

LionGlobal Singapore Trust Fund

Prospectus

1 July 2011

LIONGLOBAL SINGAPORE TRUST FUND

Directory

Managers

Lion Global Investors Limited
One George Street, #08-01, Singapore 049145*

*Please note that on or around 1 August 2011, the Manager's address will be 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 instead

Directors of the Managers

David Philbrick Conner (Chairman)
Christopher Brian Wei (Deputy Chairman)
Gerard Lee How Cheng (CEO)
Soon Tit Koon
Cheong Jin Keat
Yoon Mun Thim
Ching Wei Hong
Norman Ip Ka Cheung

Trustee

Prior to 1 July 2011

British and Malayan Trustees Limited
1 Coleman Street, #08-01, The Adelphi, Singapore 179803

With Effect from 1 July 2011

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay, #14-01, HSBC Building, Singapore 049320

Auditors

PricewaterhouseCoopers LLP
8 Cross Street, #17-00, PWC Building, Singapore 048424

Solicitors to the Managers

Allen & Gledhill LLP
One Marina Boulevard, #28-00, Singapore 018989

Solicitors to the Trustee

Prior to 1 July 2011

KhattarWong
80 Raffles Place, #25-01, UOB Plaza 1, Singapore 048624

With Effect from 1 July 2011

Drew & Napier LLC
10 Collyer Quay #10-01 Ocean Financial Centre
Singapore 049315

LIONGLOBAL SINGAPORE TRUST FUND

Important Information

The managers of LionGlobal Singapore Trust Fund (the "**Fund**"), Lion Global Investors Limited (the "**Managers**"), accept full responsibility for the accuracy of information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief that this Prospectus contains all information with respect to the Fund which is material in the context of the offer of units of the Fund ("**Units**") hereunder and the statements contained in this Prospectus are in every material respect true and accurate and not misleading and there are no other facts the omission of which would make any statement in this Prospectus misleading. Unless otherwise stated, all terms not defined in this Prospectus have the same meanings as used in the deed of trust (as amended) relating to the Fund (the "**Deed**").

Investors should consult the relevant provisions of the Deed and obtain independent professional advice in any event of any doubt or ambiguity relating thereto.

No application has been made for the Units to be listed on any stock exchange. Any holder of Units may request the Managers to realise all or part of his holding of Units in accordance with and subject to the provisions of the Deed. The Managers' unit trusts and investment products, except for guaranteed funds, are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in unit trusts and/or other investment products is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that the value of Units and the income from them may fall as well as rise. Past performance figures are not necessarily indicative of future performance of any unit trust.

Potential investors should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, (c) any restrictions or requirements under the Central Provident Fund (Investment Schemes) Regulations and the terms and conditions in respect of the CPF Investment Scheme issued by the CPF Board thereunder (as the same may be amended, modified or supplemented from time to time) and (d) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence or domicile, which may be relevant to the subscription, holding or disposal of Units and should inform themselves of and observe all such laws and regulations in any relevant jurisdiction that may be applicable to them.

The distribution of this Prospectus and the offering, purchase, sale or transfer of the Units in certain jurisdictions may be restricted by law. The Managers require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to the Managers. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful.

Restriction on U.S. Persons on subscription into our funds

Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur. In particular, please note that the Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States. The Fund has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended. The Units are being offered and sold outside the United States to persons that are not "U.S. persons" (as defined in Regulation S promulgated under the U.S. Securities Act) in reliance on Regulation S promulgated under the U.S. Securities Act. The Units are not being offered or made available to U.S. persons and nothing in this Prospectus is directed to or is intended for U.S. persons.

For the purposes of the U.S. Securities Act, the term "U.S. person" means: (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. person; (iv) any trust of which any trustee is a U.S. person; (v) any agency or branch of a non-United States entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (a) organised or incorporated under the laws of any non-United States jurisdiction and (b) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by "accredited investors" (as defined in Regulation D promulgated under the U.S. Securities Act) who are not natural persons, estates or trusts.

For the purposes of the U.S. Securities Act, the term "U.S. person" does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual), resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if (a) an executor

or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by non-United States law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States; (v) an agency or branch of a U.S. person located outside the United States if (a) the agency or branch operates for valid business reasons and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, any other similar international organisations, and their respective agencies, affiliates and pension plans.

Investors should also consider the risks of investing in the Fund which are summarised in Paragraph 10 of this Prospectus.

All enquiries in relation to the Fund should be directed to the Managers, Lion Global Investors Limited, or any agent or distributor appointed by the Managers.

Managers' Policy on Market Timing

The Fund is designed and managed to support medium to long-term investments. In this regard, the Managers take a serious view of, and strongly discourage the practice of market timing (that is, investors conducting short-term buying or selling of Units to gain from inefficiencies in pricing) as such practices may cause an overall detriment to the long-term interest of other investors. In addition, short-term trading in Units increases the total transaction costs of the Fund, such as trading commission and other costs which are absorbed by all other investors. Moreover, the widespread practice of market timing may cause large movements of cash in the Fund which may disrupt the investment strategies to the detriment of long-term investors. For the reasons set out above, the Managers strongly discourage the practice of market timing and may implement internal measures to monitor and control such practice to the extent of their powers available under the Deed. The Managers intend to review their policy on market timing from time to time in a continuous effort to protect the long-term interests of investors in the Fund.

LIONGLOBAL SINGAPORE TRUST FUND

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LIONGLOBAL SINGAPORE TRUST FUND

LionGlobal Singapore Trust Fund (the "**Fund**") is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). A copy of this Prospectus has been lodged with and registered by the Monetary Authority of Singapore (the "**MAS**"). This Prospectus has been prepared in accordance with the requirements of the SFA. The MAS assumes no responsibility for the contents of this Prospectus. The registration of this Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Fund. The meanings of terms not defined in this Prospectus can be found in the deed of trust (as amended) constituting the Fund (the "**Deed**").

1. Basic Information

1.1 LionGlobal Singapore Trust Fund

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

1.2 Date of Registration and Expiry Date of Prospectus

The date of registration of this Prospectus with the MAS is 1 July 2011. This Prospectus shall be valid for 12 months after the date of registration (i.e., up to and including 30 June 2012) and shall expire on 1 July 2012.

1.3 Trust Deed and Supplemental Deeds

1.3.1 The deed of trust relating to the interests being offered to the public for subscription or purchase (the "**Principal Deed**") is dated 1 February 1989 and the parties to the Principal Deed are Lion Global Investors Limited (the "**Managers**") and British and Malayan Trustees Limited.

1.3.2 The Principal Deed has been amended by the following supplemental and amending and restating deeds:

Supplemental Deed/ Amending and Restating Deed	Dated	Purpose
Supplemental Deed	8 May 1996	To amend Clauses 1(A), 2, 3, 4, 8, 9, 10(A), 10(E), 10(G), 10(H), 10(I), 10(J), 10(K), 10(L), 10(M), 13(A), 13(B), 13(E), 14(A), 15(B), 15(C), 15(E)(i), 15(G)(i), 15(G)(ii), 16, 18, 19(A), 19(B), 19(D), 19(E), 20, 24(A), 27(L), 28(A), 29(A)(vii), 33(C), 36(B), 37(A), 37(B) and the Schedule to the Deed and to include a new Clause 26(F) and a new Clause 41 therein.
Second Supplemental Deed	5 January 1998	To amend Clauses 1(A) and 26(F) of the Deed.
Third Supplemental Deed	9 April 1998	To amend Clauses 1(A), 7, 10, 13, 15(B), 20, 25, 26(F), 27(L) and 37 and the Schedule to the Deed.
Fourth Supplemental Deed	3 December 1998	To amend Clauses 1(A), 13, 15, 16, 17(C), 22(A), 23, 24(A), 25(A), 29 and 35(F) of the Deed.
Fifth Supplemental Deed	9 October 2000	To amend Clauses 1(A), 16(A), 16(B), 16(E), 16(F), 16(G), 16(H), 16(I), 16(J), 17(C), 41 and to incorporate a new Appendix to the Deed.
Sixth Supplemental Deed	9 October 2001	To substitute all references to the term "CPF Fund" appearing in the Deed with the term "CPFIS Included Fund", and to amend Clause 1(A) and the Appendix to the Deed.
Amending and Restating Deed	11 October 2002	To amend the Deed to comply with the prescribed requirements for trust deeds under the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2002 and to incorporate the revised CPF investment guidelines for unit trusts included under the CPFIS issued by the CPF Board on 1 September 2002.
Second Amending and Restating Deed	30 June 2003	To amend the Deed to comply with the Notice on Cancellation Period for Collective Investment Schemes constituted as Unit Trusts issued by the Monetary Authority of Singapore (" MAS ") on 1 October 2002 (last revised on 26 June 2003).

Supplemental Deed/ Amending and Restating Deed	Dated	Purpose
Third Amending and Restating Deed	7 October 2003	To amend the Deed to provide for the exchange of Units and to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law), including the incorporation of the investment guidelines for non-specialised funds issued by the MAS under the Code on Collective Investment Schemes on 23 May 2002 (last updated on 28 March 2003) and the new CPF Investment Guidelines which took effect on 15 September 2003.
Fourth Amending and Restating Deed	30 July 2004	To amend the Deed to rename the Fund as "OCBC Singapore Trust Fund" with effect from 6 August 2004, to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law), to modify the Deed to give effect to the Managers' policy on market timing, to enable the creation of distinct classes of Units within the Fund and to establish two classes of Units, namely SGD Class and USD Class.
Fifth Amending and Restating Deed	29 July 2005	To amend the Deed to, inter alia, comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).
Sixth Amending and Restating Deed	20 December 2005	To amend the Deed to, inter alia, rename the Fund as "Lion Capital Singapore Trust Fund" with effect from 20 December 2005 and to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).
Seventh Amending and Restating Deed	28 July 2006	To amend the Deed to, inter alia, comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).
Eighth Amending and Restating Deed	27 July 2007	To amend the Deed to, inter alia, update the investment guidelines for non-specialised funds issued by the MAS under the Code on Collective Investment Schemes on 23 May 2002 (last updated on 22 December 2006) and to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).
Ninth Amending and Restating Deed	24 July 2009	To amend the Deed to, inter alia, reflect the changes in names of the Managers and the Fund and to allow for switching into other funds managed by the Managers.
Supplemental Deed of Appointment and Retirement of Trustee	30 May 2011	To appoint HSBC Institutional Trust Services (Singapore) Limited as trustee of the Fund as British and Malayan Trustees Limited shall retire as trustee of the Trust with effect from 1 July 2011.
Tenth Amending and Restating Deed	1 July 2011	To amend the Deed to, inter alia, comply with applicable fiscal, statutory or official requirements (whether or not having the force of law).

The Principal Deed as amended by the Supplemental Deed, the Second Supplemental Deed, the Third Supplemental Deed, the Fourth Supplemental Deed, the Fifth Supplemental Deed, the Sixth Supplemental Deed (collectively, the "**Supplemental Deeds**"), the Amending and Restating Deed, the Second Amending and Restating Deed, the Third Amending and Restating Deed, the Fourth Amending and Restating Deed, the Fifth Amending and Restating Deed, the Sixth Amending and Restating Deed, the Seventh Amending and Restating Deed, the Eighth Amending and Restating Deed and the Ninth Amending and Restating Deed (which had been entered into by the Manager and the retiring trustee British and Malayan Trustees Limited), the Supplemental Deed of Appointment and Retirement of Trustee (which had been entered into by the Manager, the retiring Trustee British and Malayan Trustees Limited and the new Trustee HSBC Institutional Trust Services (Singapore) Limited) and the Tenth Amending and Restating Deed entered into by the Manager and the new Trustee HSBC Institutional Trust Services (Singapore) Limited (collectively, the "**Amending and Restating Deeds**") shall hereinafter be referred to as the "**Deed**".

1.3.3 The terms and conditions of the Deed shall be binding on each unitholder (each a "**Holder**") and persons claiming through such Holder as if such Holder had been a party to the Deed, and as if the Deed contained covenants on each Holder to observe and be bound by the provisions of the Deed, and an authorisation by each Holder to do all such acts and things as the Deed may require the Managers and/or the Trustee to do.

1.3.4 A copy of the Principal Deed, the Supplemental Deeds and the Amending and Restating Deeds shall be made available for inspection free of charge, at all times during usual business hours at the registered office of the Managers at One George Street, #08-01, Singapore 049145 (please note that on or around 1 August 2011, the Manager's address will be 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 instead) and will be supplied by the Managers to any person upon request at a charge of S\$25 per copy of each document.

1.4 Accounts and reports

The latest copies of the annual and semi-annual accounts, the auditor's report on the annual accounts and the annual and semi-annual reports relating to the Fund may be obtained from the Managers upon request.

2. The Managers

The Managers are Lion Global Investors Limited (Company Registration Number 198601745D), whose registered office is at One George Street, #08-01, Singapore 049145 (please note that on or around 1 August 2011, the Manager's address will be 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 instead).

Lion Global Investors Limited, one of the largest asset management companies in Southeast Asia, is 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank.

The Managers have a total staff strength of about 141 with about 50 experienced investment professionals including portfolio managers, analysts and traders managing assets of about S\$29.0 billion as at 31 March 2011. The Managers offer a comprehensive suite of investment products covering all asset classes, and their clients include government and government-linked corporations, public and private companies, charitable organisations and individual investors.

The Managers have an experienced team of investment professionals dedicated to regional and global equities and fixed income markets. The average years of experience of each member of the investment team spans more than 10 years. The Managers' investment capabilities are greatly enhanced by its specialised teams of experienced analysts and investment managers. The Managers' approach to investment is team-based and research-intensive, combining in-depth market insights with comprehensive sector knowledge.

The Managers have been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996. Since 1999, the Managers have won a total of 123 awards for investments in local, regional and global markets and across asset classes. Please refer to the Managers' website at www.lionglobalinvestors.com for the full list of awards.

Investors should note that the past performance of the Managers is not necessarily indicative of the future performance of the Managers.

3. The Trustee

Prior to 1 July 2011, the Trustee is British and Malayan Trustees Limited whose registered address is at 1 Coleman Street, #08-01, The Adelphi, Singapore 179803.

With effect from 1 July 2011, the trustee is HSBC Institutional Trust Services (Singapore) Limited whose registered address is at 21 Collyer Quay, #14-01, HSBC Building, Singapore 049320.

4. The Register of Holders

HSBC Institutional Trust Services (Singapore) Limited is the registrar for the Fund. The register of Holders of the Fund (the "**Register**") can be inspected at 20 Pasir Panjang Road (East Lobby), 12-21 Mapletree Business City, Singapore 117439 during usual business hours subject to reasonable conditions and restrictions as the Managers or Trustee may impose. The Register is conclusive evidence of the number of units in the Fund ("**Units**") held by each Holder and the details in the Register shall prevail in the event of any discrepancy between the entries in the Register and the details appearing on any statement of holding, unless the Holder proves to the satisfaction of the Managers and the Trustee that the Register is incorrect.

5. The Auditors

The auditors of the accounts relating to the interests under the Deed are PricewaterhouseCoopers LLP whose registered office is at 8 Cross Street, #17-00, PWC Building, Singapore 048424 (the "**Auditors**").

6. Fund Structure

The Fund is a Singapore constituted open-ended stand alone unit trust and has no fixed duration.

There are currently two classes of Units (each, a “**Class**”), namely SGD Class Units and USD Class Units. There are no material differences between the SGD Class Units and the USD Class Units save for the currency of denomination.

7. Investment Objective, Focus and Approach

7.1 Investment Objective

The investment objective of the Fund is to achieve long-term capital appreciation by investing in securities listed on the Main Board of The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and on Catalist. The investments of the Fund shall be diversified into the various sectors of the Singapore equities markets.

7.2 Investment Focus and Approach

Investment Philosophy

The Managers believe in sustained long term outperformance and achieve this through a rigorous research methodology and process aimed at uncovering high conviction ideas which are trading at significant discounts to fair value. The Managers look to an objective and disciplined implementation of these ideas using sound portfolio risk controls and portfolio construction rules.

The underlying philosophy is that securities prices will ultimately reflect underlying economic fundamentals. In the short to medium term however, technical factors including behavioural factors or liquidity may distort prices. By staying focused on the long term, the Managers avoid the common mistake of selling too early or overtrading the portfolio.

Investment Approach

The Managers believe the key is to design and implement a research process that would identify businesses that have most, if not all, of the following characteristics:

- A clearly understandable business model and value add proposition
- Strong and forward looking management
- Sustainable top line and bottom line growth
- Adopt healthy corporate governance practices
- Strong free cash flows or has the potential to generate such
- Exhibit strong profitability in terms of net profit margins and return on equity
- Strong balance sheets
- Sustainable competitive edge
- A proven track record of growth and profitability through both good and weak economic conditions
- Whose share price is trading at a discount to fair value

In order to arrive at an accurate estimation of the fair value it is first and foremost necessary to have a clear understanding of the business model and all the key drivers of sales and profits. A thorough look back at the operating history of the company is essential. This should preferably include a long enough history that indicates operating performance under both economic growth periods and slow/recessionary conditions.

An earnings and cash flow model is developed for each stock wherein the Managers also develop some sensitivity analysis to analyse earnings and cash flows under varying assumptions. The key is to determine for each stock that the Managers research, its sustainable earning power and the likely medium to long term growth rate of those earnings and apply an appropriate discount rate to derive its intrinsic value. The Managers tend to be skeptical of accounting definition of earnings and prefer to look at the cash flow returns as a more reliable basis for determining investment value. Other inputs that the Managers use to derive fair value include conventional measures such as Price-Earnings Ratios (PER), Enterprise Value–Earnings Before Interest, Tax, Depreciation and Amortisation (EV-EBITDA), replacement values and comparable business transactions and dividend discount model.

The Managers' preference is to search for growth stocks in growth industries although they would also include some "value" stocks as well as cyclical stocks.

While these are widely used valuation tools, the Managers believe they can gain an edge by having deeper insights into understanding the business fundamentals thus enabling them to make better judgments on estimating the growth potential and applying the correct discount rate which reflects the risk level of those earnings appropriately. The Managers also make it a point to monitor closely all their investments so that mid course adjustments can be made expeditiously when conditions warrant.

7.3 Authorised Investments

The Fund is authorised to invest in any Investment¹ or other property, assets or rights for the time being approved by the Minister for Manpower or other relevant competent authority in Singapore for investment by members of the Central Provident Fund under the CPF Investment Scheme or for investment by the Fund to enable the Fund to qualify as an approved unit trust for investment by members of the Central Provident Fund under the CPF Investment Scheme subject to compliance with the provisions of Appendix 1 of the Code on Collective Investment Schemes dated April 2011 issued by the MAS (as amended from time to time) (the "Codnes ("Authorised Investments").

8. CPF Investment Scheme ("CPFIS")

The Fund is included for investment under the CPFIS - Ordinary Account. It has been classified by the CPF Board under the "Higher Risk - Narrowly Focused – Country - Singapore" category. Investors should note that only the SGD Class Units are included under the CPFIS.

The CPF Board currently pays a legislated minimum annual interest rate of 2.5% on monies in the CPF Ordinary Account. The CPF interest rates are based on the 12-month fixed deposit and month-end savings rates of the major local banks and are revised by the CPF Board quarterly. The interest is computed monthly, and compounded and credited annually.

The interest rate for the Special, Medisave and Retirement Accounts ("SMRA") will be pegged to the 12-month average yield of 10-year Singapore government bond plus 1%. For 2011, the minimum interest rate for the SMRA will be 4.0% per annum. After 2011, the 2.5% per annum minimum interest rate, as prescribed by the CPF Act, will apply to the SMRA.

In addition, the CPF Board pays an extra interest rate of 1% per annum on the first \$60,000 of a CPF member's combined balances, including up to \$20,000 in the Ordinary Account. The first \$20,000 in the Ordinary Account and the first \$40,000 in the CPF Special Account will not be allowed to be invested under the CPFIS.

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

Subscriptions using CPF monies shall at all times be subject to the regulations and such directives or requirements imposed by the CPF Board from time to time.

9. Fees and Charges

Fees and Charges Payable by Holder in respect of both SGD Class and USD Class Units	
Preliminary charge:	For Units purchased with cash or SRS monies: Up to 4%. Maximum 5%. For Units purchased with CPF monies: Up to 3%. Maximum 5%.
Realisation charge:	Currently Nil. Maximum 5%.
Switching fee:	Currently 1%*. Maximum 5%

Fees Payable by the Fund*	
Annual management fee:	Currently 1.15%. Maximum 1.25%.

¹ "Investment" means any share, stock, bond, debenture, debenture stock, unit or sub-unit of a unit trust or mutual fund approved by the relevant authorities, warrant, option, forward, future or any other derivative or other security.

Annual trustee fee:	<u>Prior to 1 July 2011</u> Currently 0.075% p.a.. Maximum 0.1% p.a.
	<u>With effect from 1 July 2011</u> Currently not more than 0.05% (subject always to a minimum of S\$10,000 p.a.) Maximum 0.1% p.a.

* In the case of a switch of Units to units of another fund managed by the Managers (referred to as “**New Units**” and “**New Fund**” respectively), the switching fee referred to relates to the 1% preliminary charge imposed by the Managers for investment into the New Fund. Such 1% switching fee would, in the case of a New Fund which normally imposes a preliminary charge of more than 1%, effectively translates to a discount of the preliminary charge of the New Fund. Currently, no switching fee is charged for a switch of Units to units in a money market fund.

In addition, the Managers may from time to time, in their absolute discretion, invest up to 10% of the net asset value of the Fund in any single collective investment scheme or real estate investment trust (“**REIT**”) which may or may not be authorised or recognised by the MAS. It is estimated that the Fund will pay the following fees and charges to each of such collective investment schemes or REITs:

(i)	Subscription fee or preliminary charges	Generally ranging from zero to 5%
(ii)	Realisation fee	Generally ranging from zero to 5%
(iii)	Management fee	Generally ranging from zero to 1.75% p.a.
(iv)	Performance fee	Generally ranging from zero to 25% p.a. (and in some cases only in excess of a hurdle rate of return)
(v)	Other fees* (which may include trustee/custodian fee, legal fees, audit fees and administrative costs)	Generally less than 5% p.a.

* The Fund may invest in REITs which may be listed on a securities exchange. Fees payable by investors in such REITs may also include, without limitation, other fees such as property management and lease management fees, acquisition fees, divestment fees and commissions (which may consist of underwriting and selling commissions payable to the underwriters of the REIT).

The actual fees incurred by the Fund as a result of its investment in each of such collective investment schemes or REITs may be higher or lower than the estimates provided above.

If the Fund invests in any collective investment scheme managed by the Managers, all or part of the subscription fee, realisation fee, management fee and performance fee may be either waived or rebated back to the Fund, at the discretion of the Managers.

As required under the Code, all marketing, promotional and advertising expenses in relation to the Fund will be borne by the Managers and will not be charged to the deposited property of the Fund.

10. Risks

10.1 General risks

Investors should consider and satisfy themselves as to the risks of investing in the Fund. Generally, some of the risk factors that should be considered by the investors of the Fund are market, credit, derivatives, interest rate, liquidity and regulatory risks.

An investment in the Fund is meant to produce returns over the long-term. Investors should not expect to obtain short-term gains from such an investment.

Investors should note that the value of Units, and the income accruing to the Units, may fall or rise and that investors may not get back their original investment.

10.2 Specific risks

10.2.1 Market risks

The risks of investing and participating in listed and unlisted securities apply. Prices of securities may go up or down in response to changes in economic conditions, interest rates, and the market's perception of securities. These may cause the price of Units to go up or down as the price of Units is based on the current market value of the investments of the Fund.

There are also the risks of investing in bonds and other fixed income securities. Bond prices may go up or down in response to interest rates with increases in interest rate leading to falling bond prices.

The market prices of bonds and other fixed income securities are also affected by credit risks, such as risk of default by issuers and liquidity risk.

10.2.2 Derivatives risks

The Fund may, subject to applicable investment guidelines in the Code and the Deed, from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index for hedging purposes or for the purpose of efficient portfolio management. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

As the viability of exercising derivative instruments depends on the market price of the investments to which they relate, it may be the case that the Managers of the Fund may from time to time consider it not viable to exercise certain derivatives held by the Fund within the prescribed period, in which case any costs incurred in obtaining the derivatives will not be recoverable. There is also the risk that the market price of the relevant investment will not exceed the exercise price attached to the derivative instrument at any time during the exercise period or at the time at which the warrants or options are exercised and this may result in an immediate loss to the Fund.

Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations and may subject the Fund to potential gains and losses. Where such instruments are used, the Managers will ensure that the risk management and compliance procedures and controls adopted are adequate and that they have the necessary experience to manage the risks relating to the use of these of financial derivative instruments. The Managers will attempt to minimise the risks through careful selection of reputable counterparties and constant monitoring of the Fund's derivatives positions. Depending on the severity, non-compliance or deviation from established controls or limits will be escalated to senior management and monitored for rectification. The Managers may modify the risk management and compliance procedures from time to time, where appropriate and in the interest of the Fund. The Managers have a dedicated team which oversees portfolio risk management.

Additionally, all open positions/exposure in derivatives will be marked to market at a frequency of at least equal to the frequency of the net asset value calculation of the Fund.

The Managers have a comprehensive and structured Compliance Monitoring Program (“**CMP**”) which includes monitoring of portfolios for compliance with investment guidelines. There is a dedicated Compliance team to implement the CMP. Investment guidelines will be reviewed by the Compliance team and checks will be programmed into the Managers' automated pre-trade compliance system as far as possible. In addition, guidelines which cannot be electronically monitored will be manually checked for compliance. The use of financial derivatives will not exceed 100% of the net asset value of the Fund at any time. The Managers may modify the risk management and compliance procedures and controls at any time as they deem fit and in the interests of the Fund.

10.2.3 Currency risks

As the investments of the Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the base currency of the Fund (i.e. the Singapore Dollar) may affect the value of Units. The Managers may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Fund and/or for the purpose of efficient portfolio management.

10.2.4 Concentration risks

The Fund may be subject to concentration risks as it invests mainly in securities listed on SGX-ST and on Catalyst. This could result in a higher risk to the investments of the Fund due to lack of diversification.

10.2.5 Other risks

The Fund's investments are also subject to liquidity and regulatory risks.

The risk of investing in companies in the emerging markets will be higher than that encountered when investing in companies in developed markets. The Fund's investments in emerging economies are subject to regulatory risks, for example, the introduction of new laws, the imposition of exchange controls, the adoption of restrictive provisions by individual companies or where a limit on the holding of the Fund in a particular company, sector or country by non-residents (individually or collectively) has been reached.

Also, some markets may be less liquid and the limited liquidity of these markets may therefore affect the Fund's ability to acquire or dispose of securities at the time and price it desires.

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

11. Subscription of Units

11.1 Subscription procedure

Applications for Units may be made to the Managers on the application form prescribed by the Managers or through any agent or distributor appointed by the Managers or their ATMs or through any other sales channels, if applicable.

Investors have a choice of paying for SGD Class Units with cash, Supplementary Retirement Scheme ("SRS") monies or CPF monies. Investors who purchase SGD Class Units using their CPF or SRS monies may not be registered as Joint Holders.

Investors paying with SRS monies or CPF monies shall instruct the relevant SRS operator bank or CPF agent bank or CPF Board (as the case may be) to withdraw from his SRS account or CPF account monies in respect of the SGD Class Units applied for. Investors wishing to use their SRS monies or CPF monies to purchase Units shall indicate so on the application form.

No transfer is permitted in respect of Units purchased by a Holder with SRS monies or CPF monies, unless required or permitted by applicable laws or the relevant authorities.

Investors may pay for USD Class Units only with cash.

Notwithstanding receipt of the application forms, the Managers shall retain the absolute discretion to accept or reject any application for Units in accordance with the provisions of the Deed. In the event that an application for Units is rejected by the Managers, the application monies shall be refunded (without interest) to the investor within a reasonable time in such manner as the Managers or relevant authorised distributor shall determine. Any applicable bank and related charges incurred shall be borne by the investors.

Units will only be issued when the funds are cleared, although the Managers may at their discretion issue Units before receiving full payment in cleared funds.

No certificates will be issued by the Managers.

11.2 Minimum Initial Subscription, Minimum Subsequent Subscription, Minimum Holding and Regular Savings Plan

Class	Minimum Initial Subscription	Minimum Subsequent Subscription	Minimum Holding ²	Regular Savings Plan*
SGD Class	S\$1,000	S\$100	1,000 Units	S\$100
USD Class	US\$1,000	US\$100	1,000 Units	US\$100

*See Paragraph 12 for further details on the Regular Savings Plan.

² Please refer to paragraph 13.2 for more details on Minimum Holding.

11.3 Dealing deadline and pricing basis

11.3.1 Dealing deadline

As Units are issued on a forward pricing basis, the issue price (“**Issue Price**”) of Units shall not be ascertainable at the time of application. In purchasing Units, applicants pay a fixed amount of money e.g., S\$1,000, which will buy the applicant the number of Units (including fractions of Units) obtained from dividing S\$1,000 by the Issue Price when it has been ascertained later.

The dealing deadline is 3 p.m. Singapore time on each dealing day (i.e. each Business Day, being any day on which the SGX-ST is open for business) (“**Dealing Day**”). Units in respect of applications received and accepted by the Managers before the dealing deadline will be issued at that Dealing Day’s Issue Price calculated in accordance with Clause 13(B) of the Deed.

Applications received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

11.3.2 Pricing basis

The Issue Price per Unit shall be an amount equal to the Net Asset Value per Unit (as defined in Paragraph 21.6.2 of this Prospectus) at the close of business Singapore time (or such other time as the Managers may from time to time determine with the approval of the Trustee and the Managers shall notify the Holders of such change if required by the Trustee) on the relevant Dealing Day and by adjusting such figure downwards to three decimal places (or such other number of decimal places as the Managers may from time to time determine after consultation with the Trustee).

The Issue Price will vary from day to day in line with the Net Asset Value of the Fund (calculated in accordance with the provisions of the Deed).

The preliminary charge shall be retained by the Managers and the amount of the adjustment aforesaid shall be retained by the Fund.

The Managers may, subject to the prior written approval of the Trustee, change the method of determining the Issue Price, and the Trustee shall determine if the Holders should be informed of such change.

11.4 Numerical example of how Units are allotted:

The number of Units you receive with an investment of \$1,000* in the Fund * (assuming a preliminary charge of 4%) will be calculated as follows:

\$1,000*	-	\$40*	=	\$960*	/	\$1.000*	=	960.00 Units
Your investment		Preliminary charge (4%)		Investment amount after preliminary charge		Notional Issue Price (= Net Asset Value per Unit)		No. of Units subscribed

* In Singapore Dollars or US Dollars, as the case may be. Investors should note that the notional Issue Price is for illustrative purposes only and is not indicative of any future or likely performance of the Fund.

11.5 Confirmation of purchase

A confirmation note detailing your investment amount and the number of Units allocated to you in the Fund will be sent to you within ten (10) business days from the date of issue of such Units.

11.6 Cancellation of Units by Investors

First-time investors in the Fund shall, subject to Clause 14A of the Deed and to the cancellation terms and conditions contained in the Notice to Cancel Form, have the right to cancel their subscription of Units within seven (7) calendar days from the date of subscription of Units (or such longer period as may be agreed between the Managers and the Trustee or such other period as may be prescribed by the MAS) by providing notice in writing to the Managers or their authorised distributors in such form as may be prescribed by the Managers.

Full details relating to the cancellation of Units may be found in the cancellation terms and conditions contained in the Notice to Cancel Form.

12. Regular Savings Plan

Holders of 1,000 Units (or the number of Units which were or would have been purchased for S\$1,000, in the case of SGD Class Units or US\$1,000, in the case of USD Class Units at the prevailing Issue Price at the time of their initial subscription or purchase of Units) in the Fund may participate in the Managers' monthly investment scheme by investing a minimum sum of S\$100, in respect of SGD Class Units or US\$100, in respect of USD Class Units on a fixed day per month through direct debit. Units are allotted and payment will be debited from the Holder's bank account, SRS Account or CPF Account on the 25th day of each month (or such other day as the distributors may stipulate) commencing on the month following activation of the Holder's direct debit instructions. Where the 25th day of a month (or such other day as the distributors may stipulate) is a public holiday in Singapore, the Holder's bank account, SRS Account or CPF Account will be debited on the next business day.

USD Class Units may not be paid using SRS monies or CPF monies. USD Class Units shall be paid for using cash or such other mode of payment acceptable to the Managers. Any applicable bank and related charges incurred shall be borne by the investors.

A Holder may terminate his participation in the monthly investment scheme without penalty upon giving thirty (30) days' prior written notice to the Managers.

In the event that a Holder is in breach of his obligations under the regular savings plan or fails to maintain sufficient funds in his bank account, SRS account or CPF Account, the Managers may terminate the participation of that Holder in the regular savings plan upon serving a termination notice to such Holder.

The Managers shall not assume any liability for any losses arising from the Holder's payment for the regular savings plan via direct debit transactions. Any applicable bank and related charges incurred shall be borne by the investors.

13. Realisation of Units

13.1 Realisation procedure

Holders may realise their holdings in the Fund on any Dealing Day by submitting realisation forms to the Managers or through any agent or distributor appointed by the Managers, if applicable.

Investors should note that any realisation of Units may be limited by the total number of Units to be realised on any Dealing Day and may not exceed 10% of the total number of Units then in issue, such limitation to be applied pro rata to all holders. Any Units not realised shall be realised on the next Dealing Day, subject to the same limitation. Investors should note that Units cancelled pursuant to paragraph 11.6 above will be included in determining whether this 10% limit is exceeded.

13.2 Minimum holding and minimum realisation amount

13.2.1 Minimum holding

The minimum holding for SGD Class Units and USD Class Units will be (i) 1,000 SGD Class Units and 1,000 USD Class Units respectively, or (ii) such other number or amount as may from time to time be determined by the Managers upon giving prior notice to the Trustee.

13.2.2 Minimum realisation amount

The minimum realisation amount for SGD Class Units and USD Class Units is 100 SGD Class Units and 100 USD Class Units respectively or such lower amount as the Managers may in any particular case or generally determine.

13.3 Dealing deadline and pricing basis

As Units are realised on a forward pricing basis, the realisation price of Units is not ascertainable at the time of realisation. Units in respect of realisation forms received and accepted by the Managers by the dealing deadline of 3 p.m. Singapore time on a Dealing Day shall be realised at that Dealing Day's realisation price calculated in accordance with Clause 15(E) of the Deed. Realisation forms received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

The realisation price shall be the price per Unit ascertained by the Managers by calculating the Value as at the close of business Singapore time (or such other time as the Managers may from time to time determine with the approval of the Trustee and the Managers shall notify the Holders of such change if required by

the Trustee) in respect of the Subscription Day³ on which the realisation request is received or, in the event that the realisation of Units is suspended pursuant to Clause 15(E)(ii) of the Deed (“**Realisation Price**”), in respect of the Subscription Day immediately following the cessation of such suspension; and by adjusting the resultant downwards to three decimal places (or as the Managers may from time to time determine after consultation with the Trustee). The Managers may, subject to the prior written approval of the Trustee, change the method of determining the realisation price and the Trustee shall determine if the Holders should be informed of such changes.

The realisation charge (if any) shall be retained by the Managers and the amount of the adjustment aforesaid shall be retained by the Fund.

13.4 Numerical example of how the amount paid to an investor is calculated, based on the sale of 1,000 Units of the Fund at a notional Realisation Price of \$1.000*:

1,000	x	\$1.000*	=	\$1,000.00*
No. of Units		Notional Realisation Price (= Net Asset Value per Unit)		Realisation proceeds

*In Singapore Dollars or US Dollars, as the case may be. Investors should note that the notional Realisation Price is for illustrative purposes only and is not indicative of any future or likely performance of the Fund.

13.5 Payment of realisation proceeds

Realisation proceeds shall be paid within six (6) business days of receipt and acceptance of the realisation form by the Managers unless the realisation of Units has been suspended in accordance with Paragraph 16 of this Prospectus.

If an investor is resident outside Singapore the Managers shall be entitled to deduct from the total amount which would otherwise be payable on the purchase from the investor an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the investor had been resident in Singapore.

Any applicable bank and related charges incurred in the payment of realisation proceeds shall be borne by the investor.

14. Switching

The Managers may at their discretion and on such terms and conditions as they may impose, subject to the terms of the relevant trust deeds, permit each Holder of Units from time to time to switch all or any of the Units held by him into units of another fund managed by the Managers (the “**new Fund**”). Any switching shall be effected by way of realisation of Units and followed by issuance of units in the new Fund subject to the terms of the relevant trust deed upon the receipt of cleared funds.

No switching of Units may be made which would result in the relevant Holder holding in respect of either the Fund or the new Fund (as the case may be), fewer units than the relevant minimum holding of such funds. If the number of units of the new Fund so produced shall include any fraction of more than two decimal places, such fraction shall be ignored and any moneys arising from such fraction shall be forfeited and retained as part of the new Fund.

Units purchased with cash, SRS monies or CPF monies may only be switched to units of the new Fund purchased with cash, SRS monies or CPF monies respectively.

Switching shall only be permitted between the same currency of units between the Fund and the new Fund, unless otherwise permitted by the Managers at their absolute discretion.

An application to switch may be made by a holder by giving to the Managers such application form as the Managers may from time to time require. Such switching request shall not be revocable without the consent of the Managers.

No Units shall be switched during any period when the right of Holders to require the realisation of Units is suspended pursuant to Paragraph 16 of this Prospectus or on any Dealing Day on which the number of Units that can be realised is limited pursuant to Paragraph 13.1 of this Prospectus.

³ “**Subscription Day**” means such business day (being any day on which the SGX-ST is open for business) or days at such intervals as the Managers may from time to time determine Provided that reasonable notice of any such determination shall be given by the Managers to all Holders at such time and in such manner as the Trustee may approve.

15. Obtaining Prices of Units

The Units will be valued daily. The indicative prices for each of the SGD Class Units and USD Class Units are quoted on a forward basis and they will likely be available two Business Days in Singapore after each relevant Dealing Day (subject to the publication policies of the relevant publisher). The prices will be published on the Managers' website at www.lionglobalinvestors.com. The prices may also be published in The Straits Times, The Business Times, Lianhe Zaobao and selected major wire services or such other sources as the Managers may decide upon.

Investors should note that, other than in respect of the publications of the Managers, the Managers do not accept any responsibility for any errors on the part of the relevant publisher in the prices published in the abovementioned newspapers and wire services or for any non-publication of prices by such publisher and shall incur no liability in respect of any action taken or loss suffered by investors in reliance upon such publications.

16. Suspension of Dealing

16.1 Subject to the provisions of the Code relating to suspension of dealings, the Managers may, with the approval of the Trustee, suspend the issue, realisation and valuation of Units during:

- (i) any period when the SGX-ST on which any Investments forming part of the deposited property for the time being are listed or dealt in is closed or during which dealings are restricted or suspended;
- (ii) the existence of any state of affairs which, in the opinion of the Managers might seriously prejudice the interests of the Holders as a whole or of the deposited property;
- (iii) any breakdown in the means of communication normally employed in determining the price of any of such Investments or the current price on the SGX-ST or when for any reason the prices of any of such Authorised Investments cannot be promptly and accurately ascertained (including any period when the fair value of a material portion of the Authorised Investments cannot be determined);
- (iv) any period when remittance of money which will or may be involved in the realisation of such Investments or in the payment for such Investments cannot, in the opinion of the Managers, be carried out at normal rates of exchange;
- (v) any 48 hour period (or such longer period as the Managers and the Trustee may agree) prior to the date of any meeting of Holders (or any adjourned meeting thereof);
- (vi) any period where dealing of Units is suspended pursuant to any order or direction of the MAS;
- (vii) any period when the business operations of the Managers or the Trustee in relation to the operation of the Fund are substantially interrupted or ceased as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God; or
- (viii) Any period as may be required under the provisions of the Code.

16.2 Subject to the provisions of the Code relating to suspension of dealings, such suspension shall take effect forthwith upon the declaration in writing thereof by the Managers and shall terminate on the day following the first business day on which the condition giving rise to the suspension shall have ceased to exist and no other conditions under which suspension is authorised under this Paragraph 16 shall exist.

17. Performance of the Fund

17.1 Past performance of the Fund and benchmark⁴ as at 30 April 2011)

	Average Annual Compounded Return				
	One Year	Three Years	Five Years	Ten Years	Since Inception ⁵
Fund	5.9%	1.2%	6.7%	10.1%	8.3%
Benchmark	9.5%	2.4%	7.6%	9.0%	5.3%

The current benchmark⁶ of the Fund is the Morgan Stanley Capital International (MSCI) Singapore Index.

The past performance of the Fund is not necessarily indicative of the future performance of the Fund.

⁴ Source: Morningstar/Lion Global Investors Limited. Performance figures are calculated based on single pricing as at 30 April 2011, taking into account any preliminary charge with dividends being reinvested net of all charges payable upon reinvestment and in SGD terms.

⁵ Inception date – 3 March 1989.

⁶ Since inception to 30 November 1999 – the benchmark of the Fund was DBS CPF Index. From 1 December 1999 – the benchmark was changed to Morgan Stanley Capital International (MSCI) Singapore Index in order to better reflect the Fund's investment objective.

17.2 Expense ratio

The expense ratio for the financial year ended 31 December 2010 is 1.40%⁷.

17.3 Turnover ratio

The turnover ratio for the financial year ended 31 December 2010 is 87%⁸.

18. Soft Dollar Commissions/Arrangements

The Managers shall be entitled to and intend to receive or enter into soft-dollar commissions/arrangements in respect of the Fund. The Managers will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Managers may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they used to support the investment decision making process, the giving of advice, or the conduct of research or analysis in relation to the investments managed for clients.

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

19. Conflicts of Interest

The Managers and the Trustee are not in any positions of conflict in relation to the Fund. The Managers and the Trustee shall conduct all transactions with or for the Fund at arm's length. The Managers are of the view that they are not in a position of conflict in managing their other funds and the Fund as each of the funds and the Fund has its own investment universe, investment objectives and investment restrictions, separate and distinct from each of the other funds. The Managers are obligated by the provisions of each respective trust deed to observe strictly such separate and distinct investment mandate for each of the funds. In the event the various funds place orders for the same securities as the Fund, the Managers shall endeavour as far as possible to allocate such securities among the funds in a fair manner based on a pro-rata basis.

20. Reports

Financial year-end and distribution of reports and accounts

The financial year-end for the Fund is 31 December. The annual report, annual accounts, and the auditors' report on the annual accounts will be prepared and sent to Holders (whether by post or such electronic means as may be permitted under the Code) within 3 months of the financial year-end (or such other period as may be permitted by the Authority). The semi-annual accounts and semi-annual report will be prepared and sent to Holders (whether by post or such electronic means as may be permitted under the Code) within 2 months of the financial half-year end (or such other period as may be permitted by the Authority). i.e. within 2 months from 30 June. In cases where the accounts and reports are available in electronic form, Holders will receive a hardcopy letter or an email (where email addresses have been provided for correspondence purposes) informing them that the accounts and reports are available and how they may be accessed. Holders may also request for hardcopies of the accounts and reports within 1 month (or such other period as may be permitted by the Authority) from the notification of the availability of the accounts and reports. The Trustee will also make available, or cause to be made available, hardcopies of the accounts and reports to any Holder who requests for them within 2 weeks of any request from such Holder (or such other period as may be permitted by the Authority).

⁷ The expense ratio is calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on figures in the Fund's latest audited accounts. The following expenses, and such other expenses as may be set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:

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

⁸ The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage over the average Net Asset Value.

21. Other Material Information

21.1 Information on investments

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

21.2 Distribution of income and capital

Distribution of income and capital will be at the Managers' sole discretion.

21.3 Exemptions from liability

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

21.3.2 The Trustee and the Managers shall incur no liability to the Holders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the Deed neither the Trustee nor the Managers shall be under any liability therefor or thereby.

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

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

21.3.5 Nothing contained in the Deed shall be construed so as to prevent the Managers and the Trustee in conjunction or the Managers or the Trustees separately from acting as managers or trustees of trusts separate and distinct from the Fund.

21.3.6 The Trustee and its associates is/are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest within the management of the Fund. Associates of the Trustee may be engaged to provide banking, brokerage or financial services to the Fund, including but not limited to trustee and custodial and registrar services; or buy, hold and deal in any investments; enter into contracts or other arrangements with the Trustee; serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Fund may invest, and make profits from these activities. Such services or activities when provided or undertaken, will be on arm's length. The Trustee will ensure that the performance of its duties will not be impaired by any such involvement that it may have. In the event that a conflict of interest does arise, the Trustee shall endeavour to ensure that it is resolved fairly and in the interest of Holders.

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

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

21.3.9 The Trustee may act upon any advice of or information obtained from the Managers or any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee or the Managers and the Trustee shall not be liable for anything done or omitted or suffered in reliance upon such advice or information provided that it has acted in good faith, without negligence and with due care. The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant, broker, lawyer, agent or other person as aforesaid or of the Managers. Any such advice or information may be obtained or sent by letter, telegram, telex message, electronic mail, facsimile or cablegram and the Trustee shall not be liable for acting on any advice or information purported to be conveyed by any such letter, telegram, telex message, electronic mail, facsimile or cablegram although the same contains some error or is not authentic.

21.3.10 The Trustee shall not incur any liability for any loss which a Holder may suffer by the reason of any depletion in the value of the deposited property which may result from any securities lending transaction effected pursuant to Clause 16(J) of the Deed and shall be indemnified out of and have recourse to the deposited property in respect of any liabilities, claims or demands which the Managers or the Trustee may incur or suffer arising from any such security lending transaction.

21.3.11 The Managers shall be entitled to exercise all rights of voting conferred by any of the deposited property in what they may consider to be the best interests of the Holders, but neither the Managers nor the Trustee shall be under any liability or responsibility in respect of the management of the Authorised Investment in question nor in respect of any vote, action or consent given or taken or not given or not taken by the Managers whether in person or by proxy, and neither the Trustee nor the Managers nor the holder of any such proxy or power of attorney shall incur any liability or responsibility by reason of any error of law or mistake of fact or any matter or thing done or omitted or approval voted or given or withheld by the Trustee or Managers or by the holder of such proxy or power of attorney under the Deed; and the Trustee shall be under no obligation to anyone with respect to any action taken or caused to be taken or omitted by the Managers or by any such proxy or attorney.

21.4 Investment restrictions

The investment guidelines for funds included under the CPFIS (“**CPFIS Included Funds**”) issued by the CPF Board (“**CPF Investment Guidelines**”), and the investment guidelines for issued by the MAS under Appendix 1 of the Code, as may be amended, restated, supplemented or replaced from time to time, shall apply to the Fund.

The Managers may engage in securities lending transactions and invest in derivatives and accordingly, are subject to the provisions on securities lending and derivatives as set out in the CPF Investment Guidelines and Appendix 1 of the Code. The Managers do not currently intend to engage in securities lending transactions but may do so in future.

21.5 Holders' right to vote

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

- (i) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 38 of the Deed;
- (ii) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee;
- (iii) to terminate the Trust as provided in Clause 35(E) of the Deed;
- (iv) to remove the Managers as provided in Clause 33(A)(iii) of the Deed;
- (v) to sanction any change in the investment objectives of the Fund proposed by the Managers and approved by the Trustee; and
- (vi) to direct the Trustee to take any action (including the termination of the Fund) pursuant to Section 295 of the SFA,

but shall not have any further or other powers.

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

- (i) to sanction any modification, alteration or addition to the provisions of the Deed which shall be agreed by the Trustee and the Managers as provided in Clause 38 of the Deed to the extent that such modification, alteration or addition affects the Holders of the relevant Class of Units;
- (ii) to sanction a supplemental deed increasing the maximum permitted percentage of the management fee in relation to the relevant Class of Units; and
- (iii) to terminate the relevant Class of Units as provided in Clause 35(G) of the Deed,

but shall not have any further or other powers.

21.5.3 “**Extraordinary Resolution**” is defined in the Deed to mean a resolution proposed and passed as such by a majority consisting of seventy-five per cent. or more of the total number of votes cast for and against such resolution.

21.6 Valuation

21.6.1 “**Value**”, except where otherwise expressly stated in the Deed, and subject always to the requirements of the Code, means with reference to any Authorised Investment the value calculated, as the case may be, by reference to the official closing price, the last known transacted price, the last transacted price or the last available price on a Recognised Stock Exchange at the time of calculation, or at such other time as the Managers may from time to time after consultation with the Trustee determine but (i) if in the opinion of the Managers, such price is not representative of the value of such Authorised Investment or where there is no Recognised Stock Exchange (as defined in the Deed), the prices of the relevant Authorised Investment is quoted by a broker, firm or institution making market in that Investment, if any, and if there shall be more than one such market maker then such market maker as the Managers may designate, or (ii) if there is no such official closing price, last known transacted price, last transacted price or last available price, at the time of calculation for the Authorised Investment in question, then the value of such Authorised Investment shall be such value as the Managers may with due care and in good faith consider in the circumstances to be fair value (with the consent of the Trustee in accordance with the Code and the Managers shall notify the Holders of such change if required by the Trustee). For the purposes of this proviso, the “**fair value**” shall be determined by the Managers in consultation with a stockbroker or an approved valuer and with the consent of the Trustee in accordance with the Code.

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

21.6.2 “**Net Asset Value**” means the Value of all assets of the Trust less liabilities and “**Net Asset Value per Unit**” means the Net Asset Value divided by the number of Units of the Fund in issue or deemed to be in issue immediately prior to the relevant Dealing Day (rounded down to the nearest \$0.001 or such other number of decimal places or any other method of rounding determined by the Managers with approval of the Trustee).

In calculating the Net Asset Value or any proportion thereof:

- (i) every Unit agreed to be issued by the Managers shall be deemed to be in issue and the deposited property shall be deemed to include not only property in the hands of the Trustee but also the value of any cash or other property to be received in respect of Units agreed to be issued after deducting therefrom or providing thereout the preliminary charge and adjustment (if any) and (in the case of Units issued against the vesting of Authorised Investments) any moneys payable out of the deposited property pursuant to Clause 13 of the Deed;
- (ii) where Investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such Investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed;
- (iii) where in consequence of any notice or request in writing given pursuant to Clauses 14, 14A or 15 of the Deed a reduction of the Fund by the cancellation of Units is to be effected but such reduction has not been completed the Units in question shall not be deemed to be in issue and any amount payable in cash and the value of any Investments to be transferred out of the deposited property in pursuance of such reduction shall be deducted from the Net Asset Value;

- (iv) there shall be deducted any amounts not provided for above which are payable out of the deposited property including:
 - (a) any amount of management fee accrued but remaining unpaid together with a sum equal to any tax chargeable in respect of the management services supplied in consideration of the said management participation;
 - (b) the amount of tax, if any, on capital gains (including any provision made for unrealised capital gains) and income accrued up to the end of the last accounting period and remaining unpaid;
 - (c) such sum in respect of tax, if any, on net capital gains realised during a current accounting period prior to the valuation being made as in the estimate of the Managers will become payable; and
 - (d) the aggregate amount for the time being outstanding of any borrowings effected under Clause 17(C) of the Deed together with the amount of any interest and expenses thereon accrued pursuant to Clause 17(C)(vii) remaining unpaid;
- (v) there shall be taken into account such sum as in the estimate of the Managers will fall to be paid or reclaimed in respect of taxation related to income down to the relevant date;
- (vi) there shall be added the amount of any tax, if any, on capital-gains estimated to be recoverable and not received;
- (vii) any Value (whether of an Investment or cash) otherwise than in Singapore Dollars and any non-Singapore Dollar borrowing shall be converted into Singapore Dollars at the rate (whether official or otherwise) which the Managers shall after consulting or in accordance with a method approved by the Trustee deem appropriate to the circumstances having regard inter alia to any premium or discount which may be relevant and to the costs of exchange; and
- (viii) where the current price of an Investment is quoted "ex" dividend or interest but such dividend or interest has not been received the amount of such dividend or interest shall be taken into account,

the Managers may, to the extent permitted by the MAS, and subject to the prior approval of the Trustee, change the method of valuation provided in this Paragraph 21.6 and the Trustee shall determine if the Holders should be informed of such change.

21.7 Termination of the Fund

21.7.1 Either the Trustee or the Managers may in their absolute discretion terminate the Trust by not less than one year's notice in writing to the other given so as to expire at the end of the accounting period current at the end of the year 2001 or any fifteenth year thereafter. Either the Trustee or the Managers shall be entitled by notice in writing as aforesaid to make the continuation of the Fund beyond any such date conditional on the revision to its or their satisfaction at least three months before the relevant date of its or their remuneration hereunder. In the event that the Fund shall fall to be terminated or discontinued the Managers shall give notice thereof to all Holders not less than six months in advance. Subject as aforesaid the Fund shall continue until terminated in the manner provided in the Deed.

21.7.2 Subject to compliance with the SFA, the Fund may be terminated by the Trustee by notice in writing as hereinafter provided in any of the following events, namely:

- (i) if the Managers shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of their assets or if any encumbrancer shall take possession of any of their assets or if they shall cease business;
- (ii) if in the opinion of the Trustee the Managers shall be incapable of performing or shall in fact fail to perform their duties satisfactorily or shall do any other thing which in the opinion of the Trustee is calculated to bring the Fund into disrepute or to be harmful to the interests of the Holders; Provided Always That if the Managers shall be dissatisfied with such opinion the matter shall be referred to arbitration in Singapore in accordance with the Arbitration Act (Chapter 10) before a sole arbitrator who shall be a member of The Singapore Society of Accountants to be agreed between the parties or in default of agreement appointed by the President for the time being of the said Society and whose decision shall be final and binding;

- (iii) if any law shall be passed, any authorisation revoked or withdrawn or any direction given by the MAS which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Fund; and
- (iv) if within the period of three months from the date of the Trustee expressing in writing to the Managers the desire to retire the Managers shall have failed to appoint a new Trustee within the terms of Clause 32 of the Deed.

Subject as mentioned in Paragraph 21.7.2 above the decision of the Trustee in any of the events specified in this Paragraph 21.7.2 shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate the Fund pursuant to this Paragraph 21.7.2 or otherwise. The Managers shall accept the decision of the Trustee and relieve the Trustee of any liability to them therefor and hold it harmless from and claims whatsoever on their part for damages or for any other relief.

- 21.7.3** The Fund or a Class of the Fund may be terminated by the Managers in their absolute discretion by notice in writing as hereinafter provided (i) on the third anniversary of the date of this Deed or on any date thereafter if on such date the aggregate Net Asset Value attributable to such Class shall be less than S\$5,000,000 in the case of SGD Class Units or US\$5,000,000 in the case of USD Class Units or (ii) if any law shall be passed, any authorisation revoked or withdrawn or any direction given by the MAS which renders it illegal or in the opinion of the Managers impracticable or inadvisable to continue the Fund or such Class.
- 21.7.4** The party terminating the Fund or the relevant Class shall give notice thereof to the Holders in manner herein provided and by such notice fix the date at which such termination is to take effect which date shall not be less than six months after the service of such notice.
- 21.7.5** The Fund may at any time after three years from the date hereof be terminated by Extraordinary Resolution of a meeting of the Holders duly convened and held in accordance with the provisions contained in the Schedule to the Deed and such termination shall take effect from the date on which the said Extraordinary Resolution is passed or such later date (if any) as the said Extraordinary Resolution may provide.
- 21.7.6** A Class of the Fund may at any time after the date of its establishment be terminated by an Extraordinary Resolution of a meeting of the Holders of that Class duly convened and held in accordance with the provisions contained in the Schedule to the Deed and such termination shall take effect from the date on which the said Extraordinary Resolution is passed or on such later date (if any) as the said Extraordinary Resolution may provide.

22. Queries and Complaints

If you have questions concerning your investment in the Fund, you may call the Managers at telephone number (65) 6417 6900.

Appendix 1 Description of the Commitment Approach

1.1 The global exposure of a scheme is calculated as the sum of:

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

Netting arrangements

1.2 Netting arrangements may be taken into account to reduce a scheme's exposure to financial derivatives.

1.3 A scheme may net positions between:

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

Hedging arrangements

1.4 Hedging arrangements may be taken into account to reduce a schemes' exposure to financial derivatives.

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

1.6 For the purposes of paragraphs 1.4 and 1.5, the hedging arrangement should:

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

Guidance

Strategies which seek to offset the beta (market risk) but do not aim to offset the specific risks linked to the underlying investment and keep the alpha would not comply with the requirements in paragraph 1.6. Such strategies would include market neutral or long/short strategies.

1.7 Notwithstanding paragraph 1.6, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

Exposure arising from reinvestment of cash collateral

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

LIONGLOBAL SINGAPORE TRUST FUND
BOARD OF DIRECTORS OF LION GLOBAL INVESTORS LIMITED

Signed

David Philbrick Conner
Chairman

Signed

Christopher Brian Wei
Deputy Chairman

Signed

Gerard Lee How Cheng
CEO

Signed

Soon Tit Koon
Director

Signed

Cheong Jin Keat
Director

Signed

Yoon Mun Thim
Director

Signed

Ching Wei Hong
Director

Signed

Norman Ip Ka Cheung
Director

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or if you are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

LIONGLOBAL SINGAPORE TRUST FUND (the "Fund")

Product Type	Unit Trust	Launch Date	1 March 1989
Manager	Lion Global Investors Limited	Custodian	<ul style="list-style-type: none"> • Prior to 1 July 2011, British and Malayan Trustees Limited. • With effect from 1 July 2011, HSBC Institutional Trust Services (Singapore) Limited.
Trustee	<ul style="list-style-type: none"> • Prior to 1 July 2011, British and Malayan Trustees Limited. • With effect from 1 July 2011, HSBC Institutional Trust Services (Singapore) Limited. 	Dealing Frequency	Every Business Day
Capital Guaranteed	No	Expense Ratio for FY 31 Dec 2010	1.40%
Name of Guarantor	NA		

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek capital growth over the long term;
- are comfortable with the greater volatility and risks of an equity fund.

Further Information

Refer to Section 7 on pages 4 to 5 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a unit trust constituted in Singapore that aims to provide you with long term capital appreciation by investing in securities listed in Singapore.

Refer to Section 7 on pages 4 to 5 of the Prospectus for further information on features of the product.

¹ The prospectus is available for collection at Lion Global Investors Limited, One George Street #08-01, Singapore 049145 (Address with effect from or around 1 August 2011: 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513) from Monday to Friday (9am to 6pm) or website: www.lionglobalinvestors.com

Investment Strategy	
<p>The Fund will invest in securities listed on the Main Board of The Singapore Exchange Securities Trading Limited ("SGX-ST") and on Catalist. The investments of the Fund shall be diversified into the various sectors of the Singapore equities markets.</p> <p>The Managers believe in maintaining a strong value discipline and aim to buy stocks at a prudent discount to their intrinsic value. The Managers aim to concentrate investment in the best ideas in a risk controlled environment and to hold them over the long-term, so as to achieve sustainable long-term performance through strong conviction ideas.</p>	<p>Refer to Section 7 on pages 4 to 5 of the Prospectus for further information on features of the product.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> • <u>The Managers</u> <ul style="list-style-type: none"> ○ Lion Global Investors Limited • <u>The Trustee and Custodian</u> <ul style="list-style-type: none"> ○ Prior to 1 July 2011, British and Malayan Trustees Limited. ○ With effect from 1 July 2011, HSBC Institutional Trust Services (Singapore) Limited • <u>The Registrar</u> <ul style="list-style-type: none"> ○ Prior to 1 July 2011, British and Malayan Trustees Limited ○ With effect from 1 July 2011, HSBC Institutional Trust Services (Singapore) Limited • <u>The Auditors</u> <ul style="list-style-type: none"> ○ PricewaterhouseCoopers LLP 	<p>Refer to Section 2, 3, 4 & 5 on page 3 of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>Investors should consider and satisfy themselves as to the risks of investing in the Fund. Generally, some of the risk factors that should be considered are market, credit, derivatives, interest rate, liquidity and regulatory risks.</p> <p>An investment in the Fund is meant to produce returns over the long-term. Investors should not expect to obtain short-term gains from such an investment.</p> <p>Investors should note that the value of Units, and the income accruing to the Units, may fall or rise and that investors may not get back their original investment.</p>	<p>Refer to Section 10 on pages 6 to 8 of the Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • <u>You are exposed to Market Risks in Singapore</u> <ul style="list-style-type: none"> ○ Prices of securities may go up or down in response to changes in economic conditions, interest rates and the market's perception of securities. These may cause the price of Units in the Fund to go up or down as the price of Units in the Fund is based on the current market value of the investments of the Fund. • <u>You are exposed to Currency Risks</u> <ul style="list-style-type: none"> ○ As the investments of the Fund may be denominated in foreign currencies, fluctuations of the exchange rates of foreign currencies against the base currency of the Fund (i.e. the Singapore Dollar) may affect the value of Units. 	

Liquidity Risks

- The Fund is not listed and you can redeem only on Dealing Days.

Product Specific Risks

- **You are exposed to Derivatives Risks**
 - The Fund may invest in financial derivative instruments such as futures, options, warrants, forwards and swaps for hedging purposes or for the purpose of efficient portfolio management. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments.
- **You are exposed to Concentration Risks**
 - The Fund may be subject to concentration risks as it invests mainly in securities listed on SGX-ST and on Catalist. This could result in a higher risk to the investments of the Fund due to lack of diversification.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES FOR THIS INVESTMENT?

- **Payable directly by investors**

You will need to pay the following fees and charges as a percentage of your gross investment amount:

Preliminary Charge	Currently 4% for non-CPF subscriptions and 3% for CPF subscriptions. Maximum 5%.
Realisation Charge	Currently Nil. Maximum 5%.
Switching Fee	1%.

- **Payable by the Fund from invested proceeds**

The Fund will pay the following fees and charges to the Managers, Trustee and other parties:

Annual Management Fee	Currently 1.15%. Maximum 1.25%.
Annual Trustee Fee	<p><u>Prior to 1 July 2011</u> Currently 0.075%. Maximum 0.1%.</p> <p><u>With effect from 1 July 2011</u> Currently not more than 0.05% (subject always to a minimum of S\$10,000 p.a.) Maximum 0.1% p.a.</p>

Refer to Section 9 on pages 5 to 6 of the Prospectus for further information on fees and charges.

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The Fund will be valued on each Dealing Day. The indicative prices of Units are quoted on a forward pricing basis and will likely be available two Business Days in Singapore after each relevant Dealing Day.

The prices are published on the Managers' website at www.lionglobalinvestors.com. The prices may also be published in The Straits Times, The Business Times, Lianhe Zaobao and selected major wire services.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may realise your holdings in the Fund on any Dealing Day by submitting a realisation form to the Managers or the relevant agent or distributor appointed by the Managers.

Refer to Section 15 on page 12 of the Prospectus for further information on valuation of the product.

Refer to Section 13 on pages 10 to 11 of the Prospectus for further information on exiting from the product.

As Units are realised on a forward pricing basis, the realisation price of Units is not ascertainable at the time of realisation. If your realisation form is received and accepted by the Managers by the dealing deadline of 3 p.m. Singapore time on a Dealing Day, your Units shall be realised at that Dealing Day's realisation price. Realisation forms received after the dealing deadline or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

You will receive your realisation proceeds within 6 business days from the receipt and acceptance of the realisation form by the Managers.

Illustration of realisation proceeds paid

1,000	x \$1.000*	= \$1.000.00*
Units Realised	Notional Realisation Price (= net asset value per Unit)	Gross Realisation Proceeds
\$1,000.00*	- NIL	- \$1.000.00*
Gross Realisation Proceeds	Realisation Charge	Net Realisation Proceeds

**In SGD or USD, as the case may be.*

Investors should note that the notional realisation price is for illustration only and is not indicative of any future or likely performance of the Fund.

Cooling Off Period

First-time investors in the Fund may cancel their subscription of Units within 7 calendar days from the date of subscription by submitting a Notice to Cancel Form to the Managers, subject to cancellation terms and conditions. You will be refunded the lower of the market value of the Units held on the day of receipt and acceptance of such form or the original amount paid by you. Where the market value of the Units held is greater than the original amount paid by you, the Managers are not obliged to pay the excess amount to you and the excess amount shall be retained in the Fund.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

If you have questions concerning your investment in the Fund, you may call the Managers at telephone number (65) 6417 6900.

Website: www.lionglobalinvestors.com

Email: contactus@lionglobalinvestors.com

APPENDIX: GLOSSARY OF TERMS

Equity

Investing or ownership in a company. Often used as a synonym for stock.

Net asset value

The market value of a unit trust fund's total assets, minus liabilities, divided by the number of units outstanding.

Dealing Day

Every business day (other than a Saturday or Sunday or a day on which the relevant recognised stock exchange is closed). Business day means any day (other than a Saturday or Sunday) on which commercial banks are open for business in Singapore.

Lion Global Investors Limited

One George Street #08-01
Singapore 049145

TEL: (65) 6417 6900 FAX: (65) 6417 6806
www.lionglobalinvestors.com

Co Reg No: 198601745D

A member of the OCBC Group