund is generally obliged to indemnify the Administrator, the Custodian, the Manager and possibly other parties under the various agreements entered into with such persons against any liability they or their respective affiliates may incur in connection with their relationship with the Fund.

### **Possible Adverse Tax Consequences**

No assurance may be given that the manner in which the Fund will be managed and operated, or that the composition of its direct and indirect portfolio investments, will be tax efficient for any particular Shareholder or group of Shareholders. The Fund does not intend to provide its Shareholders with information regarding the percentage ownership of its Participating Shares held by residents of any country. The Fund's books and records might be audited by the tax authorities of countries where the Fund's portfolio is managed, or where a portion of its direct and indirect portfolio investments are made, or where a particular Shareholder or group of Shareholders reside. Any such audits could subject the Fund to tax, interest and penalties, as well as incremental accounting and legal expenses. Should the Fund be required to incur additional taxes or expenses as a result of the subscriptions made by any Shareholder, or become subject to any record keeping or reporting obligations as a result of permitting any person to remain or be admitted as a Shareholder of the Fund, the Fund will seek reimbursement of the costs of such taxes, expenses or obligations from such person.

### **FATCA**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (referred to as "FATCA") generally will impose a withholding tax of 30% on certain gross amounts not effectively connected with a U.S. trade or business paid to certain "foreign financial institutions" and certain other "non-financial foreign entities" such as the Fund, unless various information reporting requirements are satisfied. Amounts subject to withholding under these rules generally include gross U.S.-source dividend and interest income paid on or after 1 July 2014, gross proceeds from the sale of property that produces U.S.-source dividend or interest income paid on or after 1 January 2017 and certain other payments made by "participating foreign financial institutions" ("PFFI") to "recalcitrant and non-PFFI account holders" on or after 1 January 2017 (so called "foreign pass thru payments").

To prevent the Fund from being subject to withholding under FATCA or the obligations pursuant to any intergovernmental agreement entered into by the Cayman Islands government to introduce similar regimes for withholding and reporting to fiscal authorities, the Fund may be required to comply with certain information reporting and disclosure requirements which may include, amongst other things, requesting additional information from its Shareholders that may be disclosed to the United States Internal Revenue Service (the "IRS") or other fiscal authorities. Alternatively, the Fund may be required to disclose information and meet other requirements imposed by the Cayman Islands' Tax

Information Authority under the terms of an intergovernmental agreement (an "**IGA**"). On 29 November 2013, the Cayman Islands government entered into a Model 1(B) IGA with the United States (the "**Cayman IGA**") in connection with the implementation of FATCA. The Cayman IGA is intended to result in the automatic exchange of tax information under FATCA. The two governments also signed a new Tax Information Exchange Agreement which outlines the legal channels through which tax information will automatically be exchanged.

On 4 July 2014, the Cayman Islands government issued The Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014 (the "**US FATCA Regulations**") to accompany The Tax Information Authority Law (2014 Revision) (the "**TIA Law**"). The US FATCA Regulations implement the provisions of the Cayman IGA. The US FATCA Regulations provide for the identification of and reporting on certain direct and indirect United States investors, and impact the Fund and its investors.

Investors in the Fund may be required to provide additional identifying information to the Fund in order for the Fund to correctly classify the investor for the purposes of FATCA, and should note that in the event an investor does not supply such information on request, such investor may be classified as a 'U.S. Reportable Account' and information pertaining to such investor (and its holding in the Fund) may be passed to the Cayman Islands Tax Information Authority (the "**TIA**"), who may then provide it to the IRS. Each investor should also note that any information provided to the Fund which identifies its direct or indirect ownership of an interest in the Fund may be reported to the TIA and/or the IRS.

The Fund cannot guarantee that it will be able to satisfy the requirements imposed by FATCA or the Cayman IGA. If the Fund is not able to comply with such reporting and disclosure requirements (whether due to a failure of one or more Shareholders to provide adequate information to the Fund or otherwise), the 30% U.S. withholding tax under FATCA could apply to the Fund.

Each Shareholder acknowledges that the Fund may take such action as it considers necessary in accordance with applicable law in relation to such Shareholder's holding to ensure that any withholding tax borne by the Fund, and any related costs, interest, penalties and other losses and liabilities suffered by the Fund, the Administrator or any other Shareholder, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Shareholder's failure to provide information to the Fund, is economically borne by such Shareholder.

In addition, certain Shareholders may also be required to enter into an agreement with the U.S. Treasury and disclose certain information regarding their beneficial owners to the IRS (unless such Shareholders establish that an exemption applies or are required to comply with FATCA under an applicable IGA). If a Shareholder fails to provide such information to the Fund even though it has entered into such an agreement with the U.S. Treasury as required under FATCA, or comply with FATCA under an applicable IGA, the Fund may be required to impose a withholding tax of 30% on certain payments made to such Shareholder. Further, such Shareholder may be subject to the compulsory redemption of some or all of its Participating Shares. Prospective investors are encouraged to consult their own advisers regarding the possible application of FATCA to the Fund and themselves and its impact on their investment in the Fund.

## **Global Taxes at the Shareholder Level**

Shareholders may be subject to taxes as a result of their investment in the Fund. However, given the jurisdictions in which the Manager may make investments and the various ways these investments may be structured, it is not practical to provide specific disclosure of all tax consequences that might result from an investment in the Fund. While the Manager will attempt to avoid Shareholder level filing obligations with respect to investments, no assurance can be given that the Fund's acquisition or ownership of investments will not require a Shareholder to (i) file tax returns in jurisdictions that the Shareholder might not otherwise have been required to file in the absence of such acquisition or ownership, or (ii) pay (or be liable for) taxes in such jurisdictions.

Shareholders may be entitled in their fiscal residence (for tax purposes) to claim a tax credit for (or alternatively, take a deduction for) any income taxes that are imposed on the Shareholders by other jurisdictions. However, the availability of such tax credits (or deductions) may be limited, and the imposition of taxes on tax exempt Shareholders may adversely affect the after tax returns of those tax exempt Shareholders.

Potential investors should consult their own tax advisers regarding the potential tax consequences of an investment in the Fund.

## **Tax Audits**

The Fund may be audited by tax authorities. An income tax audit may result in an increased tax liability of the Fund, which could reduce the Net Asset Value of the Fund and affect the return of all Shareholders.

## **The Markets are Subject to Market Disruption and Related Governmental and Regulatory Intervention**

The global financial markets experienced pervasive and fundamental disruptions which had led to extensive and unprecedented governmental intervention, including regulators unexpectedly taking positions that resulted in entire strategies being prohibited. Such intervention was in certain cases implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. These interventions had typically been unclear in scope and application, resulting in confusion and uncertainty which in itself had been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Fund may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Fund from its banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Fund. Market disruptions may from time to time cause dramatic losses for the Fund, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

In response to the financial crisis, the Obama Administration and the U.S. Congress proposed sweeping reform of the U.S. financial regulatory system. After over a year of debate, the Reform Act

became law in July 2010. The Reform Act seeks to regulate markets, market participants and financial instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and financial instruments. Because many provisions of the Reform Act require rulemaking by the applicable regulators before becoming fully effective and the Reform Act mandates multiple agency reports and studies (which could result in additional legislative or regulatory action), it is difficult to predict the impact of the Reform Act on the Fund, the Manager, and the markets in which they trade and invest. The Reform Act could result in certain investment strategies in which the Fund engages or may have otherwise engaged becoming non-viable or non-economic to implement. The Reform Act and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profit potential of the Fund.

### **Possibility of Additional Government or Market Regulation**

There have recently been certain well-publicized incidents of regulators unexpectedly announcing regulatory changes or interpretations that prohibited strategies that had been implemented in a variety of formats for many years. For instance, in September 2008 the SEC and various non-U.S. regulatory bodies imposed temporary bans on short-selling in a variety of stocks, and adopted permanent regulations that may have the effect of making short-selling more difficult or costly. These actions were generally regarded as disrupting market fundamentals and causing unexpected and volatile increases in the stock prices of a variety of issuers, as short sellers closed out their positions by buying securities. Market disruptions like those experienced in the credit-driven equity market collapse in 2008 as well as the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental as well as self-regulatory scrutiny of the hedge fund industry in general.

It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Manager's strategies.

### **Suitability Standards**

Because of the risks involved, investment in the Fund is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Fund, who understand the degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs and have no need for liquidity of investment. Investors are therefore advised to seek independent professional advice on the implications of investing in the Fund. In addition, as the Fund's investment programme develops and changes over time, an investment in the Fund may be subject to additional and different risk factors.

### **Side Letters**

The Fund and/or the Manager may from time to time enter into letter agreements or other similar agreements (collectively, "**Side Letters**") with one or more Shareholders which provide such Shareholders with additional and/or different rights (including, without limitation, with respect to access to information, management fees and incentive or performance fees and minimum investment amounts, and liquidity terms) than such Shareholders have pursuant to this Memorandum. As a result of such Side Letters, new Classes of Participating Shares may be established by the Directors without the approval of the existing Shareholders and certain Shareholders may receive additional benefits (including, but not limited to, reduced fee obligations and/or expanded informational rights) which other Shareholders will not receive. For example, a Side Letter may permit a Shareholder to redeem



Participating Shares on less notice and/or at different times than other Shareholders. As a result, should the Fund experience a decline in performance over a period of time, a Shareholder who is party to a Side Letter that permits less notice and/or different redemption times may be able to redeem Participating Shares prior to other Shareholders. The Directors will not be required to notify any or all of the other Shareholders of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Directors be required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders. The Directors may enter into such Side Letters with any party as the Directors may determine in their sole and absolute discretion at any time. The other Shareholders will have no recourse against the Fund, the Manager and/or any of their affiliates in the event that certain Shareholders receive additional and/or different rights and/or terms as a result of such Side Letters.

#### **Class of Participating Shares is not a Separate Legal Entity**

As among the Shareholders, the appreciation and depreciation of assets attributable to a Class will only be allocated to such Class. Similarly, expenses attributable solely to a particular Class will be allocated solely to that Class. However, a creditor of the Fund will generally not be bound to satisfy its claim from a particular Class. Rather, such a creditor may seek to satisfy its claim from the assets of the Fund as a whole. If the losses attributable to a Class exceed its value, then such losses could negatively impact the value of other Classes. At the date of this Memorandum, the Directors are not aware of any existing or contingent liabilities.

#### **No Independent Representation**

Rajah & Tann Singapore LLP ("**Rajah & Tann**") acts as Singapore legal counsel to the Fund as to certain Singapore regulatory matters in connection with the offering of the Participating Shares, Walkers (Singapore) Limited Liability Partnership ("**Walkers**") acts as Cayman Islands legal counsel to the Fund as to certain Cayman Islands regulatory matters in connection with the offering of the Participating Shares. Sidley Austin (as defined above) acted as United States legal counsel to the Manager as to the review and update of this Memorandum with respect to "new issues" only. Sidley Austin may continue to serve in such capacity in the future, but has not assumed any obligation to update this Memorandum. Sidley Austin may advise the Manager and its affiliates in matters relating to the operation of the Fund on an ongoing basis. The Subscriber understands that Rajah & Tann's, Walkers' and Sidley Austin's representation is limited to only those specific matters in respect of which they have been consulted, and there may exist other matters which may have a bearing on the Fund or the Manager (as the case may be) in respect of which Rajah & Tann, Walkers or Sidley Austin has not been consulted and for which Rajah & Tann, Walkers and Sidley Austin expressly disclaim any responsibility. None of Rajah & Tann, Walkers or Sidley Austin has undertaken to monitor compliance of the Fund, the Directors or the Manager and its affiliates (as the case may be) with the investment programme, valuation procedures, other terms and conditions of the Fund set forth in this Memorandum, nor does Rajah & Tann, Walkers or Sidley Austin monitor compliance with applicable laws. In addition, in updating this Memorandum, Rajah & Tann, Walkers and Sidley Austin relied upon information and material furnished to them by the Fund or the Manager (as the case may be) and did not investigate or verify the accuracy and completeness of any of the information set out in this Memorandum relating to the Fund, the Manager, the Fund's service providers and their affiliates, shareholders, representatives and/or personnel. The Subscriber further understands and acknowledges that, in the course of the organisation of the Fund, the negotiation of its business terms, the offering of the Participating Shares and ongoing operations of the Fund, Rajah & Tann, Walkers and Sidley Austin do not represent, and has not represented, the Shareholders or the

Subscriber, and no independent counsel has been retained to represent Shareholders or prospective investors in the Fund. Prospective investors must recognise that, as they have had no representation in the organisation process, the terms of the Fund relating to themselves and the Participating Shares have not been negotiated at arm's length.

### **Master-Feeder Fund Structure**

The Fund may possibly invest, either alone or together with certain other entities, all of its assets, through a master-feeder fund structure, in the Master Fund or its subsidiaries located in such jurisdictions as the Master Fund deems appropriate. A "master-feeder" fund structure, in particular where there are multiple investment vehicles investing in the same portfolio (in this case, the Master Fund), presents certain unique risks to investors. Smaller investment vehicles investing in the Master Fund may be materially affected by the actions of larger investment vehicles investing in the Master Fund. For example, if a larger investment vehicle withdraws from the Master Fund, the remaining funds may experience higher *pro rata* operating expenses, thereby producing lower returns. Substantial withdrawals of capital by investors in the Master Fund, including the Fund and other feeder funds over a short period of time could necessitate the liquidation of securities positions at a time and in a manner which does not provide the most economic advantage to the Master Fund and which therefore could adversely affect the value of the Master Fund's assets.

### **Cross Class Liabilities**

Although the Constitution requires the establishment of separate investment accounts for each Class of Participating Shares and the attribution of assets and liabilities to the relevant investment account, if the liabilities of a Class of Participating Shares exceed its assets, creditors of the Fund may have recourse to the assets attributable to the other Classes of Participating Shares. As at the date of this Memorandum, the Directors are not aware of any such existing or contingent liability.

### **Amendment to Memorandum**

This Memorandum may be amended, supplemented or otherwise modified at any time as determined by the Directors in their discretion for the purpose of:

- (a) clarifying any inaccuracy or ambiguity or reconciling any inconsistency in its provisions, or as between the provisions of this Memorandum and the provisions of the Constitution, or with respect to matters or questions arising under this Memorandum which are not inconsistent with the provisions of the Constitution or this Memorandum;
- (b) complying with any law, rule or regulation applicable to the Fund or any of its service providers;
- (c) reflecting a change of location of the principal place of business of the Fund or any of its service providers;
- (d) reflecting and describing an amendment or supplement to, or other modification of, the terms of any agreement entered into by the Fund and described herein, or reflecting and describing the terms of any agreement entered into by the Fund following the date of this Memorandum;

- (e) changing this Memorandum in any manner that does not, in the opinion of the Directors, adversely affect the Shareholders in any material respect or that is required or contemplated by the provisions of the Constitution or by any provisions of this Memorandum; or
- (f) making any other amendment, supplement or other modification similar to the foregoing that the Directors determine to be in the best interests of the Fund provided always that such amendment, supplement or other modification does not conflict with the terms of the Constitution.

By subscribing for Participating Shares, Shareholders accept that:

- (a) the terms of this Memorandum may be amended, supplemented or otherwise modified by the Directors in accordance with the foregoing criteria without any advance notification to, or consent of, the Shareholders; and
- (b) any amendments or supplements to, or other modifications of, this Memorandum effected by the Directors in accordance with the foregoing criteria shall be announced to the Shareholders following the adoption thereof.

**Some of the foregoing risk factors relate generally to the markets in which the Fund may operate in and the instruments that the Fund may invest in. Other risk considerations relate principally to general economic, political and regulatory conditions. The list of risk factors set out in this Part IV does not purport to be an accurate reflection of the actual risks that the Fund will face or a complete enumeration or explanation of the risks involved in an investment in the Fund. Prospective investors are urged to consult their advisers before deciding to invest in the Fund.**

## PART V

### TAXATION

The following summary of the principal Cayman Islands and Singapore income tax consequences applicable to the Fund are based upon the proposed conduct of the activities to be carried out by the Fund as described in this Memorandum. The following summary does not constitute tax or legal advice. The comments herein are based upon the current Cayman Islands and Singapore income tax laws and the related practice and interpretation of such laws, which are subject to change at any time, possibly on a retroactive basis. Any such changes could adversely affect the comments herein. In addition, the comments herein are not binding on tax authorities in any jurisdiction and there can be no assurance that these authorities will not take a position contrary to any of the comments herein. It is emphasised that neither the Fund, the Manager nor any other persons involved in this Memorandum accept responsibility for any tax effects or liabilities resulting from the purchase, ownership or disposition of Participating Shares.

**Income and gains from investments held by the Fund may be subject to withholding taxes or other taxes in jurisdictions other than those described below, subject to the possibility of reduction under applicable tax treaties.**

Prospective investors should consult their professional advisers on the potential tax consequences of subscribing for, purchasing, holding, selling or redeeming Participating Shares under the laws of their country of citizenship, domicile or residence.

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#### **Certain Cayman Islands Tax Considerations**

It is the responsibility of all persons interested in purchasing Participating Shares to inform themselves as to any tax consequences from their investing in the Fund and the Fund's operations or management, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Participating Shares. Investors should therefore seek their own separate tax advice in relation to their holding of Participating Shares and accordingly neither the Fund, the Manager nor the Administrator accept any responsibility for the taxation consequences of any investment into the Fund by an investor.

There is, at present, no direct taxation in the Cayman Islands and interest, dividends and gains payable to the Fund will be received free of all Cayman Islands taxes. The Fund is registered as an "exempted company" pursuant to the Companies Law. The Fund has applied for, and has received on 16 January 2007, an undertaking from the Governor in Cabinet of the Cayman Islands to the effect that, for a period of twenty (20) years from such date, no law that thereafter is enacted in the Cayman Islands imposing any tax or duty to be levied on profits, income or on gains or appreciation, or any tax in the nature of estate duty or inheritance tax, will apply to any property comprised in or any income arising under the Fund, or to the Shareholders thereof, in respect of any such property or income.

## **Taxation in Singapore**

**THE DISCUSSION BELOW IS A SUMMARY OF CERTAIN TAX CONSEQUENCES IN SINGAPORE. THE SUMMARY IS BASED ON THE EXISTING PROVISIONS OF THE RELEVANT TAX LAWS AND THE REGULATIONS THEREUNDER, THE CIRCULAR DATED 30 APRIL 2009 ISSUED BY THE MAS WHICH SETS OUT DETAILS FOR AN ENHANCED TAX INCENTIVE SCHEME FOR FUND MANAGEMENT (THE "ENHANCED-TIER FUND TAX INCENTIVE SCHEME") AND PRACTICES IN EFFECT AS OF THE DATE HEREOF, ALL OF WHICH ARE SUBJECT TO CHANGE AND DIFFERING INTERPRETATIONS, EITHER ON A PROSPECTIVE OR RETROACTIVE BASIS. THE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL THE TAX CONSIDERATIONS RELATING TO THE STRUCTURE PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS.**

### **Income Tax**

Singapore income tax is imposed on income accruing in or derived from Singapore and on foreign-sourced income received or deemed to have been received in Singapore, subject to certain exceptions.

### **Gains on disposal of investments**

Singapore does not impose tax on capital gains. However, gains from the disposal of investments may be construed to be of an income nature and subject to Singapore income tax. Generally, gains on disposal of investments are considered income in nature if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore.

As the investments and divestment of assets of the Fund are managed by the Manager, the Fund may be construed to be carrying on activities of a trade or business in Singapore. Accordingly, the income derived by the Fund may be considered income accruing in or derived from Singapore and subject to Singapore income tax unless the income is exempted from tax under a tax incentive scheme such as the Enhanced-Tier Fund Tax Incentive Scheme. The Fund has sought and obtained approval from the MAS to be regarded as an "approved person" under the Enhanced-Tier Fund Tax Incentive Scheme, and the Manager will endeavour to conduct the affairs of the Fund such that it will continue to qualify for the Enhanced-Tier Fund Tax Incentive Scheme. There is, however, no assurance that the Manager will be able on an ongoing basis to ensure that the Fund will always meet all the qualifying conditions for the Enhanced-Tier Fund Tax Incentive Scheme. Upon such disqualification, the Manager may, in its absolute discretion, determine the appropriate course of action, including winding up the Fund.

### **Enhanced-Tier Fund Tax Incentive Scheme**

Under the Enhanced-Tier Fund Tax Incentive Scheme, "specified income" derived by an "approved person"<sup>1</sup> from funds managed in Singapore by any prescribed fund manager<sup>2</sup> in respect of "designated

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<sup>1</sup> An "approved person" means any approved company, any partner of an approved limited partnership or any trustee of an approved trust fund, and "approved" means approved by the Minister for Finance or such person as he may appoint.

<sup>2</sup> A "fund manager" for the purpose of this Enhanced-Tier Fund Tax Incentive Scheme means a company holding a capital markets services license under the Securities and Futures Act (Cap. 289) (SFA) for fund management or one that is

investments" is exempt from Singapore income tax provided that the following conditions are satisfied:

- (a) it is a company, trust (other than a trust that is an approved pension or approved provident fund, an approved CPF unit trust or designated unit trust, or a real estate investment trust) or limited partnership;
- (b) it has a minimum fund size<sup>3</sup> of S\$50 million;
- (c) it is managed or advised directly throughout each basis period relating to any year of assessment by a fund management company ("**FMC**") in Singapore, where the FMC:
  - (i) must hold a capital markets services license for the regulated activity of fund management under the SFA or is exempt from the requirement to hold such a license under the same Act, or as otherwise approved by the Minister or such other persons as he may appoint; and
  - (ii) must employ at least 3 investment professionals<sup>4</sup>;
- (d) it will incur at least S\$200,000 business spending<sup>5</sup> in Singapore in each basis period relating to any year of assessment;
- (e) it uses a Singapore-based fund administrator if the Fund is a Singapore incorporated and resident company;
- (f) it must not change its investment objective and/or strategy after being approved for this scheme;
- (g) it does not concurrently enjoy other tax incentive schemes;
- (h) it has never enjoyed the approved pension or approved provident fund status under section 5 of the Income Tax Act (Cap. 134) of Singapore ("**ITA**"); and
- (i) it commits to provide the MAS with such other information as the MAS may reasonably require.

The condition in paragraph (b) above is only required to be complied with at the point of application. The other conditions will have to be fulfilled by the Fund throughout the life of the Fund. In the event that the Fund fails to satisfy the specified conditions for any basis period, the Fund will not enjoy the tax exemption available under the Enhanced-Tier Fund Tax Incentive Scheme for that basis period concerned. The Fund can however enjoy tax exemption in any subsequent period during the life of the Fund, if it is able to satisfy the specified conditions in that subsequent period.

The following is the list of "designated investments" on or after 17th February 2012:

- (a) stocks and shares of any company, other than an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than the business of property development);
- (b) debt securities (which means bonds, notes, commercial papers, treasury bills and certificates of deposits), other than non-qualifying debt securities<sup>6</sup> issued by an unlisted company that is

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exempt under the SFA from holding such a license. The Investment Adviser operates as a fund manager exempt from holding such a license.

<sup>3</sup> Where private equity funds are concerned, this will refer to committed capital.

<sup>4</sup> "Investment professionals" refer to persons who are earning more than S\$3,500 per month and must be engaging substantially in the qualifying activity.

<sup>5</sup> According to accounting principles and includes but is not limited to, the following expenses paid to Singapore entities: remuneration, management fees and other operating costs.

<sup>6</sup> "Non-qualifying debt securities" will refer to debt securities that are not enjoying the 'Qualifying Debt Securities' tax status

- in the business of trading or holding of Singapore immovable properties (other than the business of property development)<sup>7</sup>;
- (c) All other securities<sup>8</sup> (not already covered under other subparagraphs in this list of designated investments<sup>9</sup>):
    - (i) issued by foreign governments in foreign currency;
    - (ii) listed on any Exchange;
    - (iii) issued by supranational bodies; or
    - (iv) issued by any company, other than those issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than the business of property development);
  - (d) futures contracts held in any futures exchanges;
  - (e) any immovable property situated outside Singapore;
  - (f) deposits in Singapore with any approved bank as defined in Section 13(16) of the ITA;
  - (g) foreign currency deposits with financial institutions outside Singapore;
  - (h) foreign exchange transactions;
  - (i) interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and any financial derivative<sup>10</sup> relating to any designated investment or financial index, with:
    - (i) a financial sector incentive company which is:
      - (A) a bank licensed under the Banking Act (Cap. 19) of Singapore;
      - (B) a merchant bank approved under Section 28 of the Monetary Authority of Singapore Act (Cap. 186) of Singapore; or
      - (C) a holder of a capital markets services license under the Securities and Futures Act (Cap. 289) of Singapore to deal in securities or a company exempted under that Act from holding such a license;
    - (ii) a person who is neither resident in Singapore nor a permanent establishment in Singapore; or
    - (iii) a branch office outside Singapore of a company resident in Singapore;
  - (j) units in any unit trust which invests wholly in designated investments;
  - (k) loans that are:-
    - (i) granted by the prescribed person<sup>11</sup> to any company incorporated outside Singapore which is neither resident in Singapore nor a permanent establishment in Singapore, where no interest, commission, fee or other payment in respect of the loan is

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as defined under section 13(16) of the ITA.

<sup>7</sup> In the MAS circular FDD Cir 03/2009, the Ministry of Finance clarified that the 'Designated Investments' list will exclude shares of private companies that are mainly in the business of trading or holding of Singapore immovable properties. Private companies that are in the business of developing properties will not be included for this exclusion. Gains from the sale or transfer of such shares derived on or after 30 April 2009 will no longer be exempt from tax. From 1 September 2012 onwards, gains derived from non-qualifying debt securities and other securities issued by such private companies that are in the business of trading or holding of Singapore immovable properties (other than those in the business of developing properties) will similarly no longer be exempt from tax.

<sup>8</sup> This includes real estate investment trusts and exchange traded funds constituted in the form of trusts.

<sup>9</sup> These include stocks and shares of companies, debt securities, derivatives, units in unit trusts and registered business trusts.

<sup>10</sup> Financial derivatives means derivatives the payoffs of which are linked, whether in whole or in part, to the payoffs or performance of any financial assets, securities, financial instruments or indices, but excludes derivatives the payoffs of which are wholly linked to the payoffs or performance of commodities.

<sup>11</sup> As per the definition of 'prescribed person' under the Income Tax (Exemption of Income of Non-Residents Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010. The reference to "prescribed person" may be modified to reference to "trustee of prescribed trust fund", "approved company" or "approved person" as the case may be.

- deductible against any income of that company accruing in or derived from Singapore;
- (ii) granted by a Section 13CA, 13R or 13X fund to any offshore trust<sup>12</sup>, where no interest, commission, fee or other payment in respect of the loan is deductible against any income of that trustee of the offshore trust accruing in or derived from Singapore; or
  - (iii) granted by a person other than the prescribed person but traded by the prescribed person;
- (l) commodity derivatives<sup>13</sup>;
  - (m) physical commodities if:
    - (i) the trading of those physical commodities by the prescribed person in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (referred to in this paragraph as related commodity derivatives) in that basis period; and
    - (ii) the trade volume of those physical commodities traded by the prescribed person in that basis period does not exceed 15% of the total trade volume of those physical commodities and related commodity derivatives traded by the prescribed person in that basis period;
  - (n) units in a registered business trust;
  - (o) emission derivatives<sup>14</sup>;
  - (p) liquidation claims;
  - (q) structured products<sup>15</sup>;
  - (r) investments in prescribed Islamic financing arrangements under Section 34B of the ITA that are commercial equivalents of any of the other designated investments under the definition of "designated investment";
  - (s) private trusts that invest wholly in designated investments;
  - (t) freight derivatives<sup>16</sup>;
  - (u) publicly-traded partnerships that do not carry on a trade, business, profession or vocation in Singapore<sup>17</sup>;
  - (v) interests in limited liability companies that do not carry on any trade, business, profession or vocation in Singapore; and
  - (w) bankers acceptances issued by financial institutions.

Any income or gains derived on or after 17 February 2012 from "designated investments" specified above will be regarded as "specified income" except for the following:

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<sup>12</sup> An offshore trust means a trust constituted outside of Singapore the trustee of which is neither a resident in Singapore nor a permanent establishment in Singapore (other than by virtue of a trustee in Singapore in its capacity as a trustee of that trust).

<sup>13</sup> Commodity derivatives means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity.

<sup>14</sup> Emission derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying emission allowances.

<sup>15</sup> As per the definition of 'structured products' under Section 13(16) of the ITA.

<sup>16</sup> Freight derivatives means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates.

<sup>17</sup> The allocation of profits from such partnerships to the fund vehicle will be considered as specified income. However, the fund vehicle would not be entitled to a refund of any taxes that was imposed on the partnership profits. This would relate to the publicly-traded partnerships' profits which are derived or deemed to be derived from Singapore, and examples of such income are payments that fall within Section 12(6) and 12(7) of the ITA.



- (a) interest and other payments that fall within the ambit of Section 12(6) of the ITA other than:
  - (i) interest derived from deposits with and certificates of deposit issued by any approved bank as defined in Section 13(16) of the ITA and from Asian Dollar Bonds approved under section 13(1)(v) of the ITA;
  - (ii) interest from qualifying debt securities;
  - (iii) discount from qualifying debt securities issued on or after 17 February 2006;
  - (iv) prepayment fee, redemption premium and break cost from qualifying debt securities issued on or after 15 February 2007;
  - (v) amounts payable from any Islamic debt securities issued on or after 22 January 2009 which are qualifying debt securities;
  - (vi) fees and compensatory payments derived from securities lending or repurchase arrangements with:
    - (I) a person who is neither a resident of nor a permanent establishment in Singapore;
    - (II) the Monetary Authority of Singapore;
    - (III) a bank licensed under the Banking Act (Cap. 19);
    - (IV) a merchant bank approved under section 28 of the Monetary Authority of Singapore Act (Cap 186);
    - (V) a finance company licensed under the Finance Companies Act (Cap 108);
    - (VI) a holder of a capital markets services license who is licensed to carry on business in the following regulated activities under the Securities and Futures Act (Cap. 289) (or a company exempted under that Act from holding such a license):
      - (A) dealing in securities (other than any person licensed under the Financial Advisers Act (Cap 110));
      - (B) fund management;
      - (C) securities financing; or
      - (D) providing custodial services for securities;
    - (VII) a collective investment scheme or closed-end fund as defined in the Securities and Futures Act that is constituted as a corporation;
    - (VIII) The Central Depository (Pte) Limited;
    - (IX) an insurer registered or regulated under the Insurance Act (cap. 142) or exempted under that Act from being registered or regulated; or
    - (X) a trust company registered under the Trust Companies Act (Cap. 336);
- (b) distributions made by a trustee of a real estate investment trust<sup>18</sup> that is listed on the Singapore Exchange;
- (c) distributions made by a trustee of a trust who is a resident of Singapore or a permanent establishment in Singapore, other than a trust that enjoys tax exemption under Sections 13C, 13G, 13O or 13X of the ITA;
- (d) income or gain derived or deemed to be derived from Singapore from a publicly-traded partnership, where tax is paid or payable in Singapore on such income of the partnership by deduction or otherwise;
- (e) income or gain derived or deemed to be derived from Singapore from a limited liability company, where tax is paid or payable in Singapore on such income of the limited liability

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<sup>18</sup> As defined in Section 43(10) of the ITA, which is a trust constituted as a collective investment scheme authorised under Section 286 of the Securities and Futures Act and listed on the Singapore Exchange, and that invests or proposes to invest in immovable property and immovable property-related assets.

- company by deduction or otherwise; and
- (f) any income or gains derived before 21 February 2014 from designated investments specified in subparagraph, k(ii), (v) and (w) in the list of designated investments.

This change will apply to income derived on or after 21 February 2014 from such investments.

Once approved for the Enhanced-Tier Fund Tax Incentive Scheme, the Fund is required to submit annual tax returns to the Comptroller of Income Tax ("**CIT**") in Singapore, as well as annual declarations to the MAS and CIT.

The Fund, the Manager and the Administrator reserve the right to request such information as any of the Fund, the Manager and the Administrator (as the case may be) in its absolute discretion may deem necessary for the purposes of the Enhanced-Tier Fund Tax Incentive Scheme.

Each investor should also note that it will be required to acknowledge in its subscription documents that the Fund and/or the Manager are authorized to make such disclosures as may be necessary for purposes of the Enhanced-Tier Fund Tax Incentive Scheme and any such disclosure will not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

Each investor should also note that it will be required to acknowledge in its subscription documents that the Fund, the Manager and/or the Administrator (or its delegate) may disclose to each other, to any other service provider to the Fund or to any regulatory body in any applicable jurisdiction copies of such investor's subscription documents and any information concerning such investor and its associates provided by the investor to the Fund, the Manager and/or the Administrator (or its delegate) and any such disclosure will not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

### **Stamp Duty**

There is no stamp duty payable in Singapore on the subscription or redemption of Participating Shares.

In the event that a register of Participating Shares is kept in Singapore and where an instrument of transfer is executed in respect of Shares registered in such register, stamp duty may be payable in Singapore on such instrument of transfer at the rate of 0.2% of the consideration or net asset value of these Shares whichever is higher.

The purchaser is liable for stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed or the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is received in Singapore.

### **EUSD Funds Disclosure Statement**

Shareholders who are individuals resident in a Member State of the European Community should be aware that any income realised upon the sale, refund or redemption of their Shares, together with any income in the form of dividends or other distributions by the Fund, may (depending upon the investment portfolio of the Fund) become subject to the reporting regime (or the withholding tax

regime) imposed by EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments, if payment of such income is made by a paying agent established either in another Member State or in certain other jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime in respect of such payments.

The provisions of the Directive apply to payments made on or after 1 July 2005. As a result of the classification by the Cayman Islands of funds such as the Fund established in its jurisdiction, it is unlikely that payments made directly by the Fund will be subject to the reporting (or withholding tax) regime. However, because these rules are complex and the precise extent of their application has not yet been confirmed by all Member States or other relevant jurisdictions which have agreed to introduce an equivalent reporting (or withholding tax) regime, application of the regime to payments emanating from the Fund cannot be excluded in all cases and shareholders who are individuals should consult their own tax advisers in relation to the purchase of the Participating Shares.

Shareholders to whom the Directive may be relevant should also be aware that the EU Commission has approved certain amendments to the Directive, and that the amendments being considered include an extension of the types of funds or other undertakings for collective investment that are within the scope of the Directive. This extension, if implemented, might mean that in the future payments made by the Fund through any such payment agent as is described above to relevant Shareholders upon the redemption of Shares, or in the form of dividends or other distributions, could become subject to the reporting (or withholding tax) regime.

### **Other Tax Jurisdictions**

The Fund may invest in securities traded and/or issued outside of the above mentioned jurisdictions. Income and investment gains from those securities may be subject to taxation at varying rates.

### **Future Changes in Applicable Law**

The foregoing description of Cayman Islands and Singapore income tax consequences of investing in the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund to income taxes or subject Shareholders to increased income taxes.

Prospective investors should consult their own tax advisers regarding tax laws and regulations of any other jurisdiction.

**PART VI**  
**GENERAL INFORMATION**

**Incorporation and Objects**

- (a) The Fund was incorporated as an exempted company with limited liability under the Companies Law on 4 December 2006 with the name Asia Alpha Fund and a filing has been made to register the Fund as a regulated mutual fund with CIMA pursuant to Section 4(3) of the Mutual Funds Law. Prior to registration, the Fund was not a "mutual fund" under the Mutual Funds Law of the Cayman Islands as the Fund had issued Participating Shares to a single investor.
- (b) The Fund has full capacity to carry on or undertake any business or activity, do any act, or enter into any transaction that is not prohibited under the laws of the Cayman Islands.
- (c) The Fund's objects, as set out in the Constitution, are unrestricted and the Fund has and is capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law.

**Cayman Islands Mutual Funds Law**

The Fund falls or will fall within the definition of a "Mutual Fund" in terms of the Mutual Funds Law and accordingly is regulated in terms of the Mutual Funds Law. However, the Fund is not required to be licensed or employ a licensed mutual fund administrator since the minimum aggregate investment purchasable by a prospective investor in the Fund is equal to or exceeds U.S.\$100,000 or its equivalent in any other currency.

As a regulated mutual fund, the Fund is or will be subject to the supervision of CIMA. The Fund must file this Memorandum and details of any changes that materially affect any information in this Memorandum with CIMA. The Fund must also file annually with CIMA accounts approved by an approved auditor, together with a return containing particulars specified by CIMA, within six (6) months of its financial year end or within such extension of that period as CIMA may allow. A prescribed fee must also be paid annually.

CIMA may, at any time, instruct the Fund to have its accounts audited and to submit them to CIMA within such time as CIMA specifies. In addition, CIMA may ask the Directors to give CIMA such information or such explanation in respect of the Fund as CIMA may reasonably require to enable it to carry out its duties under the Mutual Funds Law.

CIMA shall, whenever it considers it necessary, examine, including by way of on-site inspections or in such other manner as it may determine, the affairs or business of the Fund for the purpose of satisfying itself that the provisions of the Mutual Funds Law and applicable anti-money laundering regulations are being complied with.

The Directors must give CIMA access to or provide at any reasonable time all records relating to the Fund and CIMA may copy or take an extract of a record it is given access to. Failure to comply with

these requests by CIMA may result in substantial fines on the part of the Directors and may result in CIMA applying to the court to have the Fund wound up.

CIMA may take certain actions if it is satisfied that a regulated mutual fund:

- (a) is or is likely to become unable to meet its obligations as they fall due;
- (b) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors;
- (c) is not being managed in a fit and proper manner; or
- (d) has persons appointed as Director, manager or officer that is not a fit and proper person to hold the respective position.

The powers of CIMA include, *inter alia*, the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to CIMA including the ability to cancel the registration of the Fund and to apply to the court for approval of other actions.

### **Conflicts of Interests**

The following inherent and potential conflicts of interest exist in respect of the Fund.

- (a) The Management Agreement between the Fund and the Manager has not been negotiated at arm's length. The Management Fee payable to the Manager is payable without regard to the overall success of or income earned by the Fund. Additionally, the Manager could receive substantial compensation in the event that the Fund generates appreciation. Prospective investors should note that (i) the fact that the Performance Fee is payable only out of increases in trading profits may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case if the Manager were compensated solely based on a flat percentage of assets under management and (ii) the Manager may receive increased compensation because the Performance Fee will be calculated on a basis that includes unrealised appreciation as well as realised gains.
- (b) The Directors, the Administrator, the Administrator's Delegate, the Custodian, the Manager and other service providers or their agents or associated parties may engage in or possess an interest in other business ventures of every kind and description, including (i) investments for their own account in securities or financial investments held by the Fund from time to time (save and except for the Manager); (ii) investment advisory or supervisory services with respect to securities or other types of financial investments; or (iii) managing or servicing other investment funds, limited partnerships or other entities with substantially the same or different investment objectives as the Fund. Moreover, each of them will devote to the Fund, as the case may be, only so much of their time as they deem necessary or appropriate in connection with the activities of the Fund.
- (c) The Directors, the Administrator, the Administrator's Delegate, the Custodian, the Manager and their affiliates and their key personnel will devote as much of their time to the business of the Fund as in their judgment is reasonably required. The Directors, the Administrator, the Administrator's Delegate the Custodian, and the Manager may from time to time act as directors, administrator, registrar, secretary, custodian, cash custodian, manager or investment adviser, or carry out other functions as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients that have similar investment objectives

to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly.

- (d) The Manager is responsible for the investment decisions made on behalf of the Fund. There are no restrictions on the ability of the Manager and its affiliates to manage accounts of other clients following the same or different investment objective, philosophy, and strategy as those used for the Fund. If a determination is made that the Fund and another client of the Manager and its affiliates should trade in the same securities on the same day, such securities will be allocated between the Fund and other accounts in a manner that the Manager and its affiliates determine in their discretion. Circumstances may occur in which an allocation could have adverse effects on the Fund or the other client with respect to the price or size of securities positions obtainable or saleable. The results of the Fund's activities may differ significantly from the results achieved by the Manager or its affiliates for any other accounts or clients for which it or its affiliates may manage or provide investment advisory services.

More specifically, the Manager and its related persons may buy and sell, for their own account, and hold proprietary positions in, the same securities they buy and sell for, or recommend to, the Manager's clients.

As these situations may involve conflicts between the interest of the Manager or its related persons, on the one hand, and the interests of the Manager's clients, on the other, the Manager has established internal policies to ensure that the Manager and its personnel do not prefer their own interests to those of the Manager's clients and that clients are treated fairly.

- (e) To the extent permitted by applicable law, the Manager may enter into portfolio transactions for or with the Fund either as agent, in which case it may receive and retain brokerage commissions, or as principal with the Fund provided that such transactions are carried out as if effected on normal commercial terms negotiated on an arm's length basis, consistent with best execution standards and subject to such commissions being charged at rates which do not exceed customary full service brokerage rates, provided, however, that neither the Manager nor its affiliates shall deal as principal with the Fund unless prior approval of the Directors or an independent advisory committee has been obtained. Where the Manager is managing or advising other funds or accounts with similar investment policies to the Fund, it will ensure that appropriate investment opportunities are allocated on a fair and equitable basis between the Fund and such other funds or accounts.
- (f) The Manager may share with any other person (including, but not limited to, any investor or any person introducing investors) any fees and other benefits to which it is entitled to receive from the Fund. The Manager and any person connected with it, including any employee of the Manager or its associated companies, may invest in the Fund, and the Manager may give to any such person a reduction or rebate of any fees to which the Manager is entitled.
- (g) The Directors and officers and employees of the Manager may also hold or may assume directorships in other funds or companies. Therefore, they may be put in a position where their duties to act in the best interests of the Fund or such other funds or companies may conflict.

- (h) The Directors, the Manager and/or its directors, employees, related entities and connected persons and their respective directors and employees may from time to time subscribe, directly or indirectly, for Participating Shares.
- (i) The Directors, the Administrator, the Administrator's Delegate, the Custodian and any of their connected persons may contract with or enter into any financial banking or other transaction with the Fund, any Shareholder or any company or body whose assets are held by or for the account of the Fund. Any of the foregoing shall not be liable to account to any person for any profits or benefits made or derived by them in connection with any such transaction and may deal, as principal or agent, with the Fund provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. In addition, any of the foregoing may own Participating Shares and hold, dispose or otherwise deal with the Participating Shares as well as hold or deal in any investments notwithstanding that similar investments may be held by or for the account of the Fund.
- (j) In selecting brokers and dealers to effect portfolio transactions for the Fund, the Manager will consider such factors as the ability of the brokers and dealers to effect the transactions, their facilities, reliability and financial responsibility and the provision or payment (or the rebate to the Fund for payment) of the costs of brokerage or research products or services. The Manager will not be required to solicit competitive bids and will not have an obligation to seek the lowest available commission cost. Accordingly, if the Manager determines in good faith that the commissions charged by the broker or the prices charged by a dealer are reasonable in relation to the value of the brokerage and research products or services provided by such broker or dealer, the Fund may pay commissions to such broker or prices to such dealer in an amount greater than another broker might charge.

Research products or services provided to the Manager may include: reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; financial, trade and industry publications; portfolio evaluation services; financial database software and services; computerised news, pricing and order-entry services; analytical software; quotation equipment and other computer hardware for use in running software used in investment-decision making; industry consultants; tuition or admission fees for broker-sponsored conferences, trade and industry conventions and seminars; and other products or services that may enhance the Manager's investment decision-making. Because many of these services and products could benefit the Manager, the Manager may have a conflict of interest in allocating Fund brokerage business, including an incentive to cause the Fund to effect more transactions than it might otherwise do in order to obtain those benefits.

The Manager will direct brokerage to traders/brokers that provide trading and research services to the Fund. A portion of the commissions paid to such traders/brokers will be compensation for such services.

The Fund's securities transactions can be expected to generate brokerage commissions and other compensation, all of which the Fund, not the Manager, will be obligated to pay. The Manager will have complete discretion in deciding which brokers and dealers the Fund will use and in negotiating the rates of compensation the Fund will pay. In addition to using brokers as "agents" and paying commissions, the Fund may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may

buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

### **Director Disclosures**

None of the Directors has any unspent convictions, has been declared bankrupt, or has been the subject of an individual voluntary arrangement or a receivership of any assets held by such person. None of the Directors was a director with an executive function of any company at the time of or within the twelve (12) months preceding its bankruptcy, receivership administration, liquidation administration, company voluntary arrangement or composition or arrangement with its creditors generally. There have been no public criticisms of any of the Directors by any statutory or regulatory authority and no Director has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company. No Director was a partner of any partnership at the time or within twelve (12) months preceding its compulsory liquidation, administration or partnership voluntary arrangement. No Director has had a receiver appointed over any of his assets or of any of the assets of a partnership of which he was a partner within twelve (12) months after he ceased to be a partner of that partnership.

### **Net Asset Valuation**

The Net Asset Value and Net Asset Value per Participating Share of each Class will be calculated by the Administrator's Delegate, in consultation with the Manager and under the direction of the Directors or their duly appointed delegate(s), in accordance with the Constitution and in the manner described below as at each Valuation Point (except when determination of the Net Asset Value has been suspended in accordance with the Constitution and this Memorandum). The Net Asset Value and the Net Asset Value per Participating Share of each Class will be denominated in U.S.\$.

The Net Asset Value of the Fund shall be equivalent to the value of all the assets of the Fund less the value of the liabilities of the Fund (including any Performance Fee payable for the relevant Performance Period) as at each Valuation Point.

The Net Asset Value per Participating Share of any Class as at any Valuation Point shall be the Net Asset Value at that Valuation Point divided by the total number of Participating Shares of that Class in issue as at that Valuation Point and rounding the resultant amount to the nearest U.S.\$0.01 (U.S.\$0.005 being rounded up).

For the purpose of calculating the Net Asset Value:

- (i) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Directors or their duly appointed delegate(s) shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Directors or their duly appointed delegate(s) shall deem to be the reasonable value thereof;
- (ii) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a "**managed fund**") to which paragraph (iii) below applies and subject as provided in paragraphs (iv), (v), (vi) and



(vii) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be made by reference to the last traded price on the principal exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no such stock exchange, commodities exchange, futures exchange or over-the-counter market all calculations based on the value of the investment quoted by any person, firm or institution making a market in the investment (and if there shall be more than one such market maker then such particular market maker as the Directors or their duly appointed delegate(s) may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Directors or their duly appointed delegate(s) in their discretion consider that the prices ruling on an exchange other than the principal exchange provide, considering all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;

- (iii) subject as provided in paragraphs (iv), (v), (vi) and (vii) below, the value of each interest in any managed fund which is valued as at the same day as the Fund shall be the net asset value per unit, share or other interest in such managed fund calculated as at that day or, if the Directors or their duly appointed delegate(s) so determine or if such managed fund is not valued as at the same day as the Fund, shall be the last published net asset value per unit, share or other interest in such managed fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest. In particular if there are no price quotations available for the valuation of the Underlying Fund, it shall be calculated in accordance with the values published, or reported in writing to the Fund as at or around the Valuation Point, by or on behalf of the Underlying Fund, or if the Underlying Fund is not valued as at or around the relevant Valuation Point, shall be the last so published or reported value. Valuations may in the absolute discretion of the Directors or their duly appointed delegate(s) be subject to later adjustment. In performing the calculations, the Directors or their duly appointed delegate(s) shall be entitled to rely on the unaudited valuations and reports and estimated valuations received from third parties, including the Underlying Fund and its administrator, agents, investment manager or adviser, or other dealing subsidiary and shall not be responsible for verifying nor shall they be required to verify either the contents or veracity of such valuations and reports;
- (iv) if no net asset value, last traded bid, asked or redemption prices or price quotations are available as provided in paragraphs (ii) or (iii) above, the value of the relevant asset shall be determined from time to time in such manner as Directors or their duly appointed delegate(s) shall determine and, in particular, any asset (other than an interest in a managed fund) which is not quoted, listed or ordinarily dealt on a stock exchange, commodities exchange, futures exchange, securities market or over-the-counter market shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest revaluation thereof made in accordance with the provisions hereinafter contained;
- (v) for the purposes of ascertaining quoted, listed, traded or market dealing prices, the Directors, the Manager, the Administrator, or their agents or delegates shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Fund and the prices provided by any such system shall be deemed to be the last traded prices for the purposes of paragraph (ii) above;

- (vi) any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair value as determined by the Directors or their duly appointed delegate(s) in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected and such other factors as the Directors or their duly appointed delegate(s) in their sole discretion deem relevant in considering a positive or negative adjustment to the valuation;
- (vii) notwithstanding the foregoing, the Directors or their duly appointed delegate(s) may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value; and
- (viii) any value (whether of a security or cash) otherwise than in U.S.\$ shall be converted into U.S.\$ at the rate (whether official or otherwise) which the Directors or their duly appointed delegate(s) shall in their absolute discretion deem appropriate to the circumstances having regard, *inter alia*, to any premium or discount which they consider may be relevant and to costs of exchange.

"Last traded price", as referred to in paragraph (ii) above, refers to the last traded price reported on the relevant exchange for the day, commonly referred to in the market as the "settlement" or "exchange price", and represents a price at which members of the exchange settle between themselves for their outstanding positions. Where a security has not traded on a given date, the last traded price for such security will be the "exchange close" price as calculated and published by the relevant exchange in accordance with its local rules and customs.

Investors should note that, under IFRS, investments should be valued at fair value and also that, under IFRS, the price within the bid-ask spread is most representative of fair value for listed investments. The use of bid pricing for long positions and asked/offer pricing for short positions is permitted but is not required. However, under the valuation basis described above, listed investments are expected to be valued at the last traded price instead of the price within the bid-ask spread as required under IFRS which may lead to a different valuation had the valuation been performed in accordance with IFRS. To the extent that the valuation basis adopted by the Fund deviates from IFRS, such non-compliance with IFRS may result in the Auditors qualifying their opinion on those annual accounts depending on the nature and level of materiality of the non-compliance.

In calculating the Net Asset Value, no discount will be factored notwithstanding that any investments held are subject to any lock in periods, moratoriums or other restrictions on disposal. For audit purposes however, the Auditors may in accordance with applicable accounting standards and principles apply a discount. Accordingly, there may be differences between the net asset values of the Fund reflected in the audited financial statements and the Net Asset Value calculated in accordance with the valuation principles described in this Memorandum and in the Constitution.

In relation to investments which the Directors in their sole discretion determine have become illiquid, such illiquid investment will generally be valued by the Directors or such third party valuer(s) as may be appointed by the Directors or the Manager from time to time. It is anticipated that the valuation methodology for such illiquid investments will take into account factors such as the size of the position and materiality of the adjustment to the net asset valuation and the duration of the suspension and likely timeframe of resolution that the suspension will be lifted. Investors should note that such factors are subject to change from time to time depending on the Director's and/or such third party

valuer(s)' assessment of the nature of the circumstances giving rise to the illiquidity, general market conditions and input from the Manager.

### **Subscription and Redemption Prices of Participating Shares**

The Subscription Price of each Participating Share of any Class for any relevant Dealing Day for Subscriptions will, subject to the provisions for adjustments as described in the section entitled "Performance Fee" and in the section entitled "Singapore Anti-Money Laundering", be determined by dividing the Net Asset Value attributable to the relevant Class as at the Valuation Point relating to that Dealing Day for Subscriptions, by the number of Participating Shares of the relevant Class then in issue, the resulting amount being rounded to the nearest U.S.\$0.01 (U.S.\$0.005 being rounded up) and the rounding benefit is to be retained by the Fund. The Net Asset Value for the purposes of computing the Subscription Price will be before deduction of any applicable Performance Fees. The Directors have the discretion to add to the Subscription Price an amount, for the account of the Fund, which they consider to be an appropriate allowance to reflect an amount equal to any Equalisation Credit payable in respect of Participating Shares of any Class at the time of subscription by the investor.

The Redemption Price of each Participating Share of any Class for any relevant Dealing Day for Redemptions will, subject to the provisions for adjustments as described in the section entitled "Performance Fee" and in the section entitled "Singapore Anti-Money Laundering", be determined by dividing the Net Asset Value attributable to the relevant Class as at the Valuation Point relating to that Dealing Day for Redemptions, by the number of Participating Shares of the relevant Class then in issue, the resulting amount being rounded to the nearest U.S.\$0.01 (U.S.\$0.005 being rounded up) and the rounding benefit is to be retained by the Fund. The Net Asset Value for the purposes of computing the Redemption Price will be after deduction of any applicable Performance Fees. In the event the Fund is required by U.S. law, by agreement with the U.S. Treasury or similar government division or department in the U.S. or in any other jurisdiction or by any applicable IGA or implementing legislation to withhold amounts in respect of any Shareholder, the Fund may, in the discretion of the Directors, charge such Shareholder for such withholding (together with any expenses incurred in connection with the withholding) or redeem all or a portion of such Shareholder's Participating Shares so as to ensure that no other Shareholder in the Fund will suffer any reduction in the value of their Participating Shares as a consequence of such withholding and the Fund will be entitled to convert such Shareholder's Participating Shares to a different Class with a reduced Net Asset Value for the same purpose.

Notwithstanding the foregoing, if the Directors compulsorily redeem any or all of a Shareholder's Participating Shares on the basis that the Shareholder failed to produce such information as requested by the Directors or their duly authorised agent(s) to verify the identity of the Shareholder or the source of payment, the Shareholder shall not be entitled to receive the Redemption Price in the manner described in this Memorandum. In such circumstances the Shareholder shall be entitled to receive the lower of the Net Asset Value per Participating Share compulsorily redeemed and the Subscription Price per Participating Share compulsorily redeemed, or such value as the Fund deems appropriate to ensure that any withholding tax borne by the Fund, and any related costs, interest, penalties and other losses and liabilities suffered by the Fund, the Administrator or any other Shareholder, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Shareholder's failure to provide information to the Fund, is economically borne by such Shareholder, in each case, less any administrative fees and bank charges in respect thereof and the Shareholder shall not be entitled to interest on the subscription monies or any other amounts whatsoever.

### **Share Capital of the Fund**

The authorised share capital of the Fund is U.S\$50,000 divided into 2 Management Shares of par value of U.S.\$1.00 each and 4,999,800 Participating Shares of par value U.S.\$0.01 each.

The Fund may from time to time by ordinary resolution increase its capital, consolidate its shares or any of them into a smaller number of shares, sub-divide shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. The Fund may by special resolution from time to time reduce its share capital in any way permitted by the laws of the Cayman Islands from time to time.

### **Rights of the Management Shares in the Fund**

The rights attaching to the Management Shares are as follows:

(a) Voting Rights

At any meeting of the Fund each holder of Management Shares present is entitled to one vote on a show of hands and to one vote for each Management Share held by him/her on a poll. Votes may be given in person or by proxy.

(b) Dividends

The Management Shares carry no right to dividends.

(c) Liquidation

In the event of liquidation, the holders of Management Shares are entitled to the return of the nominal capital paid-up on the Management Shares, after return of the nominal amounts paid up on Participating Shares. Holders of the Management Shares will not be entitled to any surplus remaining thereafter.

### **Rights of the Participating Shares in the Fund**

The rights and restrictions attaching to the Participating Shares are as follows:

(a) Voting Rights

The Participating Shares are non-voting. The holders of Participating Shares are entitled to vote only upon any resolution which materially and adversely varies the rights attaching to the Participating Shares in accordance with the Constitution.

At any meeting of the Fund at which holders of Participating Shares are entitled to vote, each Shareholder present is entitled to one vote on a show of hands and to one vote for each Participating Share held by him/her on a poll. Votes may be given in person or by proxy.

(b) Dividends

Whilst it is not expected that any dividends will be declared by the Fund, the holders of the Participating Shares shall be entitled to such dividends as the Directors may declare in accordance with the Constitution and any applicable laws of the Cayman Islands.

(c) Liquidation

In the event of a winding-up or dissolution of the Fund, the holders of the Participating Shares are entitled to the return of the nominal capital paid-up on their Participating Shares in priority to the return of nominal capital paid-up on the Management Shares, and a right to share *pro rata* in the surplus of assets (if any) of the Fund after return of the nominal capital paid-up on Management Shares.

**Variation of Rights of Shareholders**

Whenever the capital of the Fund is divided into different Classes the rights attached to any such Class may, subject to any rights or restrictions for the time being attached to any Class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than two-thirds of the issued Participating Shares of the relevant Class or with the sanction of a resolution passed at a separate meeting of the holders of the Participating Shares of such Class by a majority of two-thirds of the votes cast at such a meeting. To every such separate meeting all the provisions of the Constitution relating to general meetings of the Fund or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be one or more Persons at least holding or representing by proxy one-third in nominal or par value amount of the issued Participating Shares of the relevant Class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Shareholders who are present shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the Participating Shares of that Class, every Shareholder of the Class shall on a poll have one vote for each Participating Share of the Class held by him. For the purposes of the Constitution, the Directors may treat all the Classes or any two or more Classes as forming one Class if they consider that the variation or abrogation of the rights attached to such Classes proposed for consideration is the same variation or abrogation for all such relevant Classes, but in any other case shall treat them as separate Classes. The rights conferred upon the holders of the Participating Shares of any Class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the Participating Shares of that Class, be deemed to be materially adversely varied or abrogated by, *inter alia*:

- (a) the creation, allotment or issue of further Participating Shares or any Class thereof, whether voting or not and whether ranking *pari passu* with or subsequent to them;
- (b) an amendment to, or variation of, any investment objective, investment technique and/or investment strategy or policy in this Memorandum;
- (c) any change to any minimum investment in Participating Shares or minimum holding of Participating Shares;
- (d) any modification of the fees payable to any service provider by the Fund;
- (e) any reduction or waiver of any notice or lock up period applicable to any Class of Participating Shares;

- (f) the exercise of any variation or wavier contemplated by or provided for in this Memorandum applicable to any Class of Participating Shares;
- (g) the liquidation of the Fund and distribution of its assets to the Shareholders in accordance with their rights;
- (h) the vesting of the assets in, or in trustees for, the Shareholders *in specie*;
- (i) the purchase or redemption by the Fund of its own Participating Shares; and
- (j) any amendment to the rights attached to the Participating Shares of any Class determined by the Directors in their sole discretion as being necessary or desirable for the purpose of:
  - (i) clarifying any inaccuracy or ambiguity or reconciling any inconsistency in its provisions, or as between the provisions of this Memorandum and the provisions of the Constitution, or with respect to matters or questions arising under this Memorandum which are not inconsistent with the provisions of the Constitution or this Memorandum;
  - (ii) deleting or adding any provision required to be deleted or added by any governmental agency or official or in order to comply with any law, rule or regulation applicable to the Fund; or
  - (iii) making any other amendment that the Directors, acting reasonably, determine does not adversely affect or prejudice the rights of the holders of Participating Shares of the relevant Class.

### **Restriction on Transfer of Participating Shares**

Participating Shares may be transferred in accordance with the Constitution and by using such form or forms as may from time to time be prescribed by the Directors signed by the transferor and the transferee. Copies of the prescribed form(s) of transfer for the time being applicable will be available upon request from the Manager.

All transfers and other documents of title relating to any Participating Shares must be lodged for registration with the Administrator's Delegate. Transfers of Participating Shares are subject to prior approval by the Board. The Board may impose such conditions on the transfer as the Board, in its sole discretion, deems appropriate. The Board may in its absolute discretion decline to register any transfer of Participating Shares in whole or in part for any reason or no reason whatsoever, including circumstances where the transfer to, or holding of, Participating Shares by the transferee would, in the conclusive determination of the Board, cause or be likely to cause a pecuniary, tax, legal, regulatory or material administrative disadvantage to the Fund or the Shareholders as a whole in any jurisdiction or where the transferee is not an Eligible Investor.

The Directors, the Manager, the Administrator and the Administrator's Delegate may request such information as is necessary to verify the identity of a transferee of Participating Shares and the source of payment of the transfer consideration (if any). In the event of delay or failure by the transferee to produce any information required for verification purposes, the Board, the Administrator and the Administrator's Delegate may refuse to register the transfer. The Fund, the Directors, the Manager,

the Administrator and the Administrator's Delegate shall not be liable to the transferor or transferee for any loss suffered by them as a result of the non-registration of the transfer.

The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

No transfer resulting in the breach of any applicable law or regulation in respect of the minimum shareholding(s) in the Fund shall be registered.

### **Anti-Money Laundering**

#### **Cayman Islands Anti-Money Laundering**

As part of the Fund's responsibility for the prevention of money laundering, the Fund and the Administrator (including its delegates, affiliates, subsidiaries or associates) will require a detailed verification of the investor's identity and the source of payment. Depending on the circumstances of each application, a detailed verification might not be required where:

- (a) the investor is a recognised financial institution which is regulated by a recognised regulatory authority and carries on business in a country listed in Schedule 3 of the Money Laundering Regulations (as amended) of the Cayman Islands (as amended)(a "**Schedule 3 Country**"); or
- (b) the application is made through a recognised intermediary who is regulated by a recognised regulatory authority and carries on business in a Schedule 3 Country. In this situation the Fund may rely on a written assurance from the intermediary that the requisite identification procedures on the investor for business have been carried out; or
- (c) the subscription payment is remitted from an account (or joint account) held in the investor's name at a bank in the Cayman Islands or a bank regulated in a Schedule 3 Country. In this situation the Fund may require evidence identifying the branch or office of the bank from which the monies have been transferred, verify that the account is in the name of the investor and retain a written record of such details.

The Fund, the Manager and the Administrator (including their respective delegates, affiliates, subsidiaries and associates) reserve the right to request such information as is necessary to verify the identity of an investor and the source of payment of subscription monies. In the event of delay or failure by the investor to produce any information required for verification purposes, the Fund, the Manager, the Administrator or the Administrator's Delegate may refuse to accept the application and the subscription monies relating thereto and may refuse to pay any redemption proceeds. Neither the Fund, the Manager, the Administrator, the Administrator's Delegate nor their respective delegates, affiliates, subsidiaries and associates shall be liable to the investor for any loss suffered as a result of the rejection of any application or delay in payment of any redemption proceeds.

If any person who is resident in the Cayman Islands (including the Administrator) has a suspicion that a payment to the Fund (by way of subscription or otherwise) contains the proceeds of criminal conduct that person is required to report such suspicion pursuant to The Proceeds of Crime Law (as amended).

By subscribing, investors consent to the disclosure by the Fund and the Administrator (including their respective delegates, affiliates, subsidiaries and associates) of any information about them to regulators and others upon request in connection with money laundering and similar matters both in the Cayman Islands and in other jurisdictions.

### **Singapore Anti-Money Laundering**

As part of the Manager's responsibility for the prevention of money laundering and tax evasion and the countering of financing of terrorism ("AML/CFT"), the Fund, the Manager, the Administrator and the Administrator's Delegate (including their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates) will require a detailed verification of the investor's identity, tax status and the source of payment, and of the identity and tax status of any beneficial owner of the investor.

The Fund, the Manager, the Administrator and the Administrator's Delegate (including their respective affiliates, subsidiaries, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates) reserve the right to request such information as any of the Fund, the Manager, the Administrator, the Administrator's Delegate or their respective affiliates, subsidiaries or associates (as the case may be) in its absolute discretion may deem necessary to verify the identity of an investor and the source of payment and/or to comply with any applicable law or regulation of any jurisdiction. In the event of delay or failure by the investor to produce any information required for verification purposes, the Fund, the Manager, the Administrator or the Administrator's Delegate may refuse to accept the Subscription Agreement and the subscription monies relating thereto. The Fund, the Manager, the Administrator and the Administrator's Delegate shall not be liable to the applicant for any loss suffered by the investor as a result of the delay in the acceptance or rejection of such application.

If the investor thereafter fails to produce all required information for AML/CFT requirements in Singapore, the Directors may redeem the Participating Shares issued to such investor by compulsory redemption as set out in this Memorandum and the Constitution. The Fund may, in the absolute discretion of the Directors, refuse to make a redemption payment to an investor if the Directors suspect or are advised that the payment of any redemption proceeds to such investor may result in a breach or violation of any anti-money laundering, anti-tax evasion or anti-terrorism law by any person in any relevant jurisdiction, or such refusal is necessary to ensure the compliance by the Fund, the Directors, the Manager, the Administrator, the Administrator's Delegate or their respective affiliates, subsidiaries or associates with any anti-money laundering or anti-terrorism law in any relevant jurisdiction. If the Directors compulsorily redeem any or all of a Shareholder's Participating Shares on the basis that the Shareholder failed to produce such information as requested by the Directors or their duly authorised agent(s) to verify the identity of the Shareholder or the source of payment, the Shareholder shall not be entitled to receive the Redemption Price in the manner described in this Memorandum. In such circumstances the Shareholder shall be entitled to receive the lower of the Net Asset Value per Participating Share compulsorily redeemed and the Subscription Price per Participating Share compulsorily redeemed, in each case, less any administrative fees and bank charges in respect thereof and the Shareholder shall not be entitled to interest on the subscription monies or any other amounts whatsoever.

Neither the Fund, the Manager, the Administrator, the Administrator's Delegate nor their respective delegates, agents, affiliates, subsidiaries and associates shall be liable to the investor for any loss



suffered as a result of the rejection of any application or delay in payment of any redemption proceeds.

By subscribing, investors consent to the disclosure by the Fund, the Manager, the Administrator, the Administrator's Delegate and/or their respective agents, affiliates, subsidiaries or associates, of any information on investors to government agencies, regulatory bodies and other relevant persons upon request in connection with AML/CFT and similar matters in Singapore.

If the Fund, the Manager, the Administrator, the Administrator's Delegate or any of their respective affiliates, subsidiaries, associates, employees or agents has a suspicion that any payment to the Fund (by way of subscription or otherwise) contains the proceeds of criminal conduct or that any transaction is connected in any way with money laundering, tax evasion or terrorist financing, the Fund, the Manager, the Administrator, the Administrator's Delegate and/or any of their respective permitted delegates, sub-delegates affiliates, subsidiaries, directors, associates, shareholders, employees or agents (as the case may be) are required by law to report such suspicious payments and transactions and such reports shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

### **Other Jurisdictions**

The Fund will comply with applicable Cayman Islands and Singapore anti-money laundering regulations. In addition, many jurisdictions are in the process of changing or creating anti-money laundering, embargo and trade sanctions, or similar laws, regulations, requirements (whether or not with force of law) or regulatory policies and many financial intermediaries are in the process of changing or creating responsive disclosure and compliance policies (collectively "**Requirements**") and the Fund could be requested or required to obtain certain assurances from applicants subscribing for Participating Shares, disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is the Fund's policy to comply with Requirements to which it is or may become subject to and to interpret them broadly in favour of disclosure. Each applicant will be required to agree in the Subscription Agreement, and will be deemed to have agreed by reason of owning any Participating Shares, that it will provide additional information or take such other actions as may be necessary or advisable for the Fund (in the sole judgment of the Fund, the Manager, the Administrator and/or the Administrator's Delegate) to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) or otherwise. Each applicant by executing the Subscription Agreement consents, and by owning Participating Shares is deemed to have consented, to disclosure by the Fund, the Manager and/or the Administrator and/or their respective delegates, affiliates, subsidiaries, associates or agents to relevant third parties of information pertaining to it in respect of Requirements or information requests related thereto. Failure to honour any such request may result in redemption by the Fund or a forced sale to another investor of such applicant's Participating Shares.

### **Data Protection in the Cayman Islands**

By signing the Subscription Agreement, the subscriber acknowledges and agrees that his personal information may be handled by the Fund and its service providers in the manner set out below.

The Fund collects the subscriber's personal information to process and administer his subscription and shareholding in the Fund and to provide him with information about his investment in the Fund. Some of this information is required by anti-money laundering laws and/or by Cayman Islands law and will be kept on a register maintained in the Cayman Islands.

The Fund may disclose the subscriber's personal information for purposes related to his investment to the Fund's agents, regulators and service providers. In order to use and disclose his personal information for the purposes stated above, the Fund may be required to transfer his personal information to entities located outside the Cayman Islands where it may not receive the level of protection afforded under Cayman law. By signing the Subscription Agreement, the subscriber consent to his personal information being transferred overseas for these purposes.

### **Data Protection in Singapore**

A subscriber's personal data may be collected, utilised and retained by the Fund, the Directors, the Manager, the Administrator, the Administrator's Delegate, the Custodian and/or their respective delegates, affiliates, subsidiaries, associates and/or agents for any of the following purposes:

- (a) to properly identify the subscriber in accordance with anti-money laundering, anti-tax evasion, counter-terrorism and other relevant regulatory requirements;
- (b) to properly record the subscriber's interest in the Fund in accordance with relevant corporate laws and regulations;
- (c) to advise the subscriber of matters relating to its investment in the Fund, including current values and changes to Fund documentation, etc.; and
- (d) to facilitate communications between the Fund and the Subscriber.

By agreeing to invest in the Fund, a subscriber acknowledges and accepts that the Fund, the Directors, the Manager, the Administrator, the Administrator's Delegate, the Custodian and/or their respective delegates, affiliates, subsidiaries, associates and/or agents may hold and process personal data for the purposes outlined above and further acknowledges and accepts that:

- (a) information supplied on the Subscription Agreement and otherwise in connection with the subscriber's subscription may be held by the Fund, the Directors, the Manager, the Administrator, the Administrator's Delegate, the Custodian and/or their respective delegates, affiliates, subsidiaries, associates and/or agents and will be used for the purposes of processing the subscriber's subscription and completion of information on the register of investors, and may also be used for the purpose of carrying out the subscriber's instructions or responding to any enquiry purporting to be given by the subscriber or on its behalf, dealing in any other matters relating to the subscriber's holding (including the mailing of reports or notices), forming part of the records of the recipient as to the business carried on by it, observing any legal, governmental or regulatory requirements of any relevant jurisdiction (including any disclosure or notification requirements to which any recipient of the data is subject). All such information may be retained after the termination of the Fund, the termination of the appointment of the Manager, Administrator, Administrator's Delegate (as the case may be) or the transfer of the subscriber's holding; and
- (b) the Fund, the Directors, the Manager, the Administrator, the Administrator's Delegate, the Custodian and/or their respective delegates, affiliates, subsidiaries, associates and/or agents may, subject to the requirements of applicable law relating to personal information, disclose and transfer such information to the Directors, the Auditors, the Custodian, the brokers to the Fund, and the Manager including any of their employees, officers, directors and agents and/or their affiliates or to any third party employed to provide administrative, computer or other services or facilities to any person to whom data is provided or may be transferred as aforesaid, and/or to any regulatory authority entitled thereto by law or regulation (whether statutory or not) in connection with the subscriber's investment in the Fund.

All individual investors have the right of access to, and to update, all their records (whether held on computer files or manually) held by the Manager, the Administrator and/or the Administrator's Delegate. A copy of such record will be provided by the Manager to an investor who requests it, upon the payment of a modest administration charge to cover the costs of complying with such requests. Requests should be made in writing to the Manager or the Administrator's Delegate at the address provided in the Subscription Agreement (or such other address as may be notified by the Administrator's Delegate from time to time).

### **Liquidation**

If the Net Asset Value at any time is less than U.S.\$30 million, the Fund may be liquidated by a special resolution of the holders of the Management Shares.

The Directors may also present a winding up petition on behalf of the Fund without the prior sanction of the holders of the Management Shares.

The voluntary winding-up of the Fund will be carried out as expeditiously as possible in accordance with the provisions of the Constitution and the laws of the Cayman Islands.

Investments of the Fund that have not been sold and cannot be realised for fair value on the termination of the Fund may be distributed to Shareholders *in specie* at the discretion of the Directors or the liquidator of the Fund.

### **Material Contracts**

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Fund and are, or may be, material:

- (a) the amended and restated Management Agreement dated on or about the date of this Memorandum between the Fund and UOB Asia Investment Partners Pte. Ltd., pursuant to which the Manager was engaged, subject to the overall supervision of the Directors, to manage the Fund's investments and affairs, with powers of delegation. The Management Agreement contains provisions indemnifying the Manager from liability unless such liability arose, *inter alia*, from its fraud, negligence or wilful default;
- (b) the Administration Agreement dated on or about 19 January 2007 between the Fund and Bank of Bermuda (Cayman) Limited pursuant to which Bank of Bermuda (Cayman) Limited was appointed to act as Administrator of the Fund, as amended and supplemented by an addendum dated 23 September 2014. The Administration Agreement contains provisions indemnifying the Administrator from liability unless such liability arose, *inter alia*, from its fraud, negligence or wilful default; and
- (c) the Custodian Agreement dated 7 November 2014 between the Fund and HSBC Institutional Trust Services (Singapore) Limited pursuant to which HSBC Institutional Trust Services (Singapore) Limited was appointed to act as Custodian of some or all of the Fund's assets from time to time. The Custodian Agreement contains provisions indemnifying the Custodian from liability unless such liability arose, *inter alia*, from its fraud, negligence or wilful default.

## **General**

- (a) No person has been authorised to give any information or make any representation not contained in this Memorandum in connection with the offering of the Participating Shares and, if given or made, any such information or representation may not be relied upon as having been authorised by the Fund or the Manager. Neither the delivery of this Memorandum nor the allotment or issue of the Participating Shares shall, under any circumstances, create any implication that the affairs of the Fund or the information contained herein will remain unchanged after the date of this Memorandum.
- (b) All matters relating to the Fund shall be construed and enforced in accordance with the laws of the Cayman Islands. The Fund, the Shareholders, and all other relevant parties shall submit to the non-exclusive jurisdiction of the courts of the Cayman Islands for these purposes. However the Subscription Agreement shall be governed by and construed in accordance with the laws of Singapore and the parties thereto submit to the non-exclusive jurisdiction of the Singapore courts.
- (d) In the event of a dispute between the Directors and the Manager with regard to the exercise of discretion, the determination of the Directors shall be final.

## **Documents Available for Inspection**

Copies of the following documents are, subject to satisfaction of any relevant confidentiality obligations specified by the parties hereto, available for inspection by Shareholders and prospective investors during normal business hours at the offices of the Manager:

- (a) the Constitution of the Fund; and
- (b) the material contracts entered into by the Fund referred to in the section entitled "Material Contracts" in this Memorandum;
- (c) the Companies Law; and
- (d) the Mutual Funds Law.