

**STRICTLY PRIVATE AND CONFIDENTIAL**

**NOT FOR DUPLICATION**

Memorandum No.:

Furnished to:

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Relating to Participating Shares**

*in*

**VECTOR FUND VCC**

*(an umbrella variable capital company incorporated under  
the laws of Singapore with registration number T21VC0119B)*

*Investment Manager*

**DBS BANK LTD.**

*(incorporated with limited liability in the Republic of Singapore  
(Company Registration Number 196800306E)*

**30 July 2021**

## IMPORTANT NOTES

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (“**MEMORANDUM**”) IS BEING FURNISHED TO PROSPECTIVE INVESTORS ON A CONFIDENTIAL BASIS (AND IS INTENDED SOLELY FOR THE USE OF SUCH PERSONS TO WHOM IT HAS BEEN DELIVERED) SO THAT THEY MAY CONSIDER AN INVESTMENT IN VECTOR FUND VCC (THE “**FUND**”) AND MAY NOT BE USED FOR ANY OTHER PURPOSE. THIS MEMORANDUM MAY NOT BE REPRODUCED OR PROVIDED TO OTHERS WITHOUT THE PRIOR WRITTEN PERMISSION OF DBS BANK LTD. (THE “**INVESTMENT MANAGER**”). BY ACCEPTING DELIVERY OF THIS MEMORANDUM, EACH PROSPECTIVE INVESTOR AGREES TO THE FOREGOING AND TO RETURN THIS MEMORANDUM IF SUCH PERSON DOES NOT INTEND TO INVEST IN THE FUND.

THIS MEMORANDUM MAY BE ISSUED WITH ONE OR MORE SUPPLEMENTAL DOCUMENTS (THE “**SUPPLEMENTS**”) EACH CONTAINING SPECIFIC INFORMATION IN RELATION TO THE RELEVANT SUB-FUND OF THE FUND. EACH SUPPLEMENT FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE MEMORANDUM. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS MEMORANDUM AND ANY SUPPLEMENT, THE PROVISIONS OF THE RELEVANT SUPPLEMENT SHALL PREVAIL.

THIS MEMORANDUM IS BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN SINGAPORE AND IS SUBJECT TO CHANGES. THIS MEMORANDUM RELATES TO THE PLACEMENT OF PARTICIPATING SHARES (THE “**PARTICIPATING SHARES**”) OF THE SUB-FUNDS (THE “**SUB-FUNDS**”) OF THE FUND. THE PARTICIPATING SHARES ARE NOT, AND ARE NOT EXPECTED TO BE, LIQUID, EXCEPT AS DESCRIBED IN THIS MEMORANDUM. THERE WILL BE NO ACTIVE SECONDARY MARKET FOR THE PARTICIPATING SHARES, NOR DOES THE INVESTMENT MANAGER EXPECT THAT AN ACTIVE SECONDARY MARKET WILL DEVELOP. INVESTMENTS IN THE SUB-FUNDS ARE NOT DEPOSITS WITH ANY FINANCIAL INSTITUTION. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE PRINCIPAL AMOUNT OF AN INVESTMENT IN THE SUB-FUNDS IS NOT GUARANTEED BY ANY PERSON.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE FUND AND THE SUB-FUNDS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE PARTICIPATING SHARES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, NO SECURITIES COMMISSION OR REGULATORY AUTHORITY HAS CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM.

NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION CONCERNING THE FUND OTHER THAN THE INFORMATION CONTAINED IN THIS DOCUMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE FUND. NO OFFERING LITERATURE OR ADVERTISING IN ANY FORM SHALL BE EMPLOYED IN THE OFFERING OF THE PARTICIPATING SHARES OTHER THAN THIS DOCUMENT AND THE DOCUMENTS REFERRED TO HEREIN.

A PROSPECTIVE INVESTOR SHOULD NOT SUBSCRIBE FOR PARTICIPATING SHARES UNLESS SATISFIED THAT IT AND/OR ITS INVESTMENT REPRESENTATIVE HAS ASKED FOR AND RECEIVED ALL INFORMATION WHICH WOULD ENABLE SUCH PERSON TO EVALUATE THE MERITS AND RISKS OF THE PROPOSED INVESTMENT. NEITHER THE INVESTMENT MANAGER NOR ANY OF ITS AFFILIATES UNDERTAKE ANY OBLIGATION TO PROVIDE THE RECIPIENT WITH ACCESS TO ANY ADDITIONAL INFORMATION OR TO UPDATE THIS DOCUMENT OR ANY ADDITIONAL INFORMATION OR TO CORRECT ANY INACCURACIES IN THIS DOCUMENT OR ANY ADDITIONAL INFORMATION WHICH MAY BECOME APPARENT.

PROSPECTIVE INVESTORS SHOULD READ THIS DOCUMENT CAREFULLY. HOWEVER, NO REPRESENTATIONS OR WARRANTIES OF ANY KIND ARE INTENDED OR SHOULD BE INFERRED WITH RESPECT TO THE ECONOMIC RETURN OR THE TAX CONSEQUENCES FROM AN INVESTMENT IN THE SUB-FUNDS. NO ASSURANCE CAN BE GIVEN THAT EXISTING LAWS WILL NOT BE CHANGED OR INTERPRETED ADVERSELY. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS DOCUMENT AS LEGAL, TAX, INVESTMENT, FINANCIAL OR OTHER ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISORS AS TO THE FINANCIAL, LEGAL, TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE SUB-FUNDS. IT IS THE RESPONSIBILITY OF EACH PROSPECTIVE INVESTOR TO SATISFY ITSELF AS TO FULL COMPLIANCE WITH THE APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION OR TERRITORY, INCLUDING OBTAINING ANY REQUISITE GOVERNMENTAL OR OTHER CONSENT AND OBSERVING ANY OTHER FORMALITY PRESCRIBED IN SUCH JURISDICTION OR TERRITORY. EACH PROSPECTIVE INVESTOR SHOULD INFORM ITSELF AS TO THE LEGAL AND REGULATORY REQUIREMENTS

APPLICABLE TO IT IN RESPECT OF THE ACQUISITION, HOLDING AND DISPOSITION OF THE PARTICIPATING SHARES AND AS TO INCOME AND OTHER TAX CONSEQUENCES TO IT.

THIS MEMORANDUM IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE CONSTITUTION OF THE FUND (AS AMENDED, SUPPLEMENTED OR MODIFIED FROM TIME TO TIME) (THE "**CONSTITUTION**"), A COPY OF WHICH WILL BE MADE AVAILABLE UPON REQUEST AND SHOULD BE CAREFULLY REVIEWED PRIOR TO SUBSCRIBING FOR THE PARTICIPATING SHARES. STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE HEREOF UNLESS STATED OTHERWISE HEREIN, AND NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME, NOR ANY SALE HEREUNDER, SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION OR REPRESENTATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO SUCH DATE.

AN INVESTMENT IN A SUB-FUND MAY NOT BE SUITABLE FOR ALL INVESTORS. IT IS INTENDED ONLY FOR HIGH NET WORTH AND SOPHISTICATED INVESTORS WHO CAN ACCEPT THE RISKS ASSOCIATED WITH SUCH AN INVESTMENT, INCLUDING A SUBSTANTIAL OR COMPLETE LOSS OF THEIR INVESTMENT. THERE CAN BE NO ASSURANCE THAT A SUB-FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE. THE PARTICIPATING SHARES ARE SUITABLE ONLY FOR HIGH NET WORTH AND SOPHISTICATED INVESTORS WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENTS AND FOR WHOM AN INVESTMENT IN A SUB-FUND DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN A SUB-FUND'S INVESTMENT PROGRAM. A SUBSCRIBER FOR THE PARTICIPATING SHARES MUST REPRESENT AND WARRANT THAT IT IS ACQUIRING THE PARTICIPATING SHARES FOR INVESTMENT. THE TRANSFER OF THE PARTICIPATING SHARES IS SUBJECT TO LIMITATIONS IMPOSED BY THE CONSTITUTION.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY PERSON OR ENTITY IN ANY TERRITORY OR OTHER JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION TO SUCH PERSON OR ENTITY. THE PARTICIPATING SHARES OFFERED HEREBY HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY JURISDICTION AND HAVE NOT BEEN FILED WITH OR APPROVED OR DISAPPROVED BY ANY REGULATORY AUTHORITY OF ANY COUNTRY OR JURISDICTION, NOR HAS ANY SUCH REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THIS MEMORANDUM IS NOT, AND UNDER NO CIRCUMSTANCES IS IT TO BE CONSTRUED AS, A PROSPECTUS OR ADVERTISEMENT, AND THERE WILL BE NO PUBLIC OFFERING OF THE PARTICIPATING SHARES IN ANY JURISDICTION.

THE PROSPECTIVE INVESTOR SHOULD INFORM ITSELF AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRY OF ITS CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THE PARTICIPATING SHARES AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERETO, AND SHOULD INFORM ITSELF OF AND OBSERVE ALL SUCH LAWS AND REGULATIONS IN ANY RELEVANT JURISDICTION THAT MAY BE APPLICABLE TO THEM. SEE "SELLING RESTRICTIONS".

**AN INVESTMENT IN A SUB-FUND INVOLVES SIGNIFICANT RISKS. SEE "RISK FACTORS".**

THIS MEMORANDUM MAY FROM TIME TO TIME BE SUPPLEMENTED WITH INFORMATION MEMORANDA, SUPPLEMENTS OR OTHER OFFERING MATERIALS FOR A SPECIFIC ENTITY WHICH MAY BE ESTABLISHED WITH THE FUND. IN THAT EVENT, THE DISCLOSURES CONTAINED IN SUCH OFFERING MATERIALS REGARDING SUCH ENTITY, INCLUDING WITH REGARD TO THE MANAGEMENT OF SUCH ENTITY, AND TAX MATTERS, SHALL SUPERSEDE THIS MEMORANDUM TO THAT EXTENT.

THIS MEMORANDUM MAY CONTAIN FORWARD-LOOKING STATEMENTS AND OPINIONS THAT ARE BASED ON CURRENT EXPECTATIONS, ESTIMATES AND PROJECTIONS ABOUT, INTER ALIA, THE INDUSTRY AND MARKETS IN WHICH THE SUB-FUNDS WILL OPERATE. WORDS SUCH AS 'EXPECTS', 'ANTICIPATES', 'INTENDS', 'PLANS', 'CONTEMPLATES', 'BELIEVES', 'SEEKS', 'ESTIMATES', 'ASSUMES', VARIATIONS OF SUCH WORDS AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY SUCH FORWARD-LOOKING STATEMENTS. THESE STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND INVOLVE RISKS, UNCERTAINTIES AND ASSUMPTIONS THAT ARE DIFFICULT TO PREDICT, SO THAT ACTUAL OUTCOMES AND RESULTS MAY DIFFER MATERIALLY FROM WHAT IS EXPRESSED OR FORECAST IN SUCH FORWARD-LOOKING STATEMENTS.

CERTAIN INFORMATION CONTAINED HEREIN (INCLUDING CERTAIN FORWARD-LOOKING STATEMENTS AND ECONOMIC AND MARKET INFORMATION) HAS BEEN OBTAINED FROM PUBLISHED SOURCES AND/OR PREPARED BY OTHER PARTIES AND HAS NOT BEEN UPDATED THROUGH THE DATE HEREOF. WHILE SUCH SOURCES ARE

BELIEVED TO BE RELIABLE FOR THE PURPOSES USED HEREIN, NONE OF THE INVESTMENT MANAGER OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, MEMBERS, SHAREHOLDERS OR AFFILIATES ASSUMES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. STATEMENTS CONTAINED HEREIN THAT ARE ATTRIBUTABLE TO THE INVESTMENT MANAGER ARE NOT MADE IN ANY PERSON'S INDIVIDUAL CAPACITY, BUT RATHER ON BEHALF OF THE FUND.

**INVESTMENT VALUES CAN GO UP AS WELL AS DOWN. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE WHICH MAY OR MAY NOT BE THE SAME AS OR SIMILAR TO PAST PERFORMANCE.**

THE DELIVERY OF THIS MEMORANDUM OR THE ALLOTMENT OR ISSUE OF PARTICIPATING SHARES SHALL NOT, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE FUND AND THE SUB-FUNDS, OR IN ANY OTHER MATTERS REFERRED TO IN THIS MEMORANDUM, OR IN ANY DOCUMENTS REFERRED TO IN THIS MEMORANDUM SINCE THE DATE INDICATED ON THE FRONT COVER OF THE APPLICABLE DOCUMENT OR AS SPECIFICALLY INDICATED IN THE APPLICABLE DOCUMENT.

EACH PROSPECTIVE INVESTOR IS INVITED TO MEET WITH REPRESENTATIVES OF THE INVESTMENT MANAGER AND TO DISCUSS WITH, ASK QUESTIONS OF AND RECEIVE ANSWERS FROM SUCH REPRESENTATIVES CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING OF THE PARTICIPATING SHARES, AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THAT SUCH REPRESENTATIVES POSSESS SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, NECESSARY TO VERIFY THE INFORMATION CONTAINED HEREIN.

IN THIS DOCUMENT, UNLESS THE CONTEXT OTHERWISE REQUIRES, ALL REFERENCES TO "PARTICIPATING SHARES" REFER TO PARTICIPATING SHARES IN THE SUB-FUNDS.

ALL DOLLAR AMOUNTS IN THIS MEMORANDUM ARE IN US DOLLARS ("**US\$**"), UNLESS SPECIFIED OTHERWISE.

THE INVESTMENT MANAGER RESERVES THE RIGHT TO REJECT FOR ANY REASON ANY OFFER, IN WHOLE OR IN PART, TO SUBSCRIBE FOR THE PARTICIPATING SHARES.

THE INVESTMENT MANAGER, ITS RELATED ENTITIES, OFFICERS OR EMPLOYEES MAY FROM TIME TO TIME HOLD POSITIONS IN ANY OF THE SUB-FUNDS.

IF A PROSPECTIVE INVESTOR HAS INQUIRIES WITH RESPECT TO THE FUND, THE SUB-FUNDS OR THE PARTICIPATING SHARES DESCRIBED HEREIN IT MAY DIRECT SUCH INQUIRIES TO THE INVESTMENT MANAGER.

## DIRECTORY

THE FUND	:	<b>Vector Fund VCC</b> 12 Marina Boulevard Marina Bay Financial Centre Singapore 018982
BOARD OF DIRECTORS OF THE FUND	:	Mr. Chan Chow Chuen Mr. Shahryar Sam Ahmed Mr. Ng Thiam Theng Jarrod Mark
THE INVESTMENT MANAGER	:	<b>DBS Bank Ltd.</b> 12 Marina Boulevard Marina Bay Financial Centre Singapore 018982
BOARD OF DIRECTORS OF THE INVESTMENT MANAGER	:	Mr. Peter Seah Lim Huat Mr. Piyush Gupta Mr. Chng Kai Fong Dr. Bonghan Cho Mr. Ho Tian Yee Mr. Olivier Lim Tse Ghow Ms. Punita Lal Mr. Anthony Lim Weng Kin Mr. Tham Sai Choy
CUSTODIAN OF THE FUND	:	<b>DBS Bank Ltd.</b> 12 Marina Boulevard Marina Bay Financial Centre Singapore 018982
AUDITORS TO THE FUND	:	<b>PricewaterhouseCoopers LLP</b> 7 Straits View, Marina One East Tower, Level 12 Singapore 018936
TAX ADVISORS TO THE FUND	:	<b>EY Corporate Advisors Pte Ltd.</b> One Raffles Quay, North Tower Level 18, Singapore 048583
LEGAL COUNSEL TO THE FUND	:	<b>Allen &amp; Gledhill LLP</b> One Marina Boulevard #28-00 Singapore 018989
ADMINISTRATOR TO THE FUND	:	<b>DBS Bank Ltd.</b> 12 Marina Boulevard

Marina Bay Financial Centre  
Singapore 018982

## **SELLING RESTRICTIONS**

### **General**

The distribution of this Memorandum and the offering of the Participating Shares in certain jurisdictions or to certain persons may be restricted. Persons into whose possession this Memorandum comes are required to inform themselves about and to observe any such restrictions.

No action has been taken which would permit a public offering of the Participating Shares in any jurisdiction where action for that purpose would be required. This Memorandum does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Participating Shares by anyone in any jurisdiction in which such an offer or solicitation is not authorised or may not lawfully be made (without compliance with any registration or other legal requirements) or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation in any jurisdiction. No Participating Shares may be sold, directly or indirectly, and this Memorandum may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Any representation to the contrary is unlawful.

This Memorandum has been sent to prospective investors at their request. This Memorandum is personal and confidential and may not be distributed to anyone, or in any jurisdiction, that would make such distribution unlawful. This Memorandum does not constitute either a commitment, or advice, or a recommendation to make a purchase of Participating Shares.

### **DIFC**

The Participating Shares are not offered to retail clients. This Memorandum relates to a fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (“DFSA”). The DFSA has no responsibility for reviewing or verifying this Memorandum or other documents in connection with this fund. Accordingly, the DFSA has not approved this Memorandum or any other associated documents nor taken any steps to verify the information set out in this Memorandum, and has no responsibility for it. The Participating Shares to which this Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Participating Shares. If you do not understand the contents of this document, you should consult an authorised financial adviser.

This Memorandum does not constitute an offer, invitation, recommendation or advice to any person in the DIFC including prospective investors in DIFC or the public to acquire Participating Shares. Accordingly, unless permitted by the DFSA, and DIFC laws, no person may issue or have in its possession or distribute for the purposes of issue, this Memorandum or any advertisement, invitation or document relating to Participating Shares, in DIFC, which is directed at, or the contents of which are likely to be accessed or read by any person including investors in the DIFC or the public.

The Participating Shares are not intended to be offered, sold or otherwise made available to and are not to be offered, issued, sold or otherwise made available to the public or from the DIFC other than on the basis of compliance with the Collective Investment Law 1 of 2006 (Consolidated 2010) and its Collective Investment Rules, DIFC Regulatory Law 1 of 2004, the DIFC Markets Law (DIFC Law No. 1 of 2012) in relation to Exempt Offerors, and the DFSA GEN Module (GEN) in relation to certain

exempted financial promotional activities for the purposes of the financial promotion prohibition set out in DIFC Regulatory Law, and in respect of Authorised Firms and their respective Professional Clients as set out or referred to in the DIFC Conduct of Business Rulebook (COBS).

The Participating Shares have not been, and will not be, reviewed, verified, approved or otherwise authorised in any way by the DFSA or any other regulatory authority in the DIFC nor has the issuer of the Participating Shares received any form of approval, registration, licensing or any other form of authorisation from the DFSA or any other regulatory authority in the DIFC to promote or sell the Participating Shares within the DIFC.

## **Hong Kong**

**WARNING: The contents of this Memorandum have not been reviewed by any regulatory authority in Hong Kong, including without limitation to the Securities and Futures Commission (the “SFC”). You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.**

This Memorandum does not constitute an offer, invitation, recommendation or advice to the public in Hong Kong to acquire Participating Shares. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this Memorandum or any advertisement, invitation or document relating to Participating Shares, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to Participating Shares which are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” (as such term is defined in Part 1 of Schedule 1 of the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the “SFO”) and the subsidiary legislation made thereunder) or in circumstances which do not result in this Memorandum being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinances of Hong Kong (Cap. 32) (the “CWUMPO”) or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CWUMPO. The offer of Participating Shares is personal to the person to whom this Memorandum has been delivered by or on behalf of the Fund, and a subscription for Participating Shares will only be accepted from such person. No person to whom a copy of this Memorandum is issued may issue, circulate, publish or distribute this Memorandum, in whole or in part, in Hong Kong or make or give a copy of this Memorandum, in whole or in part, to any other person for any purpose without prior written consent of the Fund or the Investment Manager. Recipients, by their acceptance and retention of this Memorandum, the Supplement(s), the subscription documents and the accompanying documents, acknowledge and agree to preserve the confidentiality of the contents of this Memorandum, Supplement(s), the subscription documents and such accompanying documents and to return this Memorandum, the Supplement(s), the subscription documents and all such documents to the Fund or the Investment Manager if the recipients do not participate in the investment in the Participating Shares.

## **Singapore**

The offer or invitation of the Participating Shares in the Fund, which is the subject of this Memorandum, does not relate to a collective investment scheme which is authorised under Section 286 of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified (the “SFA”)



or recognised under Section 287 of the SFA. The Fund and/or the Sub-Funds are not authorised or recognised by the Monetary Authority of Singapore (the “MAS”) and the Participating Shares are not allowed to be offered to the retail public. This Memorandum and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA and accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you.

This Memorandum has not been registered as a prospectus with the MAS. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Participating Shares may not be circulated or distributed, nor may Participating Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

- (i) to an institutional investor (as defined in the SFA) under Section 304 of the SFA;
- (ii) to an accredited investor (as defined in the SFA) under Section 305 of the SFA, and in accordance with the conditions specified in Section 305 of the SFA and the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or
- (iii) to an institutional investor or accredited investor, otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Participating Shares are subscribed for or purchased under Section 305 of the SFA by a relevant person (as defined in Section 305(5) of the SFA) which is:

- (a) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Participating Shares pursuant to an offer made under Section 305 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 305A(5) of the SFA; or
- (5) as specified in Regulation 36A of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

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

## **Thailand**

The Participating Shares have not been and will not be approved by, and this Memorandum has not been and will not be filed with, registered with, approved by nor reviewed by the Office of the Securities and Exchange Commission, Thailand (the “**Thai SEC**”). Accordingly, the Participating Shares have not been and will not be intentionally offered or sold in Thailand. The Participating Shares cannot be, directly or indirectly, offered or sold to any person within Thailand other than through the services of a Thai SEC-licensed securities company in the category of securities brokerage, securities dealing or securities underwriting (“**Thai SEC-licensed Securities Company**”) in relation to investment in the Participating Shares to its permitted clients which are:#

- (1) the Bank of Thailand;
- (2) commercial banks;
- (3) financial institutions established under the relevant specific laws;
- (4) securities companies;
- (5) derivatives intermediaries;
- (6) life insurance companies;
- (7) non-life insurance companies;
- (8) mutual funds;
- (9) private funds;
- (10) provident funds;
- (11) the Government Pension Fund;
- (12) the Social Security Fund;
- (13) listed companies on the Stock Exchange of Thailand;
- (14) juristic persons incorporated under the law of Thailand with assets of no less than THB 5 billion in its financial statements;
- (15) any other person specified by the Bank of Thailand as having permission to invest in outbound products, as prescribed by the Thai SEC; and
- (16) juristic persons incorporated under the law of Thailand or individuals domiciled in Thailand having assets in types of investment in financial instruments, derivatives or deposits in aggregate of no less than THB 50 million.

Neither this Memorandum nor any other document or material in connection with the offer or sale, or invitation for subscription for or purchase, of the Participating Shares may be circulated or distributed or caused to be circulated or distributed, whether directly or indirectly, to any persons in Thailand, except through the services of a Thai SEC-licensed Securities Company in relation to investment in the Participating Shares to its permitted clients as abovementioned.

**VECTOR FUND VCC**  
**TABLE OF CONTENTS**

<b>Contents</b>	<b>Page</b>
<b>I. SUMMARY OF KEY TERMS .....</b>	<b>1</b>
<b>II. FUND STRUCTURE AND ADMINISTRATION.....</b>	<b>6</b>
<b>III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES .</b>	<b>10</b>
<b>IV. VALUATION .....</b>	<b>20</b>
<b>V. SUSPENSION OF VALUATION AND DEALINGS .....</b>	<b>24</b>
<b>VI. MANAGEMENT AND ADMINISTRATION.....</b>	<b>26</b>
<b>VII. FEES AND CHARGES.....</b>	<b>32</b>
<b>VIII. RISK FACTORS .....</b>	<b>34</b>
<b>IX. CONFLICTS OF INTEREST.....</b>	<b>44</b>
<b>X. OTHER MATERIAL INFORMATION .....</b>	<b>50</b>
<b>XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS.....</b>	<b>52</b>
<b>XII. GLOSSARY OF TERMS .....</b>	<b>68</b>
<b>SUPPLEMENT 1 DBS I.D.E.A. FUND .....</b>	<b>S1-1</b>

## I. SUMMARY OF KEY TERMS

*The following summary of certain key features of the Fund, which is neither complete nor exact, is qualified in its entirety by reference to the more detailed information included elsewhere in this Memorandum (and the relevant Supplement with respect to a Sub-Fund) and the Constitution (as amended from time to time), a copy of which has been or will be provided to each prospective investor upon request prior to subscribing for Participating Shares in accordance with the provisions of this Memorandum. To the extent that the terms set forth below are inconsistent with those in the Constitution, the Investment Management Agreement or the relevant Supplement with respect to a Sub-Fund, the terms of the latter documents shall prevail. A glossary of defined terms used in the main body of this Memorandum may be found in Section XII.*

**The Fund** : Vector Fund VCC, incorporated as an umbrella variable capital company under the Variable Capital Companies Act (No. 44 of 2018) of Singapore (the “**Act**”).

**Sub-Funds** : The Fund comprises of one or more Sub-Funds. All income, earnings, profits and proceeds from such investments, and liabilities and expenses relating to such investments of a Sub-Fund shall be kept separate from all other monies, investments, assets, liabilities and expenses of the Fund and any other Sub-Fund. The Sub-Funds are distinguished mainly by their specific investment objectives and strategies. The specifications of each Sub-Fund are described in the relevant Supplement for the Sub-Fund. The Directors may at any time decide to form further Sub-Funds and, in such case, this Memorandum will be updated or supplemented accordingly. The Directors may also allot and issue Shares in one or more Classes in respect of such Sub-Funds.

Sub-Funds may make investments directly or indirectly through special purpose vehicles (“**Special Purpose Vehicles**”), where necessary.

**The Investment Manager** : DBS Bank Ltd. (the “**Investment Manager**”), a company incorporated with limited liability in Singapore, has been appointed to provide investment management services to the Fund. The Investment Manager is exempted from holding a capital markets services licence for fund management under the SFA as it is a bank licensed under the Banking Act, Chapter 19 of Singapore, and therefore falls within the licensing exemption under Section 99(1)(a) of the SFA from the requirement to hold a capital markets services licence in respect of any activity regulated under the SFA.

The Investment Manager is responsible for the operation and investment management of the Fund. Under the terms of the Investment Management Agreement, the Investment Manager is empowered by the Directors to exercise full discretion in the

management of the investment transactions of the Fund, subject only to any investment and borrowing restrictions in effect from time to time and the oversight of the Directors.

The Investment Manager may in its discretion from time to time engage its affiliates or third parties as Sub-Managers or Investment Advisors to assist it in connection with its role as manager to the Fund and such Sub-Managers and Investment Advisors may be required, among other things, to undertake due diligence on the Fund's proposed investments. The remuneration of such Sub-Managers or Investment Advisors shall be borne by the Investment Manager.

**The Investment Advisors**

The Investment Manager's affiliates or third parties engaged to provide advice to the Investment Manager with respect to the management and investments in respect of the Sub-Funds, as described in the Supplement for the relevant Sub-Fund. For the avoidance of doubt, the Investment Manager (or relevant Sub-Manager, if applicable) retains discretionary investment authority over the relevant Sub-Fund, unless otherwise specified in the Supplement.

**The Sub-Managers**

The Investment Manager's affiliates or third parties engaged to assist it in the operation and investment management of the Sub-Funds, as described in the Supplement for the relevant Sub-Fund.

**Investment Objective and Strategy**

: The investment objective of the Fund is to provide investors access to diversified and curated exposures across different asset classes through a range of several separate sub-funds, each having its own investment objective and policy.

The investment objective of each Sub-Fund is as set out in the relevant Supplement for that Sub-Fund.

**Commencement Date**

: The Commencement Date in respect of each Sub-Fund shall be such date as may be determined by the Directors.

**Closing Date**

: Participating Shares shall only be issued on each Closing Date in respect of a Sub-Fund. The Investment Manager (or its duly authorised agents) may accept additional applications for Participating Shares in subsequent closings until the final closing of the relevant Sub-Fund.

**Financial Year-End and Financial Year of the Sub-Funds**

: The financial year-end and financial year in respect of each Sub-Fund is described in the relevant Supplement for that Sub-Fund.

- Duration and Winding Up of the Fund** : The Fund is of indeterminate duration and may be wound up as provided in the Constitution.
- Duration and Termination of each Sub-Fund** : The duration of each Sub-Fund is as specified in the relevant Supplement for that Sub-Fund.
- Shares** : The Directors have the power to issue Shares in different Classes and in different currencies. Each issue of Shares is conditional upon receipt of the Subscription Price in full.
- Management Shares** : The Fund has issued a voting, non-participating management share (the “**Management Share**”). The Management Share is held by the Investment Manager, and is issued, *inter alia*, for the purpose of enabling all the Participating Shares to be redeemed without liquidating the Fund. The Management Share carries the right to vote at general meetings of the Fund but does not participate in the profits or assets of the Fund or the Sub-Funds, and it confers the right to a return of paid-up capital on a winding-up of the Fund in priority to the Participating Shares.
- Participating Shares** : Each Sub-Fund is offering Participating Shares on the terms set out in the Supplement with respect to the Sub-Fund in which such Participating Shares are issued.
- A holder of a Participating Share (in its capacity as such) shall not have the right to vote as a Member at any General Meeting of the Fund (including any vote on a scheme of arrangement, merger, reconstruction or amalgamation), except on a variation of rights attached to such Participating Shares.
- Participating Shares are redeemable and repurchasable at the option of the Fund in accordance with the Constitution and are redeemable at the option of the holders of such Participating Shares in accordance with the Constitution and as set out in the Supplement with respect to the Sub-Fund in which such Participating Shares are issued.
- Management Fee** : The Investment Manager shall be entitled to receive for its own account out of the assets of each Sub-Fund or, where the Sub-Fund comprises different Classes, in relation to a Class, the amount of Management Fee attributable to that Sub-Fund or Class as set out in the relevant Supplement for that Sub-Fund.
- Other Fees and Charges** : The other fees and charges payable by the Members or the relevant Sub-Fund are set out under Section VII of this Memorandum and the relevant Supplement in respect of the Sub-Fund.

<b>The Auditors</b>	:	PricewaterhouseCoopers LLP
<b>Base Currency of the Sub-Funds</b>	:	The Base Currency in respect of each Sub-Fund is described in the relevant Supplement for that Sub-Fund.
<b>Minimum Subscription Amount</b>	:	The Minimum Subscription Amount in respect of each Sub-Fund is described in the relevant Supplement for that Sub-Fund.
<b>Minimum Closing Size</b>	:	The Investment Manager shall have the discretion to return all application monies received (without interest) pursuant to an initial offer of Participating Shares in any Sub-Fund to investors within the time period set out in the relevant Supplement if (i) the aggregate subscription amounts in respect of applications for Participating Shares in such Sub-Fund is less than the minimum amount required for the relevant Sub-Fund (the “ <b>Minimum Closing Size</b> ” as defined in Section III of this Memorandum) as determined by the Investment Manager and set out in the Supplement in respect of each Sub-Fund; or (ii) the Investment Manager is of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the relevant Sub-Fund.
<b>Minimum Holding Amount</b>	:	The Minimum Holding Amount in respect of each Sub-Fund or Class is described in the relevant Supplement.
<b>Subscription Price per Participating Share</b>	:	The Subscription Price per Participating Share in respect of each Sub-Fund is described in the relevant Supplement for that Sub-Fund.
<b>Redemption</b>	:	The restrictions on redemption applicable to the Participating Shares of each Sub-Fund or Class (as the case may be) are set out in the relevant Supplement for that Sub-Fund.
<b>Risk Factors</b>	:	An investment in any Sub-Fund involves significant risks, certain of which are described in more detail in Section VIII of this Memorandum, and the Supplement for that Sub-Fund.
<b>Potential Conflicts of Interest</b>	:	Certain potential conflicts of interest in respect of the activities of the Investment Manager are described in Section IX of this Memorandum.
<b>Eligible Investors</b>	:	In order to subscribe for the Participating Shares, all investors (wherever resident) must be “accredited investors” as defined under the SFA or investors in an equivalent class under the laws of the country or territory in which the offer or invitation of Participating

Shares is made, or “institutional investors” as defined under the SFA or both.



## II. FUND STRUCTURE AND ADMINISTRATION

### THE FUND

The Fund was incorporated on 1 June 2021 as an umbrella variable capital company under the Variable Capital Companies Act 2018 (No. 44 of 2018) of Singapore (the “**Act**”), with the Sub-Funds as disclosed in the relevant Supplement for each Sub-Fund. All income, earnings, profits and proceeds from such investments, and liabilities and expenses relating to such investments of a Sub-Fund shall be kept separate from all other monies, investments, assets, liabilities and expenses of the Fund and any other Sub-Fund. The Sub-Funds are distinguished mainly by their specific investment objectives and strategies. The specifications of each Sub-Fund are described in the relevant Supplement for the Sub-Fund.

The Directors may at any time decide to form further Sub-Funds and, in such case, this Memorandum will be updated or supplemented accordingly. The Directors may also allot and issue Shares in one or more Classes in respect of such Sub-Funds. The Directors may at any time determine that a new Sub-Fund or Class of Participating Shares within any of the Sub-Funds from time to time be established and may launch and issue any Sub-Fund and/or Class of Participating Shares established subsequent to the date of this Memorandum at a Subscription Price determined by the Directors. Each such new Sub-Fund so created will constitute a new collective investment scheme separate and distinct from the existing Sub-Funds.

The Investment Manager may at any time differentiate between applicants from different Sub-Funds or different Classes within the same Sub-Fund or between applicants from the same Sub-Fund or (in respect of the amount of Subscription Fee to be charged) the same Class as to the features in respect of Participating Shares issued to such applicant and likewise the Investment Manager may at any time on the issue of Participating Shares (including issues at a fixed price) give to persons applying for larger numbers of Participating Shares than others a discount or discounts on the Subscription Fee or such other favourable terms on such basis or on such scale as the Investment Manager may think fit.

The investment objective of the Fund is to provide investors access to diversified and curated exposures across different asset classes through a range of several separate sub-funds, each having its own investment objective and policy.

The investment objective of each Sub-Fund is as set out in the relevant Supplement for that Sub-Fund.

### SHARE STRUCTURE

The share capital of the Fund comprises of a Management Share held by the Investment Manager, and Participating Shares in respect of each Sub-Fund to be issued to investors which are the subject of the offering.

All Members are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Constitution.

Under the terms of the Constitution, the liability of a Member is limited to any amount, if any, unpaid on the Shares held by such Member. As the Participating Shares will only be issued if they are fully paid, the Member will not be liable for any debt, obligation or default of the Fund or the Sub-Funds beyond their interest in the respective Sub-Funds.

The Constitution of the Fund has been drafted in broad and flexible terms to allow the Directors the authority, in their discretion, to determine a number of issues including the rights, limitations, preferences, privileges, qualifications, restrictions or other attributes (including, without limitation, matters with regard to dividend, voting, participation, investment strategy, redemption, repurchase, investment policy, currency, conversion, information, participation in assets, profits and losses, fees, allocation of costs and expenses or otherwise) attached to Shares to be allotted and issued. In approving the offering of Shares on the terms set out in this Memorandum, the Directors have exercised this discretion in accordance with the Constitution.

The holder of a Management Share shall (in respect of such Share) have the right to receive notice of, attend at and vote as a Member at, any General Meeting of the Fund (including the right to vote on a scheme of arrangement, merger, reconstruction or amalgamation). The holder of a Participating Share (in its capacity as such) shall have the right to receive notice of, attend and speak at any General Meeting of the Fund, but shall not have the right to vote as a Member at any General Meeting of the Fund (including any vote on a scheme of arrangement, merger, reconstruction or amalgamation), except on a variation of rights attached to the Class of Participating Shares held by the holder (unless otherwise provided by the terms of issue of the Shares of that Class), which rights may be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued Shares of the Class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the Shares of the Class (but not otherwise) and may be so varied or abrogated either whilst the Fund is a going concern or during or in contemplation of a winding-up.

Notwithstanding the foregoing, under the Constitution, the Directors (or their authorised delegates) shall have the discretion to agree with a Member to waive or modify the terms applicable to such Member's subscription for Shares without obtaining the consent of any other Member; provided that such waiver or modification does not amount to a variation of the rights attaching to the Shares of such other Members. Such modified terms may include, without limitation, the waiver or reduction of fees payable in respect of such Shares and different redemption terms, and in such circumstances the Directors may determine to issue a separate Class of Shares to such a Member.

### **Rights of the Management Share**

The Management Share is held by the Investment Manager, and carries the following rights:

- (a) the holder of a Management Share shall (in respect of such Share) have the right to receive notice of, attend at and vote as a Member at, any General Meeting of the Fund (including the right to vote on a scheme of arrangement, merger, reconstruction or amalgamation);
- (b) the holder of a Management Share shall have the right, in accordance with the Act, to receive a copy of the financial statements (or consolidated financial statements and balance sheet, as the case may be) of the Fund in its capacity as a person entitled to receive notice of General Meetings;

- (c) Management Shares are redeemable and repurchasable at the option of the Fund in accordance with the Constitution and are not redeemable at the option of the holders, save that no Management Shares may be redeemed or repurchased if there shall be less than one Management Share in issue after such redemption and repurchase;
- (d) Management Shares shall not be entitled to any share of the profits of the Fund or any proceeds of realisation of the assets of the Fund. A holder of Management Shares will only be entitled to the return of capital paid up on the Management Shares on the liquidation of the Fund in priority to the Participating Shares and may not be redeemed or repurchased for an amount greater than that paid up on the Management Shares; and
- (e) such other rights in accordance with the Constitution and as set out in this Memorandum. For the avoidance of doubt, the Management Shares carry the rights and restrictions described in sub-paragraphs (a) to (d) above for each of the Sub-Funds.

### **Rights of the Participating Shares**

Participating Shares carry the following rights:

- (a) the holder of a Participating Share (in its capacity as such) shall not have the right to vote as a Member at any General Meeting of the Fund (including any vote on a scheme of arrangement, merger, reconstruction or amalgamation), except on a variation of rights attached to such Participating Shares;
- (b) the holder of a Participating Share shall (in respect of such share) have the right to receive notice of, attend and speak at any General Meeting of the Fund;
- (c) the holder of a Participating Share shall have the right, in accordance with the Act, to receive a copy of the financial statements (or consolidated financial statements and balance sheet, as the case may be) of the Fund in its capacity as a person entitled to receive notice of General Meetings;

Participating Shares are redeemable and repurchasable at the option of the Fund in accordance with the Constitution and shall be redeemable at the option of the holders of such Participating Shares in accordance with the Constitution and as set out in this Memorandum (including the relevant Supplement in relation to the Sub-Fund);

- (d) the distributable proceeds, income and profits earned by the Fund or the relevant Sub-Fund from the holding or disposal of investments and any surplus assets available for distribution to the holders of the Participating Shares in the event of liquidation shall be applied by paying to the holders of the Management Shares, the amount of capital paid up on the Management Shares, and thereafter in paying to the holders of the Participating Shares, an aggregate amount equal to the sum of the Redemption Price of each of their Participating Shares; and
- (e) such other rights in accordance with the Constitution and as set out in this Memorandum (including the relevant Supplement in relation to the Sub-Fund).

## THE CONSTITUTION

A copy of the Constitution for the time being in force shall during usual business hours (subject to such reasonable restrictions as the Investment Manager may impose) be available for inspection by any Member without charge at the registered office of the Investment Manager (or its duly authorised agents).

## AMENDMENTS TO THE CONSTITUTION

Subject to the Constitution (including requirements applicable on a variation of rights attached to any Class of Shares), this Memorandum and the Act, the Fund may at any time and from time to time by Ordinary Resolution passed by the holders of Management Shares alter or amend its Constitution in whole or in part.

Notwithstanding the above, the Directors may, without approval of the Members, by Board Resolutions alter the following in the Constitution:

- (a) any alteration for the purpose of forming a Sub-Fund;
- (b) any alteration to reflect any appointment or change of the Investment Manager;
- (c) any alteration that does not prejudice the interests of any Member, and does not release to any material extent the Investment Manager or any Director from any responsibility to the Members;
- (d) any alteration that is necessary for the purpose of complying with any order of court, law, direction of a public authority, code of conduct or other quasi-legislation; and
- (e) the removal of an obsolete provision or the correction of any manifest error.

## SIDE LETTERS

Subject to applicable law, the Directors (or their authorised delegates) shall have the discretion to agree with a Member, whether by way of entry into a side letter or similar agreement with any Member (the “**Side Letter**”), to waive or modify the terms applicable to such Member's subscription for Shares without obtaining the consent of any other Member; provided that such waiver or modification does not amount to a variation of the rights attaching to the Shares of such other Members. Such modified terms may include, without limitation, the waiver or reduction of fees payable in respect of such Shares and different redemption terms, and in such circumstances the Directors may determine to issue a separate Class of Shares to such a Member. The terms of such Side Letters may result in conflicts of interest to the extent that such terms obligate the Investment Manager to afford different treatment to certain Members. This may include, for example, a rebate of the Management Fee payable by such Member.

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

#### SUBSCRIPTION AND ISSUE OF PARTICIPATING SHARES

##### Subscription Procedure

All subscriptions for Participating Shares must be made by way of a properly completed and executed subscription agreement (the “**Subscription Form**”).

Subscriptions should be sent in the manner outlined in the Subscription Form to the Administrator in Singapore.

Subscriptions may be sent by post, by email or by facsimile, and if sent by email or facsimile, the original must follow promptly. Investors should note that the Service Providers accept no responsibility for any loss caused as a result of non-receipt, mis-delivery or illegibility of any application sent by post, email or facsimile or for any loss caused in respect of any action taken as a consequence of such post, email or facsimile instructions believed in good faith to have originated from properly authorised persons or for any loss caused as a result of applications being considered improperly or inadequately completed. This is notwithstanding the fact that a facsimile transmission report or email record produced by the originator of such transmission or email discloses that such transmission or email was sent.

To subscribe for Participating Shares during the Initial Offer Period, the Subscription Form must be received by the Administrator on or before the Subscription Dealing Deadline by the last day of the Initial Offer Period. Application monies in cleared funds must be received by the Administrator by the Business Day immediately following the close of the Initial Offer Period, and Participating Shares will be issued on the same Business Day. Moneys received from applicants during the Initial Offer Period will not be invested until after the close of the Initial Offer Period. Interest earned, if any, on these moneys, will accrue for the benefit of the relevant Sub-Fund.

After the close of the Initial Offer Period, to subscribe for Participating Shares on a Subscription Day, a Subscription Form must be received by the Administrator by the Subscription Dealing Deadline in respect of the relevant Subscription Day. Application monies in cleared funds must be received by the Administrator by the Subscription Dealing Deadline on the third Business Day after the relevant Subscription Day. Where Subscription Forms or subscription monies are received after the applicable Subscription Dealing Deadline, such subscriptions shall be carried over to the next Subscription Day and the Participating Shares will then be issued at the Subscription Price applicable on that day. Notwithstanding the aforesaid, the Directors have the discretion to accept late subscriptions and/or subscription monies received after the Subscription Dealing Deadline provided that they are received prior to the Valuation Point relating to the relevant Valuation Day.

The Fund will issue Participating Shares rounded to the nearest two decimal places or such other fraction as may be determined by the Directors. Subscription monies representing smaller fractions will be retained by the relevant Sub-Fund.

The Fund may accept the applicant’s subscription by sending or causing the Administrator to send a confirmation of acceptance (i) in the case of a subscription request received during the Initial Offer Period, within the Business Day immediately following the close of the Initial Offer Period, and (ii) in

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

the case of a subscription request received after the Initial Offer Period, within two (2) Business Days after the relevant Subscription Day.

Participating Shares may not be issued during the period of any suspension of the calculation of the Net Asset Value of the Fund, relevant Sub-Fund or Class and/or of the issue of Participating Shares. Once completed subscriptions have been received by the Administrator, they are irrevocable except in the event of such suspension, or unless otherwise consented to by the Directors.

Any application monies which are paid in advance and received before the time such monies are required to be applied towards the subscription of Participating Shares shall be placed in a holding account (without interest) held by or on behalf of the relevant Sub-Fund until such time that they are applied towards the subscription of Participating Shares.

Presently, investors may only purchase Participating Shares with cash in the Base Currency of each Sub-Fund or (where applicable) in the currency of the relevant Class in respect of which the subscription request is made. The Directors may, in their absolute discretion, accept subscriptions for Participating Shares in any other currency and shall be entitled to convert the Subscription Price to any applicable currency at such rate of exchange as the Directors deem appropriate in the circumstances. The acceptance of subscriptions in currencies other than the Base Currency of the relevant Sub-Fund may be subject to such additional terms as the Directors may impose from time to time.

On the request of an investor, the Directors in consultation with the Investment Manager may (but shall not be obliged to) cause Participating Shares to be issued, whether wholly or in part, in exchange for the appropriation of assets of corresponding value to the relevant value.

For compliance with applicable anti-money laundering and countering the financing of terrorism laws, regulations, notices and guidelines and other applicable laws and regulations, the Fund (or its duly authorised agents, including the Investment Manager and the Administrator) may require detailed verification of an applicant's identity and the source of payment of the subscription monies and reserves the right to request such information as may, in the opinion of the Fund (or its duly authorised agents), be necessary to verify the identity and/or eligibility of an applicant.

The acceptance or non-acceptance of the subscription for Participating Shares shall be at the absolute discretion of the Directors (or the duly authorised agents of the Fund) acting in the best interests of the relevant Sub-Fund, PROVIDED THAT the Directors shall be entitled not to accept any initial application for less than the Minimum Subscription Amount. The Directors shall, if so permitted by applicable law, have the absolute discretion to accept applications for Participating Shares made by electronic means (e.g. facsimile and other means of communication), other than by writing in the prescribed format, which shall subsequently be confirmed in writing. Where an application is made by electronic means, the application shall be deemed to be received at the time when a clear and complete transmission is received. The Directors shall have the discretion to return all application monies received (without interest) pursuant to an initial offer of Participating Shares in any Sub-Fund to investors within the time period set out in the relevant Supplement if:

- (i) the aggregate subscription amounts in respect of applications for Participating Shares in such Sub-Fund is less than the minimum amount required for the relevant Sub-Fund

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

(“**Minimum Closing Size**”) as determined by the Directors, and set out in the Supplement in respect of each Sub-Fund; or

- (ii) the Directors are of the view that it is not in the interest of the investors or it is not commercially viable to proceed with the relevant Sub-Fund.

#### **Pricing**

The issue of Participating Shares of each Sub-Fund on the Commencement Date following the Initial Offer Period shall be at the relevant Initial Subscription Price per Participating Share as specified in the relevant Supplement. The issue of Participating Shares of each Sub-Fund or Class on each Subscription Day following the Initial Offer Period shall be at the Subscription Price as described in the relevant Supplement, and as adjusted (to the extent required) by adding to such price or subtracting from such price any applicable Duties and Charges and fees and charges as may be determined by the Directors as described below.

The Fund (or its duly authorised agents) may charge a Subscription Fee (rounded down to the nearest two (2) decimal places (or such other number of decimal places or such other method of adjustment as the Directors may from time to time determine)) which is calculated based on the Gross Investment Sum, and payable in addition to the Net Investment Sum which will be applied towards the subscription of Participating Shares. The Subscription Fee will be paid to the relevant Sub-Fund and the amount of the adjustment will be paid to the relevant Sub-Fund.

Unless otherwise determined by the Directors, the Fund will not issue certificates in respect of Shares allotted and issued. Title to Shares shall be evidenced by an entry in the Register of Members and the Fund will issue a written confirmation of such an entry to the Members if no certificates are issued.

#### **How the number of Participating Shares allotted to an Investor is Determined – Example**

The Gross Investment Sum payable by an applicant for the subscription of Participating Shares shall be the Net Investment Sum plus the applicable Subscription Fee in respect of such Sub-Fund or Class, and any applicable Duties and Charges.

The number of Participating Shares of the relevant Sub-Fund or Class to be issued to an applicant shall be the number of Participating Shares (including fractions) determined by dividing the Net Investment Sum by the relevant Subscription Price per Participating Share. The number of Participating Shares issued will be rounded down to the nearest two decimal places or such other fraction as may be determined by the Directors.

The following is an example of the Net Investment Sum payable and the number of Participating Shares an applicant will acquire based on a Gross Investment Sum of US\$100,000, an Initial Subscription Price or a notional Subscription Price of US\$10.00 and a Subscription Fee of 2%:

US\$100,000.00	-	US\$2,000.00	=	US\$98,000.00
Gross Investment Sum		Subscription Fee (2%)		Net Investment Sum

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

US\$98,000.00	÷	US\$10.00	=	9,800
Net Investment Sum		Notional Subscription Price		Number of Participating Shares allotted

#### Payment Not Received

Where payment of the Gross Investment Sum has not been received by the Subscription Dealing Deadline (or such later date as the Directors may determine), the Directors in their absolute discretion may:

- (i) agree to accept any late payment of the Gross Investment Sum. In such case, the Directors in their absolute discretion shall be entitled to charge a late payment fee of up to three per cent (3%) of the Net Investment Sum, which shall be payable in addition to the Gross Investment Sum by the Member for the account of the relevant Sub-Fund; or
- (ii) at that time or any time thereafter cancel the issue of such Participating Shares and such Participating Shares shall thereupon be deemed never to have been issued and the applicant of such Participating Shares shall have no right or claim whatsoever in respect thereof against the Fund, the Sub-Fund or the Investment Manager.

#### DISTRIBUTION POLICY

Subject to applicable law, and the distribution policy of the relevant Sub-Fund as set out in the Supplement in relation to the Sub-Fund, the Directors shall have the absolute discretion to determine whether a distribution is to be made in respect of any Sub-Fund.

Such distributions are not in any way a forecast, indication or projection of the future or likely performance of the relevant Sub-Fund.

Where the Directors have indicated an intention to make any distributions to the Members of a Sub-Fund or Class, investors should note that the intention of the Directors to make such distributions is not guaranteed and there is no assurance that any distribution or distribution level will be met. The making of any distribution shall not be taken to imply that further distributions will be made. The Fund reserves the right to vary the frequency and/or amount of the distributions. Distributions may be made out of income, capital gains or capital. The declaration or payment of distributions (whether out of income, capital gains, capital or otherwise) may have the effect of lowering the Net Asset Value of the relevant Sub-Fund or Class. Moreover, distributions out of capital may amount to a reduction of part of the relevant Member's original investment. Such distributions may also result in reduced future returns to the relevant Members.

#### REDEMPTION OF PARTICIPATING SHARES

Subject to the provisions of this Memorandum and the Constitution, including any restrictions on redemption specified in the relevant Supplement in relation to a Sub-Fund (including, in relation to



### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

any lock-in periods), Members may generally redeem their Participating Shares on any Redemption Day on giving notice by means of the prescribed form for the redemption of Participating Shares (a "**Redemption Form**") to the Administrator, no later than the Redemption Dealing Deadline in relation to the relevant Redemption Day, subject to the Directors' discretion to accept any late Redemption Form.

Unless the Directors agree to accept a late submission, any Redemption Form received after the Redemption Dealing Deadline in relation to the relevant Redemption Day will be held over until the following Redemption Day and the relevant Participating Shares will then be redeemed at the Redemption Price applicable to that following Redemption Day.

If the Member's redemption request is accepted by the Fund, the Administrator will notify the Member of the acceptance of such redemption request by sending a redemption confirmation to the Member within two (2) Business Days after the relevant Redemption Day.

A "**Redemption Day**" in respect of each Sub-Fund or Class shall be as specified in the relevant Supplement in relation to the Sub-Fund.

A Redemption Form must be in writing and state the number of Participating Shares or amount to be redeemed and give payment instructions for the redemption proceeds. Members should complete the Redemption Form which is available from the Investment Manager or the Administrator and send the same to the Administrator with a copy sent by facsimile or electronic transmission to the Administrator.

Redemption Forms may be submitted by facsimile or e-mail to the Administrator, provided that:

- (i) the original signed Redemption Form is received by the Administrator prior to the Redemption Day; and
- (ii) the investor receives written confirmation from the Administrator that the faxed or e-mailed Redemption Form has been received.

The Investment Manager or any of its duly authorised agents shall not accept any request made via electronic mail or via the telephone. A duly signed Redemption Form must be received by the Investment Manager or its duly authorised agents no later than the Redemption Dealing Deadline in relation to the relevant Redemption Day, subject to the Directors' discretion to accept any late Redemption Form.

A Redemption Form, once given, is irrevocable by the Member save with the consent of the Directors (which may be withheld in their sole discretion). The Directors may waive or modify notice requirements or permit redemptions under such other circumstances and conditions as the Directors deems appropriate.

#### **Redemption Price**

The Redemption Price in relation to a Participating Share of a particular Sub-Fund and/or Class, shall be such NAV per Share as described in the relevant Supplement, after payment of any

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

Management Fee, and as adjusted (to the extent required) by adding to such price or subtracting from such price any applicable Duties and Charges and such fees and charges as may be determined by the Directors, as described below.

The Fund shall be entitled to deduct from the total amount which would otherwise be payable on the redemption by a Member of its Participating Shares, (i) a redemption fee as specified in the relevant Supplement in relation to the Sub-Fund (where applicable) ("**Redemption Fee**"); and (ii) if the Member is resident outside Singapore, an amount equal to the overseas expense representing the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Member had been resident in Singapore.

All Redemption Fees will be deducted from the proceeds payable to the redeeming Member, and shall be retained by the Sub-Fund and form part of the assets of the Sub-Fund. Any fractional amounts from redemption proceeds remaining will also be retained by the relevant Sub-Fund.

#### Payment of Redemption Proceeds

Payment of the redemption proceeds for Participating Shares will be made as soon as practicable and generally within 7 (seven) Business Days of the relevant Redemption Day. No interest is payable on redemption proceeds from the Redemption Day.

Payment of redemption proceeds will normally be made in cash, but at the discretion of the Directors in consultation with the Investment Manager, may be made in whole or in part in specie by the appropriation of assets of corresponding value to the relevant value including where disposal of assets of the relevant value might not be practicable or might prejudice the interests of the remaining investors.

The Redemption Price is subject to any applicable Redemption Fees and Duties and Charges on the Participating Shares redeemed and after payment of any applicable Management Fee. No third party payments are allowed except at the discretion of the Directors.

The following is an example of the net redemption proceeds a Member will receive based on a NAV per Share of US\$10.0000, a redemption request for the redemption of 1,000 Participating Shares and a Redemption Fee of 2%:

US\$10.0000	-	US\$0.2000	=	US\$9.8000
NAV per Share		Redemption Fee (2%)		Redemption Price
US\$9.8000	X	1,000 Participating Shares	=	US\$9,800.0000
Redemption Price		Redemption request		Net redemption proceeds

Payment of redemption proceeds may be withheld or delayed if information required to satisfy verification of identity checks is not provided in a timely manner. In addition, if the Directors determine that special circumstances have arisen, which may include but will not be limited to default

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

or delay in payments to the Fund or the relevant Sub-Fund by other persons, the Fund and the relevant Sub-Fund will be entitled to delay payment of redemption proceeds equal to the proportionate part of the net assets of the relevant Sub-Fund represented by such sums that are affected by such circumstances or defer payment of the redemption proceeds if raising funds would in the bona fide determination of the Directors be unduly burdensome to the Fund or the relevant Sub-Fund.

#### **Restrictions on Redemption**

The redemption of Participating Shares of any Sub-Fund or Class may be limited to such number of Participating Shares of that Sub-Fund or Class, as specified in the relevant Supplement. Such redemption gate is to be applied pro rata to all holders of Participating Shares of that Sub-Fund or Class making a redemption request. Any Participating Shares not redeemed shall be redeemed on the next Redemption Day, subject to the same limitation.

The Directors reserve the discretion to reject a redemption request or conversion request if the carrying out of such request would have the effect of reducing the aggregate Net Asset Value of a Member's holding below the applicable Minimum Holding Amount.

Please also note the Directors' discretion to suspend the redemption of Participating Shares as described in Section V, and the Investment Manager's discretion to apply swing pricing as described in Section IV.

Any further specific restrictions on redemption applicable to the Participating Shares of each Sub-Fund or Class (as the case may be), including any lock-in period, are set out in the relevant Supplement for that Sub-Fund.

#### **Compulsory Redemption**

Subject to the Constitution, the Act, and this Memorandum, the Fund may at any time, as determined by the Investment Manager, issue a notice of redemption of Participating Shares to a Member indicating the Fund's intention to redeem all or any part of such Member's Participating Shares after the expiry of the period as may be specified in such notice of redemption.

The Fund has the right to compulsorily redeem, without prior notice, any Participating Shares in a Sub-Fund held directly or beneficially by any Member whether representing all the Participating Shares held by such person or part thereof (for the purpose of this Section, the "**Affected Participating Shares**"):

- (i) whose subscription for or holding of Participating Shares (whether on its own or in conjunction with any circumstances appearing to be relevant, in the reasonable judgement of the Investment Manager), in the opinion of the Investment Manager, is or may be in breach of any applicable law or regulation in any jurisdiction;
- (ii) where such redemption is, in the opinion of the Investment Manager, necessary or desirable for the compliance of the Investment Manager, the Sub-Managers, the Sub-Fund, or the Fund with any applicable law or regulation in any jurisdiction (including any regulatory exemption conditions);

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

- (iii) whose holdings (whether on its own or in conjunction with any circumstances appearing to be relevant, in the reasonable judgment of the Investment Manager), in the opinion of the Investment Manager, may cause the offer of the Participating Shares of the Sub-Fund, the Sub-Fund, this Memorandum, the Fund, the Investment Manager or the Sub-Managers to become subject to any authorisation, recognition, approval or registration requirements under any law or regulation in any other jurisdiction;
- (iv) whose holdings, (whether on its own or in conjunction with any circumstances appearing to be relevant, in the reasonable judgment of the Investment Manager), in the opinion of the Investment Manager:
  - (a) may cause a detrimental effect on the tax status of the Sub-Fund (or any Special Purpose Vehicle owned by the Sub-Fund) in any jurisdiction or on the tax status of the Members of the Sub-Fund; or
  - (b) may result in the Sub-Fund (or any Special Purpose Vehicle owned by the Sub-Fund) or other Members of the Sub-Fund suffering any other legal or pecuniary or administrative disadvantage which the Sub-Fund (or any Special Purpose Vehicle owned by the Sub-Fund) or Members might not otherwise have incurred or suffered;
- (v) who fails any anti-money laundering, anti-terrorist financing or know-your-client checks, or where information and/or documentary evidence requested by the Investment Manager, the Fund and/or the Administrator for the purposes of any anti-money laundering, anti-terrorist financing or know-your-client checks cannot be obtained from the Member (or the Member has failed to provide the same) in a timely manner or where the Member is unable or unwilling to provide information and/or documentary evidence requested by the Investment Manager, the Fund and/or the Administrator or their respective agents and delegates for the purposes of any anti-money laundering, countering the financing of terrorism or know-your-client checks;
- (vi) where information (including but not limited to information regarding tax status, identity or residency), self-certifications or documents as may be requested by the Investment Manager, the Fund and/or the Administrator pursuant to laws, regulations, guidelines, directives or contractual obligations with other jurisdictions' authorities (including, without limitation, FATCA, CRS and any applicable intergovernmental agreement, any treaty, law, regulation, instruction or other official guidance enacted or amended relating to, or which facilitates the implementation of, FATCA or CRS requirements or any other similar law in any relevant jurisdiction that is intended to prevent the wilful evasion of taxation) cannot be obtained from the Member, or the Member has failed to provide the same, in a timely manner;
- (vii) who does not consent, or withdraws his consent, for the Investment Manager, the Fund and/or the Administrator to collect, use and/or disclose information or data relating to the Member, where (in the opinion of the Investment Manager) such information or data is necessary or desirable for the Investment Manager, the Fund and/or the Administrator, their respective related corporations and/or other Service Providers to perform their respective services and/or duties to or in respect of the Sub-Fund and/or the Member; or

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

- (viii) whose holdings have an aggregate Net Asset Value that falls below the Minimum Holding Amount.

In such an event, neither the Investment Manager, the Fund and/or the Administrator is required to provide any reason for such redemption and the Investment Manager, the Fund and/or the Administrator and their directors, officers, shareholders, employees, associates or agents will not be liable for any error of judgment, any loss, damage, cost, expense or liability incurred or suffered by the holder of such Affected Participating Shares as a result of such redemption of such Affected Participating Shares.

Following such compulsory redemption, the Fund or the relevant Sub-Fund(s) shall pay (in cash or in specie, as may be determined by the Directors) to such Member the Redemption Price in respect of the Affected Participating Shares and following the effective date of such compulsory redemption such Member shall only have the right to receive the Redemption Price and the right to receive any declared but unpaid dividends.

The Fund shall be entitled to deduct from the total amount which would otherwise be payable as described above on the redemption from the Member of its Affected Participating Shares, (i) a Redemption Fee of up to two per cent. (2%) of such total amount (the amount of the Redemption Fee to be rounded to the nearest two (2) decimal places and any rounding adjustment shall be retained by the Sub-Fund or Class (as the case may be)); and (ii) if the Member is resident outside Singapore, an amount equal to the overseas expense representing the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the Member had been resident in Singapore.

If the Investment Manager and/or the Fund is required to account to any duly empowered fiscal authority of Singapore or elsewhere for any income or other taxes, charges or assessments whatsoever on the value of any Participating Shares held by a Member, the Investment Manager and/or the Fund shall be entitled, at any time with prior notice to that Member, to redeem such number of Affected Participating Shares held by that Member as may be necessary to discharge the liability arising. The Investment Manager and/or the Fund (as the case may be) shall be entitled to apply the proceeds of such redemption in payment, reimbursement and/or set-off against the liability.

#### **CONVERSION OF PARTICIPATING SHARES**

Unless otherwise provided in the Supplement in relation to a Sub-Fund, conversion or switching of Participating Shares between the Sub-Funds is not permitted. However, subject to the Constitution and the Act, and if applicable, the Supplement in relation to a Sub-Fund, the Directors (or their duly authorised agents, including the Investment Manager) have the discretion to allow for conversion and switching amongst one or more Sub-Funds or Classes:

- (a) if the Directors determine that such conversion is necessary, advisable or desirable; and/or
- (b) where conversion upon the request of the Member (whether for switching purposes or otherwise) is so permitted in respect of any particular Participating Share, upon the request of the holder of any such Participating Share in such form and containing such information,

### III. SUBSCRIPTION, ISSUE AND REDEMPTION OF PARTICIPATING SHARES

documentation and confirmations as may be set out in the Supplement in respect of the relevant Sub-Fund or requested by the Directors from time to time.

#### **TRANSFER OF PARTICIPATING SHARES**

Unless the Directors approve in writing, no Member shall be entitled to transfer the Participating Shares which are held by it. Without limiting the foregoing, the Directors may, in their sole discretion, refuse to register the transfer of Shares if:

- (a) the Shares are not fully paid Shares;
- (b) the Fund has a lien on such Shares;
- (c) the holder of the Share has no right to request for the transfer of such Shares;
- (d) the Directors acting in their absolute discretion do not approve of the transfer of Shares and in so acting, the Directors need not assign any specific reason to decline the registration of the transfer; or
- (e) such transfer would result in the transferee or the transferor holding Shares having a lesser aggregate Net Asset Value than the applicable Minimum Holding Amount (if any) of that particular Class, as may be specified in this Memorandum or otherwise determined by the Directors.

All transfers of Participating Shares must be in writing and in the usual or common form, or in any other form which the Directors may approve. The instrument of transfer of a Share shall be signed both by the transferor and by the transferee. The transferor shall be deemed to remain the holder of the Share and the transfer of such Share shall not take effect until the Register of Members is updated with the name and other required details of the transferee as the holder by transfer of such Share.

The Investment Manager, the Fund and/or the Administrator reserve the right to request such information as is necessary to verify the identity of a transferee of Participating Shares. In the event of delay or failure by the transferee to produce any information required for verification purposes, the Investment Manager or the Fund may refuse to register the transfer. None of the Investment Manager and the Fund shall be liable to the transferor or transferee for any loss suffered by them as a result of the non-registration of the transfer.

No transfer which may result in the breach of any applicable law or regulation shall be registered.

#### IV. VALUATION

The Net Asset Value of the Fund, each Sub-Fund and Class, and the NAV per Share will be calculated by the Administrator, based on the information provided by the Fund, Investment Manager or Custodian, in the manner described below on each Valuation Day and/or at such other time or times as the Directors may determine in accordance with the Accounting Standards (as defined in the Act).

The Fund or Sub-Funds' assets that are publicly traded securities for which market prices are readily available will be valued based on their last traded prices on the relevant Valuation Day on the principal securities exchange or OTC market on which they are traded by reference to the most recent official settlement price quoted by that financial institution, and other assets will be valued at their fair values, as determined by the Investment Manager in accordance with the valuation policy of the Fund or the relevant Sub-Fund or as determined by external third party agents (as and when deemed appropriate by the Investment Manager). Assets of the Fund or a Sub-Fund that are not publicly traded, and which do not have an available independent valuation, will be subject to independent valuation on an annual basis.

Save as otherwise expressly provided herein, and subject to all applicable laws and regulations, for the purpose of determining the Net Asset Value or any Investment comprised or to be comprised therein by the Investment Manager (or its duly authorised agents, including, without limitation, the Administrator and any independent valuation agent), the Net Asset Value shall be determined as at the Valuation Point on each Valuation Day.

#### CALCULATION

The NAV per Share shall be determined as at the close of business in the relevant markets on each Valuation Day (the "**Valuation Point**"), except when determination of the Net Asset Value has been suspended in accordance with the provisions of the Constitution and this Memorandum.

The NAV per Share of each Class of Shares as at any Valuation Day shall be calculated as set out below by first determining the Net Asset Value of the Sub-Fund as a whole and then determining the Net Asset Value of the relevant Class of Shares:

- (a) the Net Asset Value of a Sub-Fund as at any Valuation Day shall be calculated by: (i) aggregating the value as at the close of business in the relevant markets on each Valuation Day of all the investments owned or contracted for by the Sub-Fund with the value of the other assets of the Sub-Fund; and (ii) deducting therefrom the liabilities of the Sub-Fund which shall, where appropriate, be deemed to accrue from day to day (other than the Management Fee attributable solely to that Sub-Fund);
- (b) the Net Asset Value of a Class shall be calculated by apportioning the Net Asset Value of the Sub-Fund (before deducting any expenses and liabilities which are specifically attributable to Shares of that particular Class) between each Class by reference to the net assets of that particular Class; and

- (c) the NAV per Share of such Class shall be calculated by dividing the Net Asset Value of the relevant Class by the number of Shares of such Class in issue. The Net Asset Value of a Class shall be rounded to the nearest 0.0001 of the applicable Base Currency.

#### **Calculation of Net Asset Value of a Sub-Fund**

The Net Asset Value will be determined in the Base Currency of the relevant Sub-Fund as at the Valuation Point relating to each Valuation Day, the last Business Day of each month or such other day or days as the Directors may from time to time determine, in accordance with the following principles:-

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Directors shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Directors shall deem to be the reasonable value thereof;
- (b) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment fund or other similar open-ended investment vehicle (a "**Managed Fund**") to which paragraph (c) applies and subject as provided in paragraphs (d), (e) and (g) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or OTC market shall be made by reference to the last closing price on the principal stock exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no stock exchange, commodities exchange, futures exchange or OTC market all calculations based on the value of investments quoted by any person, firm or institution making a market in that investment (and if there shall be more than one such market maker then such particular market maker as the Directors may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Directors in their discretion consider that the prices ruling on a stock exchange other than the principal stock exchange provide in all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;
- (c) subject as provided in paragraphs (d), (e) and (g) below, the value of each interest in any Managed Fund which is valued as at the same day as the Sub-Fund shall be the net asset value per unit, share or other interest in such Managed Fund calculated as at that day or, if the Directors so determine or if such Managed Fund is not valued as at the same day as the Sub-Fund, the last published net asset value per unit, share or other interest in such Managed Fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest;
- (d) subject to paragraph (f) below, if no net asset value, bid, redemption and asked prices or price quotations are available as provided in paragraphs (b) or (c) above, the value of the relevant asset shall be determined from time to time in such manner as the Directors shall determine;



- (e) for the purpose of ascertaining quoted, listed, traded or market dealing prices, the Directors, the Administrator or their agents shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Sub-Fund and the prices provided by any such system shall be deemed to be the last closing prices for the purpose of paragraph (b) above;
- (f) interest-bearing securities which are not quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or OTC market shall be valued at cost plus accrued interest;
- (g) notwithstanding the foregoing, the Directors may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value; and
- (h) any value (whether of a security or cash) otherwise than in the Base Currency of the Sub-Fund shall be converted into the Base Currency of that Sub-Fund at the rate (whether official or otherwise) which the Directors shall in their absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which they consider may be relevant and to costs of exchange.

The NAV per Share of the Sub-Fund or Class shall be obtained by taking the resultant sum and dividing the same by the number of Participating Shares of such Sub-Fund or Class (as the case may be) in issue or deemed to be in issue immediately prior to the relevant Valuation Day and rounding down such amount to four (4) decimal places (or such other number of decimal places or such other rounding or truncation method as the Directors may from time to time determine).

#### **Swing pricing**

Transactions, including transactions in kind, in or out of a Sub-Fund can result in a dilution of a Sub-Fund's assets because the price at which an investor subscribes or redeems Shares in a Sub-Fund may not entirely reflect the dealing and other costs that arise when the Investment Manager and/or Sub-Managers have to trade in securities to accommodate cash inflows and outflows. In order to mitigate this effect and enhance the protection of existing Members, the mechanism known as Swing Pricing ("**Swing Pricing Mechanism**") may be applied at the discretion of the Investment Manager for each of the Sub-Funds as part of the general valuation policy. By applying the Swing Pricing Mechanism, the Net Asset Value of the relevant Sub-Fund may be adjusted by an amount (the "**Swing Factor**") to compensate for expected transaction costs resulting from the difference between capital inflows and outflows (the "**Net Capital Inflows**" and "**Net Capital Outflows**" respectively). In the case of Net Capital Inflows, the Swing Factor may be added to the respective Sub-Fund's Net Asset Value to reflect subscriptions made, whereas in the case of Net Capital Outflows, the Swing Factor may be deducted from the respective Sub-Fund's Net Asset Value to reflect redemptions requested. In both cases, the same Net Asset Value applies to all subscribing and redeeming investors on a particular date.

The Swing Factor will not exceed such percentage of a Sub-Fund's Net Asset Value as set out in the relevant Supplement. Where Net Capital Inflows or Net Capital Outflows exceeds a predefined percentage of a Sub-Fund's Net Asset Value (the "**Swing Threshold**"), the Swing Pricing Mechanism will automatically be triggered, unless the Investment Manager otherwise determines.

Each Sub-Fund may apply a different Swing Factor subject to the maximum Swing Factor. The Swing Factor is, amongst others, based on the estimated transaction costs of the financial instruments in which the respective Sub-Fund may invest and the bid-offer spread of the price of Shares in the Sub-Fund. The different levels of Swing Thresholds and Swing Factors are reviewed on a regular basis and may be adjusted. The Swing Pricing Mechanism is applicable to only the Sub-Funds where expressly stated in the relevant Supplement.

**Obtaining Prices of Participating Shares**

Investors may obtain the latest Subscription Price and Redemption Price (if applicable) by contacting the Investment Manager (or its duly authorised agents).

## V. SUSPENSION OF VALUATION AND DEALINGS

### Suspension of Valuation and Dealings

The Directors may, from time to time, in their discretion and for any reason (including in the circumstances as may be described below), declare a suspension (a “**Suspension**”) of any of:

- (a) the determination of Net Asset Value and/or the NAV per Share of the Fund, any particular Sub-Fund or Class;
- (b) the subscription for, allotment of and/or issuance of Participating Shares of any particular Sub-Fund or Class;
- (c) the redemption of Participating Shares (whether in whole or in part);
- (d) the repurchase of Participating Shares (whether in whole or in part);
- (e) the conversion of a Member’s Participating Shares of any particular Sub-Fund and/or Class to another Sub-Fund and/or Class;
- (f) the payment of any amount to a redeeming or repurchasing Member in connection with the redemption or repurchase of Shares; and/or
- (g) the registration of any transfer of Shares,

in each case for the whole or any part of any period and in such circumstances as the Directors may determine. The commencement and termination of any Suspension referred to above shall take effect at such times as the Directors shall determine and the Directors shall procure that all affected Members are promptly notified of any such commencement and termination.

For the avoidance of doubt, the Directors may suspend the subscription, allotment, issuance, redemption, redemption, repurchase, conversion or transfer of Participating Shares without suspending the determination of the Net Asset Value or the NAV per Share.

### Circumstances for Suspension

The Directors may declare a Suspension for the whole or any part of any period as follows:

- (i) during any period when any Recognised Market, on which any investments forming part of the assets of the relevant Sub-Fund, and/or any of the funds in which the Sub-Fund has invested, for the time being are listed, quoted, traded or dealt in, is closed (otherwise than for ordinary holidays) or during any period which dealings on any such Recognised Market are restricted or suspended;
- (ii) during any period where there exists a state of affairs in which, in the opinion of the Directors, the calculation of the Net Asset Value during such period, may prejudice the interests of the Members of the relevant Sub-Fund or Class as a whole;

## V. SUSPENSION OF VALUATION AND DEALINGS

- (iii) when circumstances exist as a result of which in the opinion of the Investment Manager it is not reasonably practicable for the Fund or a Sub-Fund to dispose of investments or as a result of which any such disposal would be materially prejudicial to the non-redeeming Members of the Sub-Fund or the Fund;
- (iv) during any period during which a breakdown occurs in any of the means normally employed in ascertaining the value of investments or the Net Asset Value or the NAV per Share or when for any other reason the value of any of the investments or other assets of the Fund or the Sub-Funds, or the Net Asset Value or the NAV per Share cannot in the opinion of the Investment Manager reasonably or fairly be ascertained;
- (v) during any period when the transfer of funds which will or may be involved in the realisation of any investments forming part of the assets of the relevant Sub-Fund or Class or in the payment for such investments cannot, in the opinion of the Investment Manager, be effected promptly at normal rates of exchange;
- (vi) during any period when the business operations of the Investment Manager (or its duly authorised agents) in relation to the operation of the relevant Sub-Fund or the Fund are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God;
- (vii) during any 48-hour period (or such longer period as the Investment Manager may determine) prior to the date of any meeting of the Members (or any adjournment thereof);
- (viii) during any period where the issue of Participating Shares and right of Members of any Sub-Fund or Class to require the redemption of Participating Shares of any Sub-Fund or Class is suspended pursuant to any order or direction of the MAS or any other regulatory body; or
- (ix) upon a resolution being passed for the winding up of a Sub-Fund or the Fund,

and payment for any Participating Shares of the relevant Sub-Fund or Class redeemed before the commencement of any such Suspension but for which payment has not been made before the commencement thereof may, if the Investment Manager so determines, be deferred until immediately after the end of such Suspension.

## **VI. MANAGEMENT AND ADMINISTRATION**

### **THE FUND**

The Fund is incorporated as an umbrella variable capital company under the Act and is intended to consist of two or more collective investment schemes and the sole object of the Fund is to be one or more collective investment schemes in the form of a body corporate.

Subject to the provisions of the Act, the business and affairs of the Fund shall be managed by, or under the direction or supervision of, the Directors. The Directors may exercise all such powers of the Fund that are not by the Statutes or by the Constitution required to be exercised by the Fund in General Meeting.

The Directors may delegate certain functions to other parties subject to the overall supervision and direction of the Directors. The Directors have delegated investment discretion over the Fund's and the Sub-Funds' assets to the Investment Manager pursuant to the terms of the Investment Management Agreement, and the Directors, in their capacities as such, are not responsible as such for the day-to-day conduct of the Sub-Funds' investment program.

The rights, obligations and right of indemnification of the Directors is set out in the Constitution. The Constitution also specifies the manner in which the Directors operate and how Directors may be appointed and removed.

The Directors of the Fund are:

- (a) Mr. Chan Chow Chuen;
- (b) Mr. Shahryar Sam Ahmed; and
- (c) Mr. Ng Thiam Theng Jarrod Mark.

### **THE INVESTMENT MANAGER AND ITS DIRECTORS**

#### **The Investment Manager**

DBS Bank Ltd., a company incorporated with limited liability in Singapore, has been appointed to provide investment management services to the Fund. The Investment Manager is exempted from holding a capital markets services licence for fund management under the SFA as it is a bank licensed under the Banking Act, Chapter 19 of Singapore, and is regulated by the MAS. The Investment Manager therefore falls within the licensing exemption under Section 99(1)(a) of the SFA from the requirement to hold a capital markets services licence in respect of any activity regulated under the SFA.

The contact details of the MAS are as follows:

MAS Singapore Office

Address: 10 Shenton Way, MAS Building  
Singapore 079177

Phone: (65) 6225-5577

The Investment Manager is responsible for the operation and investment management of the Fund. Under the terms of the Investment Management Agreement, the Investment Manager is empowered by the Directors to exercise full discretion in the management of the investment transactions of the Fund, subject only to any investment and borrowing restrictions in effect from time to time and the oversight of the Directors.

The Investment Manager may in its discretion from time to time engage its affiliates or third parties as Sub-Managers and Investment Advisors to assist it in connection with its role as investment manager to the Fund and such Sub-Managers and Investment Advisors may be required, among other things, to undertake due diligence on the Fund's proposed investments. The remuneration of such Sub-Managers and Investment Advisors shall be borne by the Investment Manager.

Subject to the provisions of the Constitution and the Act, the Investment Manager is entitled to be indemnified out of the assets of the Fund or the relevant Sub-Funds for any liability incurred by it that arise out of or in connection with the affairs of the Fund and/or the Sub-Funds.

The Investment Manager maintains a professional indemnity insurance policy. The Investment Manager may from time to time if it considers appropriate in its discretion, put in place or procure to be put in place, such professional indemnity insurance covering such customary risks on such terms and conditions as the Investment Manager deems appropriate.

The past performance of the Investment Manager is not necessarily indicative of its future performance.

#### **Directors of the Investment Manager**

The Directors have overall authority over, and responsibility for, the operations and management of the Investment Manager.

The sole executive director of the Investment Manager is Mr. Piyush Gupta.

The non-executive directors of the Investment Manager are:

- (a) Mr. Peter Seah Lim Huat;
- (b) Mr. Chng Kai Fong;
- (c) Dr. Bonghan Cho;
- (d) Mr. Ho Tian Yee;
- (e) Mr. Olivier Lim Tse Ghow;
- (f) Ms. Punita Lal;

- (g) Mr. Anthony Lim Weng Kin; and
- (h) Mr. Tham Sai Choy

### **The Investment Management Agreement**

The Investment Manager has entered into an investment management agreement with the Fund (the “**Investment Management Agreement**”). Pursuant to the Investment Management Agreement, subject to the overall policy and supervision of the Directors, the Investment Manager shall have full power, authority and right to exercise certain functions, duties, powers and discretions as set out in the Investment Management Agreement. The Investment Management Agreement authorises the Investment Manager to delegate or subcontract the whole or any part of its rights, powers, duties, discretions and/or functions to any affiliate of the Investment Manager or, with the approval of the Directors, any other person, firm, group or corporation to the extent permitted by applicable law. The Investment Management Agreement does not impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to the Fund or any restrictions on the nature or timing of investments for the account of the Fund and for the Investment Manager’s own account or other accounts which the Investment Manager may manage. The Investment Manager is entitled to a Management Fee in respect of each Sub-Fund. The Management Fee payable to the Investment Manager in respect of each Sub-Fund is as set out in the relevant Supplement in relation to the Sub-Fund.

The Investment Management Agreement provides, *inter alia*, that the Investment Manager shall not be liable for any error of judgment, any loss, damage, cost, expense or liability incurred or suffered by the Fund, any Sub-Fund or any other person in connection with the subject matter of the Investment Management Agreement or any matter or thing done or omitted to be done by the Investment Manager in pursuance thereof (including, in particular, but without limiting the foregoing, any loss following upon or arising out of any failure to effect or any delay in effecting any transaction, any loss, delay, misdelivery or error in transmission of any communication or of the bankruptcy or insolvency or of a failure to pay by any bank, institution, country, governmental department, authority, persons with whom or in which the monies of the Fund and/or the Sub-Funds are from time to time invested or deposited or generally in relation to the purchase, holding or sale of Investments) unless such error of judgement, loss, damage, cost, expense or liability arose from the fraud, gross negligence or wilful default by the Investment Manager or persons designated by it.

In addition, the Investment Management Agreement also provides that the Fund and (where applicable) the Sub-Funds indemnify the Investment Manager and persons designated by it against any claims, liabilities, costs and expenses (including amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs, and reasonable expenses of investigating or defending against any claim or alleged claim) of any nature whatsoever, that are incurred by the Investment Manager or persons designated by it and arise out of or in connection with the affairs of the Fund and/or the Sub-Funds, provided that this indemnity shall not apply in the cases of the fraud, gross negligence or wilful default of the Investment Manager or persons designated by it.

The Investment Management Agreement may be terminated by, *inter alia*, the Fund or the Investment Manager giving not less than six (6) months’ notice in writing to the other party.

### **Sub-Managers**

The Investment Manager may delegate any of its duties, functions, powers and discretions in relation to the Sub-Funds to affiliates or third parties, and in particular, may delegate the operation and investment management of the Sub-Funds to sub-managers (the “**Sub-Managers**”). The Sub-Managers of the Sub-Funds (where appointed) are described in the Supplement of the relevant Sub-Fund. The remuneration of the Sub-Managers shall be borne by the Investment Manager, and the Investment Manager shall at all times remain liable for any acts or omissions of or loss directly or indirectly caused by the Sub-Managers, as if such acts or omissions were those of, or such loss was caused by, the Investment Manager.

### **Investment Advisors**

The Investment Manager may engage affiliates or third parties to provide advice to the Investment Manager with respect to the management and investments in respect of the Sub-Funds (the “**Investment Advisors**”). The Investment Advisors of the Sub-Funds (where appointed) are described in the Supplement of the relevant Sub-Fund. The remuneration of the Investment Advisors shall be borne by the Investment Manager, and the Investment Manager shall at all times remain liable for any acts or omissions of or loss directly or indirectly caused by the Investment Advisors, as if such acts or omissions were those of, or such loss was caused by, the Investment Manager.

For the avoidance of doubt, the Investment Manager (or relevant Sub-Manager, if applicable) retains discretionary investment authority over the relevant Sub-Fund, unless otherwise specified in the Supplement.

## **OTHER PARTIES**

### **The Auditors**

The auditors of the Fund are PricewaterhouseCoopers LLP (the “**Auditors**”).

### **Custodian**

The Fund has entered into a custody agreement with DBS Bank Ltd. (the “**Custodian**”) for the Custodian to provide custodial services for the Sub-Funds.

DBS Bank Ltd. will act as the Custodian of the securities, investments and assets of the Fund, which will be held either directly by the Custodian or through its sub-custodians, nominees, agents or delegates.

The Custodian shall not be held liable for any loss or damage to the Fund or any shareholder for any act or omission in the course of the services rendered by it in the absence of fraud, gross negligence or wilful misconduct on the part of the Custodian or as a result of the liquidation, bankruptcy or insolvency of any agent, delegate or sub-custodian appointed by it. Further, the Custodian shall not be liable for the act or omission of any sub-custodians, brokers or agents appointed by the Custodian where the Custodian has exercised reasonable care in appointing such sub-custodians, brokers or agents or where such sub-custodians, brokers or agents were appointed on the instruction of the Investment Manager or on the instruction of a Director of the Fund. The liability of the Custodian shall in no event include consequential and indirect loss or damage.



The Custodian is entitled to be indemnified out of the assets of the Fund from and against any and all costs, expenses and liabilities arising in connection with the performance of its duties as Custodian other than those liabilities arising from the fraud, gross negligence or wilful misconduct on the part of the Custodian.

The appointment of the Custodian may be terminated by either party to the custody agreement upon 30 days' written notice or such shorter period as may be agreed between the parties to the custody agreement.

The Custodian will not have any decision-making discretion relating to the investments of the Fund. The Custodian is a Service Provider to the Fund and is not responsible for the preparation of this Memorandum or the activities of the Fund and therefore accepts no responsibility for any information contained in this Memorandum (other than in this section relating to the Custodian).

### **Administrator**

DBS Bank Ltd. (acting through its Singapore office) has been appointed as the administrator, transfer agent and registrar of the Fund and the relevant Sub-Fund(s) (the "**Administrator**") pursuant to the fund administration agreement entered into between the Fund (on behalf of the respective Sub-Fund(s)) and DBS Bank Ltd., Singapore office respectively (the "**Fund Administration Agreement**").

Under the Fund Administration Agreement, the Administrator provides fund accounting and administration services to the Fund and/or the relevant Sub-Funds(s), including the carrying out of the valuation of the Fund and/or the relevant Sub-Fund(s)' assets (e.g. calculation of Net Asset Value), maintenance of accounting reports, keeping proper books, records and statements in relation to the Fund and/or the relevant Sub-Fund(s)' assets, and coordinating the annual audit of the Fund and/or the relevant Sub-Fund(s)' assets.

The Administrator will also be responsible for providing transfer agency services to the Fund and/or the relevant Sub-Funds, including but not limited to:

- arranging for the issue, transfer, allotment, conversion, redemption and/or purchase of Participating Shares, including processing requests for the subscription and redemption of Participating Shares; and
- keeping and maintaining the Register of Members of the Fund (and its Sub-Funds).

The Fund Administration Agreement also provides for indemnification of the Administrator against any cost, loss or liability incurred by the Administrator in connection with its provision of fund accounting and administration services to the Fund and/or the relevant Sub-Fund(s) otherwise than by reason of negligence, fraud or wilful misconduct on the part of the Administrator.

The Administrator is a Service Provider of the Fund and, as such, bears no responsibility for the contents of this Memorandum and the relevant Supplements, the investments of the Fund and/or the relevant Sub-Fund(s), the performance of the Fund and/or the relevant Sub-Fund(s) or any other fund in which the Fund and/or the relevant Sub-Fund(s) invests nor any matter other than as specified in the Fund Administration Agreement.

The Administrator will not be responsible for ensuring that the investment transactions of the Fund and/or the relevant Sub-Fund(s) comply with the investment objectives and policies set forth in this Memorandum and the relevant Supplements. Additionally, the Administrator shall not be responsible for monitoring any investment restrictions of the Fund and/or the relevant Sub-Fund(s).

The Fund may place cash, securities and/or other assets with brokers from time to time appointed by the Investment Manager and the Administrator will have no control over such cash, securities and/or assets. The Administrator will have no responsibility or liability for any loss or damage which the Fund or any shareholder may sustain or suffer arising out of, in connection with or as a result of any cash, securities and/or other assets of the Fund held by any broker appointed by the Investment Manager.

The appointment of the Administrator may be terminated by either the Administrator or the Fund giving the other not less than ninety (90) days' prior notice in writing.

### **Registrar**

The Administrator is also the registrar for the Fund, and maintains the Register of Members of the Fund (and its Sub-Funds). The Register of Members is prima facie evidence of any matter required or authorised by the Act to be included in it, such as the number of Participating Shares held by each Member in the Sub-Fund or Class thereof.

### **Brokers**

The Investment Manager may use a number of broker-dealers for the Sub-Funds' transactions. The Investment Manager transacts with brokers and dealers on the basis of best execution and in consideration of such broker's or dealer's ability to effect transactions with the assurance of reliable, high quality brokerage services.

### **Over-the-Counter Derivative Transactions**

The Sub-Funds may enter into over-the-counter ("**OTC**") financial derivative transactions in accordance with the standard terms laid down by the International Swaps and Derivatives Association ("**ISDA**") Master Agreement. Such transactions will be entered into by the Investment Manager as agent of the relevant Sub-Funds, with the counterparty to the transactions being DBS Bank Ltd., in good faith and on normal commercial terms negotiated on an arm's length basis.

## VII. FEES AND CHARGES

### **Fees Payable by a Sub-Fund and a holder of Participating Shares in any Sub-Fund**

The fees and charges payable in relation to each Sub-Fund are set out in the relevant Supplement for that Sub-Fund.

#### **Management Fee**

Under the Investment Management Agreement, the Investment Manager is entitled to a Management Fee in respect of each Sub-Fund. The Management Fee payable to the Investment Manager in respect of each Sub-Fund is as set out in the relevant Supplement in relation to the Sub-Fund.

The Investment Manager may, in its sole discretion, out of its own resources, reduce, waive, rebate, or otherwise vary the Management Fee payable in whole or in part for certain Members within a Class, including in particular during any winding-up of a Sub-Fund or the Fund.

The remuneration of the Sub-Managers and any Investment Advisors shall be borne by the Investment Manager.

#### **Administration Fees**

The Administrator is compensated for its services in accordance with the terms of the Fund Administration Agreement.

#### **Custodial Fees**

The Custodian is compensated for its services in accordance with the terms of the Custody Agreement.

#### **Sub-Fund Expenses**

Each Sub-Fund will bear the following costs and expenses associated with the formation, operation, investment activity, dissolution, winding up and termination of the Sub-Fund (the “**Sub-Fund Expenses**”):

- (a) all costs and expenses incurred in the holding, purchase, sale, transfer or exchange of investments of the Sub-Fund (whether or not ultimately consummated);
- (b) interest on borrowed money;
- (c) taxes on investments;
- (d) legal fees, custodial fees, audit and accounting fees and other professional fees for services rendered to the Sub-Fund or in respect of its portfolio of investments;
- (e) all transfer, capital and other taxes, duties and costs applicable to the Sub-Fund on account of its operations and disposition or transfer of separate assets;

- (f) fees incurred in connection with the maintenance of bank or custodian accounts of the Sub-Fund; and
- (g) fees and expenses relating to the administration services provided to a Sub-Fund.

Each Sub-Fund will also bear:

- (i) the cost of liability and other insurance premiums directly applicable to such Sub-Fund;
- (ii) all expenses (including the out-of-pocket expenses of the Investment Manager and/or the Administrator) of preparing and distributing financial reports to the Members of a Sub-Fund as well as costs of all governmental returns, reports or other filings required for regulatory compliance of such Sub-Fund; and
- (iii) all reasonable expenses directly relating to a Sub-Fund that are not normal operating expenses.

Upon liquidation of a Sub-Fund, such Sub-Fund will bear all liquidation costs, fees, and expenses incurred in connection with the winding up or dissolution of such Sub-Fund.

In addition, each Sub-Fund will bear all organisational and syndication costs, fees and expenses incurred by or on behalf of the Sub-Fund in connection with the formation and organisation of such Sub-Fund and the offering of the Sub-Fund, including legal, accounting, marketing and solicitation fees (including any private placement fees or finder's fees) and expenses incident thereto up to (such as travel expenses and direct marketing expenses).

#### **Establishment Costs**

All expenses relating to the establishment and organisation of the Fund and the DBS I.D.E.A. Fund (including expenses relating to the negotiation and preparation of material contracts, the costs of preparing and printing the relevant prospectuses and the related marketing materials and the fees and expenses of professional advisors) were borne by the Investment Manager.

The manner in which the cost of establishing each subsequent Sub-Fund (including expenses relating to the negotiation and preparation of material contracts, the costs of preparing and printing the relevant Supplements and the related marketing materials and the fees and expenses of professional advisors) will be discharged will be set out in the relevant Supplement and amortised over a period not exceeding five years after the establishment of that relevant Sub-Fund.

#### **Goods and Services Tax**

All sums payable to the Investment Manager and any of the Service Providers are exclusive of any GST or other applicable sales tax, governmental impositions, duties and levies whatsoever, whether imposed in Singapore or any other applicable jurisdiction ("**Taxes**"). Where any Taxes are payable in relation to services performed or to be performed by the Investment Manager under the Investment Management Agreement, the Fund (and/or its Sub-Funds) shall bear any such Taxes in connection therewith in addition to any amount payable to the Investment Manager.

## VIII. RISK FACTORS

An investment in any Sub-Fund involves a substantial degree of financial and other risks and should only be made by high net worth and sophisticated investors for whom an investment in any Sub-Fund does not represent a complete investment program and who fully understand the risks involved and have the financial resources sufficient for them to assume such risks and the possible loss of some or all of their investment. Accordingly, an investment in any Sub-Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Set out below is a summary of certain risks (which may increase or decrease depending on the circumstances) that should be taken into account by investors before they decide to invest in any Sub-Fund. Prospective investors should carefully review the risks involved in investing in any Sub-Fund, and should evaluate the merits and risks of an investment in any Sub-Fund in the context of their overall financial circumstances. The summary below does not purport to be a complete or an exhaustive list or explanation of potential risks in making an investment in any Sub-Fund. The investor should be aware that all investments involve risks and there can be no guarantee against loss resulting from an investment in any Sub-Fund, nor can there be any assurance that the investment objectives of any Sub-Fund will be attained. No guarantee is or will be made in relation to the performance or any future return of any Sub-Fund.

To the fullest extent permitted under applicable law, a holder of Participating Shares in respect of any Sub-Fund shall not have any claim against the Fund, the Sub-Funds and/or DBS Bank Ltd., in whatever capacity, arising out of or in connection with a diminution in the value of such Sub-Fund or Participating Shares thereof.

### GENERAL RISKS

The value of Participating Shares and the income accruing from the Participating Shares may fall or rise and investors may not get back their original investment. There is no guarantee that the investment objective of any Sub-Fund will be achieved.

Investors should consider and satisfy themselves as to the risks of investing in any Sub-Fund. Generally, some of the risk factors that should be considered by investors are set out in this Section VIII. Investors should also note that the degree to which these risks affect investments in a Sub-Fund varies depending on the relevant Sub-Fund's investment objective, approach and focus and they should also consider the risks specific to each Sub-Fund as referred to in the relevant Supplement for that Sub-Fund. The general and specific risks described in this Section VIII and in the Supplements are not exhaustive and investors should be aware that the Sub-Funds may be exposed to other risks of an exceptional nature from time to time.

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

**Concentration Risk.** Concentration of a Sub-Fund's investments in a relatively small number of securities, sectors or industries, or geographical regions may significantly affect the performance of the Sub-Fund.

Where a Sub-Fund's exposure is focused in a single country, sector or region, investors should be aware that while such concentrated exposure may present greater opportunities and potential for capital appreciation, it may be subject to higher risks as there may be less diversification than a global portfolio.

**Foreign Exchange and Currency Risk.** Where a Sub-Fund makes investments which are denominated in a currency that is different from the currency of denomination of the Sub-Fund or the relevant Class, fluctuations of the exchange rates between the currency of the Sub-Fund or Class (as the case may be) and the currency of the Sub-Fund's investments may affect the value of the Participating Shares of the Sub-Fund.

In the management of each Sub-Fund, the Investment Manager may hedge the foreign currency exposure of the Sub-Fund or any Class of the Sub-Fund (as the case may be) and may adopt an active or passive currency management approach. However, the foreign currency exposure of a Sub-Fund or Class (as the case may be) may not be fully hedged depending on the circumstances of each case. Such circumstances include but are not limited to the outlook, hedging costs and market liquidity of the relevant currency.

Additionally, where a Class of a Sub-Fund is denominated in a different currency from that of the relevant Sub-Fund, changes in the exchange rate between the Class currency and the currency of denomination of the relevant Sub-Fund may adversely affect the value of the Participating Shares of such Class, as expressed in the Class currency. Subject to the same considerations in the foregoing sub-paragraph, the Investment Manager may or may not mitigate the exchange rate risks to the extent of the value of the assets of the Sub-Fund attributed to such Class by hedging such exchange rate risks, and to the extent that they do not do so, investors will be exposed to exchange rate risks.

Investors should note that although a financial instrument used to mitigate the exchange rate risks of a Class may not be used in relation to the other Classes of Participating Shares within the Sub-Fund, the financial instrument will comprise the assets (or liabilities) of the Sub-Fund as a whole. The gains (or losses) on and the costs of the relevant financial instruments will, however, accrue solely to the relevant Class of Participating Shares of the Sub-Fund.

**Foreign Market Risks (includes Emerging Markets).** Investments in foreign markets may present risks not typically associated with domestic markets. These risks may include changes in currency exchange rates; less-liquid markets and less available information; less government supervision of exchanges, brokers, and issuers; increased social, economic, and political uncertainty; and greater price volatility. These risks may be greater in emerging markets, which may also entail different risks from developed markets.

**Issuer Specific Risk.** A security issued by a particular issuer may be impacted by factors that are unique to that issuer and thus may cause that security's return to differ from that of the market.

**Interest Rate Risk.** Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macroeconomic factors, speculation and central bank and government intervention. Fluctuations in interest rates of the currencies in which investments of a Sub-Fund are denominated or fluctuations in interest rates of the currencies in which the underlying assets comprised in the investments of a Sub-Fund are denominated may affect the value of the Sub-Fund. Longer-term fixed rate instruments are generally more sensitive to interest rate changes. When market interest rates rise, the market value of such instruments will generally fall.

**“Benchmark” Reform Risk.** Certain securities and instruments in which a Sub-Fund may invest rely in some fashion upon interbank offer rates (“IBORs”) and some IBOR-linked rates, which are deemed to be or used as reference rates or benchmark rates and which include LIBOR, EURIBOR, SIBOR or SOR. These benchmarks are the subject of recent international regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past or to discontinue entirely, impact other interest rates and indices linked to such benchmarks, or have other consequences which cannot be predicted. As at the date hereof, the discontinuation of various benchmarks and their replacement(s) and other knock-on impact are all still being considered by the relevant authorities and industries. The elimination of, or changes in the manner of administration of, any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of certain securities and instruments in which a Sub-Fund invests if it is linked to or references such benchmarks. Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations in respect of benchmarks, could have a material adverse effect on the value of and return on certain securities and instruments in which a Sub-Fund invests if it is linked to or references such benchmarks. Where the benchmark referenced in certain securities and instruments in which a Sub-Fund invests is discontinued or (if applicable) becomes non-representative during the term of such securities or instrument, (a) the existing contractual terms may provide a process for determining a fallback rate but it may not be clear and certain what rate would be referenced as a result of that process or that the process would operate effectively to allow parties to identify an appropriate fallback rate, or (b) the terms of such securities or instrument may provide for a fallback reference rate to replace the existing benchmark. It is important to understand that the composition or characteristics of a fallback reference rate may differ in a material respect from those of the relevant benchmark which the fallback reference rate is intended to replace. Any such effects of the transition of IBORs in certain securities or instruments in which a Sub-Fund invests to a fallback reference rate, as well as other unforeseen effects, could result in losses to a Sub-Fund or in additional costs being borne by the Sub-Fund.

**Counterparty Risk.** The Investment Manager and/or the Sub-Managers (as the case may be) may deal on such markets and with such counterparties as it thinks fit. A Sub-Fund may be exposed to the risk that a counterparty may default on its obligations to perform under a particular contract. In the event of a bankruptcy or insolvency of a counterparty, a Sub-Fund could experience delays in liquidating an investment and may therefore incur significant losses, including losses resulting from a decline in the value of the investment during the period in which the Sub-Fund seeks to enforce its rights. A Sub-Fund may also be unable to realise any gains on the investment during such period and may incur fees and expenses to enforce its rights. There is also a possibility that the contracts may be terminated due to, for instance, bankruptcy, supervening illegality or change in the tax or accounting laws relative to those laws existing at the time the contracts were entered into.

**Repatriation Risk.** Investments in some countries could be adversely affected by delays in, or refusal to grant, relevant approvals for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Consents granted prior to investment being made in any particular country may be varied or revoked, and new restrictions may be imposed.

**Political, Regulatory and Legal Risk.** The value and price of a Sub-Fund's investments may be adversely affected by international political developments, changes in exchange controls, taxation policies, monetary and fiscal policies, foreign investment policies, government policies, restrictions on repatriation of investments and other changes in the laws, regulations, restrictions and controls in the relevant countries.

**Risks Relating to Distributions.** Where a Sub-Fund makes distributions to Members, such distributions are at the absolute discretion of the Investment Manager and are not guaranteed. The amount of actual distributions that a Sub-Fund may pay, if any, is uncertain. Distributions may be made from dividend/interest income and capital gains derived from the investments of the Sub-Fund. Dividend/interest income may be adversely affected by events such as (but not limited to) investee entities suffering unexpected losses and/or paying lower than expected dividends, and adverse currency exchange rate fluctuations. Furthermore, distributions may be made out of the capital of the Sub-Fund or the relevant Class. Investors should note that the declaration and/or payment of distributions (whether out of income, capital gains, capital or otherwise) may have the effect of lowering the net asset value of the Sub-Fund or the relevant Class. Moreover, distributions out of the capital of the Sub-Fund or the relevant Class may amount to a reduction of part of a Member's original investment. Such distributions may also result in reduced future returns to Members of the relevant Class.

**Risks Relating to Illiquidity and In-Kind Distributions.** The Sub-Fund may invest in investments which are not, and may never be, publicly traded. Dispositions of such investments require a lengthy period of time or may result in distributions in-kind to Members. These investments may be difficult to value and to sell or otherwise liquidate, and the risk of investing in such Investments is generally much greater than the risk of investing in publicly traded securities. There can be no assurance that private purchasers of the investments will be found. In addition, in certain circumstances, governmental or regulatory approvals may be required for the Sub-Funds to dispose of an investment or the Sub-Funds may be prohibited by contract or for legal or regulatory reasons from selling an investment for a period of time.

**Exceptional Market Conditions.** Under certain market conditions, it may be difficult or impossible to liquidate or rebalance positions. For example, this may occur during volatile markets or crisis situations or where trading under the rules of the relevant stock exchange is suspended, restricted or otherwise impaired. During such times, the Sub-Funds may be unable to dispose of certain assets due to thin trading or lack of a market or buyers. Placing a stop-loss order may not necessarily limit a Sub-Fund's losses to intended amounts as market conditions may make it impossible to execute such an order at the ideal price. In addition, such circumstances may force a Sub-Fund to dispose of assets at reduced prices, thereby adversely affecting that Sub-Fund's performance. Further, such investments may be difficult to value with any degree of accuracy or certainty. The dumping of securities in the market could further deflate prices. If a Sub-Fund incurs substantial trading losses, the need for liquidity could rise sharply at the same time that access to liquidity is impaired.



Additionally, in a market downturn, a Sub-Fund's counterparties' financial conditions could be weakened, thereby increasing that Sub-Fund's credit risk.

**Risk of Using Rating Agencies and Other Third Parties.** Credit ratings of instruments invested into by a Sub-Fund represent the Investment Manager's and/or rating agencies' opinion regarding the credit quality of the instrument or the institution and are not a guarantee of quality. Rating methodologies generally rely on historical data, which may not be predictive of future trends and adjustments to credit ratings in response to subsequent changes in circumstances may take time. When a debt security is rated, the downgrading of such debt security could decrease the value and liquidity of the security.

The Investment Manager is entitled to rely, without independent investigation, upon pricing information and valuations furnished to a Sub-Fund by third parties, including pricing services and independent brokers/dealers. Their accuracy depends on these parties' methodology, due diligence and timely response to changing conditions. The Investment Manager cannot be held responsible for any failures by such parties in their valuations.

**Broker Risk.** The Investment Manager may engage the services of third party securities brokers and dealers to acquire or dispose the investments of a Sub-Fund and to clear and settle its exchange traded securities trades. In selecting brokers and dealers and in negotiating any commission involved in its transactions, the Investment Manager considers, amongst other things, the range and quality of the professional services provided by such brokers and dealers, the credit standing, and the licensing or regulated status of such brokers and dealers.

It is possible that the brokers or dealers with which a Sub-Fund does business may encounter financial difficulties that may impair the operational capabilities of that Sub-Fund. In the event that one of these brokers or dealers were to fail or become insolvent, there is a risk that the relevant Sub-Fund's orders may not be transmitted or executed and its outstanding trades made through the broker or dealer may not settle.

**Investment Management Risk.** The investment performance of each Sub-Fund may depend on the portfolio management team and the team's investment strategies. The portfolio management team will apply investment techniques and risk analyses in making investment decisions for the Sub-Funds, but there can be no guarantee that these will produce the desired results. The team's judgments about the attractiveness, value and potential appreciation of a marketplace lending platform or individual security in which the Sub-Funds invest may prove to be incorrect. If the investment strategies do not perform as expected, if opportunities to implement those strategies do not arise, or if the team does not implement its investment strategies successfully, an investment portfolio may underperform or suffer significant losses.

**Lack of Operating History.** The Fund and the Sub-Funds are newly formed entities and have no operating history upon which prospective investors may evaluate their likely performance. In any event, past results or records of performance from investments in which the Investment Manager has been involved are not necessarily indicative of future results of the Sub-Fund's investments.

**Funds and Sub-Funds are not Regulated.** Presently, an investment in any Sub-Fund is offered solely by way of placement to sophisticated investors. None of the Sub-Funds are authorised for

public offering in any jurisdiction, Accordingly, an investment in any Sub-Fund will not enjoy the same level of regulatory protection as would be the case with many publicly authorised products.

**Information Technology Risk.** The Fund relies on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include personally identifiable information of certain data. The Fund further relies on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential information, such as individually identifiable information relating to financial accounts. Although the Fund has taken steps to protect the security of the data maintained in its information systems, it is possible that such security measures will not be able to prevent the systems' improper functioning, or the improper disclosure of personally identifiable information such as in the event of cyber-attacks. Security breaches, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, can create system disruptions, shutdowns or unauthorised disclosure of confidential information. Any failure to maintain proper function, security and availability of the Fund's information systems or any failure in the information technology networks and systems which the Fund relies on could interrupt the Fund's operations, damage its reputation, subject the Fund to liability claims or regulatory penalties and could materially and adversely affect it.

**Derivatives.** Where applicable, the use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The ability of the Fund and/or the Sub-Funds to use such instruments successfully depends on the Investment Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Investment Manager's predictions are wrong, or if the derivatives do not work as anticipated, the Fund and/or the Sub-Funds could suffer greater losses than if the Fund and/or the Sub-Funds had not used such derivatives. If the Fund and/or the Sub-Funds invests in OTC derivatives, there is increased risk that the counterparty may fail to honour its contract. In the event that the Investment Manager uses such instruments, it is of the view that it has the necessary expertise to control and manage the use of derivatives. Investments in derivatives would normally be monitored and controlled by the Investment Manager with regular mark-to-market valuations, careful research prior to investment and compliance monitoring to ensure careful compliance with any investment restrictions set out with regard to derivatives.

**Leverage.** The Fund and/or the Sub-Funds may utilise leverage. This results in the Fund controlling substantially more assets than the Fund has equity. Leverage increases the Fund's returns if the Fund earns a greater return on investments purchased with borrowed funds than the Fund's cost of borrowing such funds. However, the use of leverage exposes the Fund to additional levels of risk including (a) greater losses from investments than would otherwise have been the case had the Fund not borrowed to make the investments; (b) margin calls or changes in margin requirements may force premature liquidations of investment positions; and (c) losses on investments where the investment fails to earn a return that equals or exceeds the Fund's cost of leverage related to such investments. In the event of a sudden, precipitous drop in value of the Fund's assets, the Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by the Fund.

## RISKS RELATING TO INVESTMENTS

**Financial Market Fluctuations.** General fluctuations in the market prices of securities may affect the value of the investments. Instability in the securities markets may also increase the risks inherent in the investments.

**Legal Structure Risks.** There is a risk that the structure of an investment fails to provide the credit protection it was designed to provide. This is often either because the legal framework changes or because of poor legal advice and/or execution. No investment structure is foolproof but risks can be often be mitigated by reducing a borrower's alternatives using devices like cash flow traps and asset sale restrictions.

**Valuation of Portfolio Investments.** Certain of the investments will be investments for which there is no, or a limited, liquid market. The fair value of such investments may not be readily determinable. The valuations used for a substantial portion of a Sub-Fund's investments may therefore not reflect the most recently available market information. Because such valuations are inherently uncertain and may be based on estimates, they may fluctuate over short periods of time and the Investment Manager's determinations of fair value may differ materially from the actual realisable values of such investments. A Sub-Fund's financial condition and results of operations could be adversely affected if the Sub-Fund's fair value determinations were materially higher than the values that the Sub-Fund ultimately realises upon the realisation of such investments.

**Uncertain Exit Strategies.** Due to the illiquid nature of some of the investments which a Sub-Fund may make, the Investment Manager is unable to predict with confidence what, if any, exit strategies will ultimately be available for any given core position. Exit strategies which appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realised due to economic, legal, or other reasons.

**No segregation within Sub-Funds.** Where more than one Class of Participating Shares are issued in respect of a particular Sub-Fund of the Fund and (a) the liabilities referable to one Class are in excess of the assets referable to such Class; or (b) such Class is unable to meet all liabilities attributed to it, the assets of the Sub-Fund attributable to the other Classes of Participating Shares may be applied to cover the excess liability incurred in respect of such Classes of such Sub-Fund. Accordingly, there is a risk that liabilities of one Class within a particular Sub-Fund may not be limited to that particular Class and may be required to be paid out of the assets attributable to one or more other Classes of that particular Sub-Fund.

## RISKS RELATED TO THE STRUCTURING OF INVESTMENTS

**Taxation.** It is intended to structure the Fund in a manner that is tax efficient. However, assurance cannot be given that that structure will be tax efficient in general or for any particular investor or that any particular tax result will be achieved. In general, tax laws, treaties, rules and procedures are extremely complex and are subject to changes on a frequent basis that, in some cases, may reduce existing tax benefits, and may also have a retroactive effect. New taxes imposed on the holding of investments in a particular jurisdiction, or any capital gains or income derived from such investments, may adversely affect the performance of such investments and consequently the value of Participating Shares and the income from them. In selecting and structuring investments appropriate

for the Sub-Funds, the Investment Manager in consultation and tax advisors will consider the investment and tax objectives of the Sub-Fund and the investors as a whole, not the investment, tax or other objectives of any Member individually. Accordingly, each potential investor is urged to consult his own tax advisor regarding the applicability, effects and implications of the various tax laws.

**Foreign Taxes.** The Fund's investments are expected to be made primarily outside of its jurisdiction of incorporation. While the Investment Manager and the Directors will endeavour to structure the investments to reduce the taxes arising from, and tax-related obligations relating to, the Sub-Funds' investments, the net foreign and domestic if any, taxes paid in relation to these investments will be a deduction from cash flows and profit.

**Investment Structure.** While it is intended to structure the Fund's investments in a manner that is intended to achieve the Fund and the Sub-Funds' investment objectives, there can be no guarantee that the structure of any investment will be tax efficient for a particular investor or that any particular tax result will be achieved. In addition, the results of the Fund's activities may affect individual investors differently, depending upon their individual financial and tax situations because, for instance, of the timing of a cash distribution or of an event of realisation of gain or loss. The Investment Manager and the Directors will endeavour to make decisions in the best interests of the Fund as a whole, but there can be no assurance that a result will not be more advantageous to some investors than others.

**Investment in Less Established Companies.** In addition to investing in established companies, a Sub-Fund may invest a portion of its assets in the securities of smaller, less established companies. Investments in such early stage companies may involve greater risks than are generally associated with investments in more established companies. To the extent that there is any public market for the securities of such companies, such securities may be subject to more abrupt and erratic market price movements than the securities of larger, more established companies, since trading volumes for their securities are generally quite low. Less established companies tend to have a lower capitalisation and fewer resources and, therefore, are often more vulnerable to financial failure. In addition, such companies may not be profitable at the time of investment and may experience substantial fluctuations in their operating results. The success of such companies may also depend on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses. Such companies may also have shorter operating histories on which to judge future performance. The Investment Manager has not established any minimum size for the companies in which Sub-Funds of the Fund will invest.

#### **RISKS SPECIFIC TO THE VCC STRUCTURE**

**Segregation of Sub-Funds may not be upheld in certain jurisdictions.** The Fund is established as an umbrella VCC under Singapore law. As a matter of Singapore law, the assets of one Sub-Fund are not available to meet the liabilities of another Sub-Fund or the Fund. However, the Fund is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation, and accordingly such segregation may not be applied in legal or other proceedings before a court or other tribunal of such

other jurisdictions. In these circumstances, there is a risk that the assets of a Sub-Fund may be applied to meet the liabilities of another Sub-Fund or the Fund, whose assets are exhausted.

**Disclosure of financial statements.** The Fund will be required, under the Act, to give notice of all General Meetings to all Members and to make available the audited financial statements to the Members who are entitled to notice of the General Meetings. In particular, where an annual General Meeting is held, the financial statements of a VCC must be laid before the annual General Meeting. Therefore, shareholders of different Sub-Funds may have access to financial information of other Sub-Funds in the Fund.

**Corporate disclosure.** The Fund will be subject to the Act and the relevant regulatory authority is the Accounting and Corporation Regulatory Authority of Singapore (“ACRA”) other than in relation to Part 7 (International Obligations and Prevention of Money Laundering, Terrorism Financing and Other Offences) of the Act. The Fund will be required, under the Act, to make certain filings and make certain disclosures to ACRA (including but not limited to appointment of directors and the filing of annual returns) which may be utilised by regulators and the Fund’s competitors to the Fund’s detriment.

#### RISKS SPECIFIC TO EACH SUB-FUND

Additional risk factors specific to an investment in any particular Sub-Fund will be set out in the Supplement in relation to such Sub-Fund.

#### OTHER RISK CONSIDERATIONS

**No separate counsel; No independent verification.** No independent counsel has been retained to act on behalf of the Members. Prospective investors should consult with and rely upon their own counsel concerning investments in the Fund or any of the Sub-Funds. Allen & Gledhill LLP is not responsible for any acts or omissions of the Investment Manager, the Sub-Managers, the Fund or the Sub-Funds (including their compliance with any guidelines, policies, restrictions or applicable law, or the selection, suitability or advisability of their investment activities) or any administrator, accountant, custodian or other service provider to the Investment Manager, the Sub-Managers, the Fund or the Sub-Funds. This Memorandum was prepared based on information furnished by the Investment Manager and Allen & Gledhill LLP has not independently verified such information.

**Business and regulatory risks of private funds.** Legal, tax and regulatory developments that may adversely affect the Sub-Funds could occur during the term of the Sub-Funds. Securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements enforced by regulators, self-regulatory organisations and exchanges authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The regulatory environment for private funds is evolving, and changes in the regulation of private funds and their trading activities may adversely affect the ability of any Sub-Fund to pursue its investment strategy, its ability to obtain leverage and financing and the value of investments held by such Sub-Fund. There has been an increase in governmental, as well as self-regulatory, scrutiny of the investment funds industry in general. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of the

Sub-Funds to trade in securities or the ability of the Sub-Funds to employ, or the ability of the brokers and other counterparties to extend, credit in its trading (as well as other regulatory changes that result) could have a material adverse impact on each Sub-Fund's portfolio.

The Fund, the Sub-Funds, the Investment Manager and the Sub-Managers may also be subject to regulation in jurisdictions in which the Fund, the Sub-Funds, the Investment Manager and the Sub-Managers engage in business. Investors should understand that the Investment Manager's and Sub-Managers' businesses are dynamic and are expected to change over time. Therefore, the Investment Manager, the Sub-Managers, the Fund and/or the Sub-Funds may be subject to new or additional regulatory constraints in the future. This Memorandum cannot address or anticipate every possible current or future regulation that may affect the Investment Manager, the Sub-Managers, the Fund and/or the Sub-Funds or their businesses. Such regulations may have a significant impact on the Members or the operations of the Sub-Funds, including, without limitation, restricting the types of investments the Sub-Funds may make, preventing the Sub-Funds from exercising its voting rights with regard to certain financial instruments, requiring the Sub-Funds to disclose the identity of their investors or otherwise. The Investment Manager may, in its sole discretion, cause the Sub-Funds to be subject to such regulations if it believes that an investment or business activity is in the Sub-Funds' interest, even if such regulations may have a detrimental effect on one or more Members. Prospective investors are encouraged to consult their own advisors regarding an investment in any of the Sub-Funds.

The change in the legislation or regulations, including changes to the taxation systems, of certain jurisdictions including Singapore (where the Investment Manager and Sub-Managers are based and where the Fund and the Sub-Funds are constituted) may affect the Sub-Funds' performance or have other implications on the Sub-Funds. For example, such changes may arise as a result of regulatory reform legislation or regulations which has been or may be introduced in a number of major financial markets following the severe global market volatility and dislocations, financial institution failures and defaults, and large financial frauds in recent years, and which may impose additional regulation on investment funds and their managers or advisors and their activities, including licensing or registration requirements, compliance, risk management, and anti-money laundering procedures, restrictions on certain types of trading (such as equity short sales), restrictions on the provision and use of leverage, implementation of capital, books and records, reporting, custody, valuation and disclosure requirements.

*The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing into any Sub-Fund. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time.*

## IX. CONFLICTS OF INTEREST

*For the purposes of this Section, references to “affiliate” and “affiliates” in respect of the Investment Manager shall also include without limitation, one or more divisions within DBS Bank Ltd.*

*The operations which are or may be undertaken by the Investment Manager, the Administrator, the Custodian and the Directors and their respective holding companies, subsidiaries and affiliates (each an “Interested Party”, and collectively the “Interested Parties”) may cause conflicts of interest to arise. In particular, the Investment Manager, Administrator, and Custodian are divisions of DBS Bank Ltd., which is also a commercial bank that engages in a broad range of financial transactions, including lending and dealing in securities markets. Further, various potential and actual conflicts of interest may arise from the overall investment activities of the Investment Manager. The Investment Advisors may also be divisions of DBS Bank Ltd. However, the mere fact that an actual or potential conflict of interest exists does not mean it will be acted upon to the detriment of the Fund or each Sub-Fund.*

*The following briefly summarises some of these conflicts of interest, but it is not intended to be an exclusive or exhaustive list of all such conflicts of interest. By acquiring Participating Shares in a Sub-Fund, each Member will be deemed to have acknowledged the existence of any such actual or potential conflict of interest and to have waived any claim with respect to any liability arising from and/or alleged to be arising from the existence of any such conflict of interest.*

**Related Party Transactions.** The Fund and the Sub-Funds may from time to time engage in certain transactions with the Investment Manager and affiliates of the Investment Manager (including clients of the Investment Manager and other funds sponsored or controlled by the Investment Manager or its affiliates) (“**Related Parties**”) by purchasing investments from or through such affiliates, selling investments to such affiliates and investing in entities in which such affiliates hold interests.

The Investment Manager and its affiliates may face conflicts in exercising rights under such arrangements. The Sub-Funds may enter into transactions (including but not limited to investments, financing, loans, banking transactions and other financial services) with the Investment Manager or any Related Parties. Where any conflicts of interest arise between the Investment Manager or any Related Parties and the Fund or any of the Sub-Funds, these conflicts shall be resolved fairly.

**Other Activities of the Interested Parties.** Each of the Investment Manager, its affiliates which include the Sub-Managers, the Investment Advisors, those involved in investing the assets of the Sub-Funds, and such other parties named in this Memorandum and each Supplement, as well as the respective equity owners, officers, employees and affiliates of each such aforementioned entity, may be engaged in businesses in addition to providing management and investment advisory services to the Fund and the Sub-Funds. Such parties may without limitation, act as a distributor of various investment products, act as a custodian in relation to the holdings of any of their clients (whether in connection with the holdings of investors of the Fund and/or the Sub-Funds, or for other investments), carry out discretionary portfolio management for any of their clients (which may include investing in the Fund and/or the Sub-Funds on a discretionary basis) and carry out any other activities as part of their businesses. In so doing, each such party may receive fees for its other

businesses and/or transactions in addition to the fees received in connection with any role relating to the Fund and/or the Sub-Funds.

In the course of carrying out any of these businesses and/or transactions, any such party may deal, as principal or agent, with the Fund and/or the Sub-Funds. Such dealings will be carried out in good faith and as if effected on normal commercial terms negotiated on an arm's length basis.

The Investment Manager's affiliates and each of the aforementioned parties may advise other funds and accounts which may have investment objectives similar or dissimilar to those of the Sub-Funds and/or which may engage in transactions in the same types of securities and instruments as the Sub-Funds.

Personnel of the Investment Manager are not required to devote all or any specified portion of their time to the business and affairs of the Fund, but will devote to the Fund so much of their time as the Investment Manager deems necessary and appropriate. Investment activities by the Investment Manager or its affiliates (including the Sub-Managers and the Investment Advisors) on behalf of other clients may give rise to additional conflicts of interest and demands on the time and resources of the personnel of the Investment Manager and its affiliates (including the Sub-Managers and the Investment Advisors).

In such situations of conflict the Investment Manager will ensure that appropriate investment opportunities are allocated on a fair and equitable basis between the relevant Sub-Funds and any other funds and accounts.

The Investment Manager, its affiliates (including the Sub-Managers and the Investment Advisors), equity holders, and its clients are or may be involved in other financial, investment and professional activities, investing in, sponsoring, establishing or acting as investment manager of another investment fund or other entities whether or not with a stated strategy of making portfolio investments with an investment objective substantially the same as those of the Sub-Funds and shall not be restricted from carrying out such activities. Neither the Fund nor any Sub-Fund or Member shall have any right in and to such ventures or activities or to the income or profits derived therefrom and the Investment Manager, its affiliates (including the Sub-Managers and the Investment Advisors), equity holders and its clients shall have no duty or obligation to make any reports to the Members or the Fund with respect to any such ventures or activities.

More broadly, the Interested Parties may provide similar services to customers other than the Fund. An Interested Party may acquire, hold, dispose or otherwise deal with any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Fund. Furthermore, an Interested Party may acquire, hold, dispose or otherwise deal with investments notwithstanding that such investments had been acquired, held, disposed of or otherwise dealt with by or on behalf of the Fund by virtue of a transaction effected by the Fund in which the Interested Party was concerned, provided that any dealing by an Interested Party with such investments is effected on an arm's length basis and the investments held by the Fund are acquired in the best interests of the Members.

The Investment Manager is part of the DBS Group, which conducts extensive broker-dealer, banking and other activities. These businesses will give the DBS Group broad access to the current status



of certain markets, investments and funds and detailed knowledge about fund operators. As a result of the activities described above and the access and knowledge arising from those activities, parts of the DBS Group may be in possession of information in respect of markets, investments and funds, which, if known to the Investment Manager or any Sub-Manager or Investment Advisor appointed to a specific Sub-Fund (which may include other DBS Group entities) might cause the Investment Manager or any Sub-Manager or Investment Advisor to seek to dispose of, retain or increase interests in investments held by the Fund or acquire certain positions on behalf of the Fund. The DBS Group will be under no duty to make any such information available to the Fund or personnel of the Investment Manager or any Sub-Manager or Investment Advisor (a) making investment decisions on behalf of a Sub-Fund or (b) providing advice with regard to a Sub-Fund. In general, personnel of the Investment Manager or any Sub-Manager appointed to make investment decisions for a specific Sub-Fund (or any Investment Advisor appointed to provide advice for a specific Sub-Fund) will make decisions or provide advice based solely upon information known by such decision makers without regard to information known by other DBS Group personnel. No member of the DBS Group shall be liable to account to the Fund or any Sub-Fund for any profits or benefits made or derived by, or in connection with, any of the abovementioned activities.

The Investment Manager, its affiliates (including the Sub-Managers and the Investment Advisors) and equity holders, may buy, hold and deal in any investments for their own account notwithstanding that similar investments may be held as part of the assets of any Sub-Fund, and may receive management fees and any sales or service charges in connection with any fund, investment corporation or other comparable scheme and the Investment Manager shall be entitled to share the same with any other person whomsoever notwithstanding that investments in such entities may be held as part of the assets of any Sub-Fund. The Investment Manager, its affiliates (including the Sub-Managers and the Investment Advisors) and equity holders shall not be liable to account to the Fund or the Members for any profit or benefit made or derived by the Investment Manager, its affiliates (including the Sub-Managers and the Investment Advisors) and equity holders thereby or in connection therewith.

***Engagement of related service providers***

In addition to acting as the Investment Manager of the Fund, DBS Bank Ltd. has been appointed by the Fund to act as Administrator and Custodian of the Fund:

- (a) as the Administrator, DBS Bank Ltd. will provide a range of services to the Fund, including net asset value calculation, fund accounting and record keeping, and transfer agency and registrar services; and
- (b) as Custodian, DBS Bank Ltd. will (among other things) establish, maintain and operate cash and custody accounts for each Sub-Fund.

In addition, any Interested Party may perform further or alternative roles relating to the Fund and any Sub-Fund, including for example (i) being the counterparty in respect of any investments of the Fund; (ii) being involved in arrangements relating to the relevant investments (for example as a derivative counterparty, or a calculation agent); (iii) acting as a market maker in respect of Shares; and/or (iv) sponsoring or otherwise being involved with a variety of structured products such as participating notes, options or swaps linked in whole or in part to the performance of one or more

Sub-Funds. Such Interested Parties may receive compensation for providing such services to the Fund on normal commercial terms negotiated on an arm's length basis. Measures are in place to ensure that there is adequate segregation of responsibilities and duties between the various divisions within DBS Bank Ltd. responsible for the various functions.

**Counterparties.** To the extent permitted by applicable law, the Fund may enter into transactions and invest in futures, securities, currencies, swaps, options, forward contracts or other instruments in which an Interested Party (acting as principal or on a proprietary basis for its customers), serves as the counterparty. Interested Parties may, at certain times and subject to applicable law, be the sole counterparty to financial derivative transactions used in respect of any Sub-Fund. The Fund will only consider engaging in such a transaction with an Interested Party to the extent permitted by law. There will be no arrangement fee payable by the Fund for entering into over-the-counter financial derivative instrument agreements. In the ordinary course of business, such counterparties and their respective employees, directors, officers, agents or representatives may have or have had interests or positions, or may buy or sell or otherwise trade in positions or transactions relating to the assets in which a Sub-Fund invests. Potential investors should be aware that such activity may affect the value of the assets in which the relevant Sub-Fund invests, and that a potential conflicts of interest may arise.

Counterparties, including those which are members of the DBS Group, shall not be deemed to be affected by notice of, or to be under any duty to disclose to the Fund, information which has come into its or its associates' possession as a result of transacting with the Fund. Neither the Investment Manager, any of the counterparties nor any of their associates shall be liable to account to the Fund for any profits or benefits made or derived by, or in connection with, any such transaction.

Where the Fund enters into such transactions with an Interested Party, a member of the DBS Group will act as the calculation agent with respect to such transactions, making determinations required under such transactions.

***The Investment Manager, Administrator, Custodian and the relevant Interested Party (as well as any other member of the DBS Group addressed above) will only have the duties and responsibilities expressly agreed to by them in their relevant capacities, and will not be deemed to have other duties or responsibilities or be deemed to have a standard of care other than as expressly provided in respect of each capacity in which they act.***

**Material Non-Public Information.** By reason of their responsibilities in connection with their other activities not related to the Fund, the personnel of the Investment Manager may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Investment Manager will not be free to act upon any such information. Due to these restrictions, a Sub-Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

**Internal Embargoes and Blackout Periods.** The members of DBS Group engage in various businesses and transactions, and have various shareholders, which may result in a member of DBS Group being deemed to be a related party in various circumstances. Internal embargoes (including but not limited to embargoes arising from any obligation or requirement under the Singapore Code on Take-overs and Mergers and/or any internal requirements or guidelines of any member of DBS

Group) and blackout periods may be instituted on dealings in certain counters as a result of certain transactions carried out by divisions of DBS Bank Ltd. In light of any of the aforementioned internal embargoes and blackout periods, the Investment Manager and its affiliates (including the Sub-Managers and the Investment Advisors) may not pursue or deal in an investment for the Fund and/or the Sub-Funds, notwithstanding that such investment may be considered in the absence of any such internal embargoes and blackout periods.

***Diverse Group of Members.*** The Members may have conflicting investment, tax and other interests with respect to their investments in a Sub-Fund. Individual Members' conflicting interests may relate to or arise from, among other things, the nature of portfolio investments made by the Sub-Fund, the structuring or the acquisition of portfolio investments and the timing of disposition of portfolio investments. As a consequence, conflicts of interest could arise where a Sub-Fund's investments decisions end up benefiting one investor more than another investor, especially with respect to investors' individual tax situations. In selecting and structuring portfolio investments appropriate for a Sub-Fund, the Investment Manager will consider the investment and tax objectives of the Sub-Fund as a whole, and not the investment, tax or other objectives of any Member individually.

***Side Letters.*** Subject to applicable law, the Directors (or their authorised delegates) shall have the discretion to agree with a Member, whether by way of entry into a side letter or similar agreement with any Member, to waive or modify the terms applicable to such Member's subscription for Shares without obtaining the consent of any other Member; provided that such waiver or modification does not amount to a variation of the rights attaching to the Shares of such other Members. Such modified terms may include, without limitation, the waiver or reduction of fees payable in respect of such Shares and different redemption terms, and in such circumstances the Directors may determine to issue a separate Class of Shares to such a Member. The terms of such Side Letters may result in conflicts of interest to the extent that such terms obligate the Investment Manager to afford different treatment to certain Members. This may include, for example, a rebate of the Management Fee payable by such Member.

***Lack of Independent Experts Representing Investors.*** While the Investment Manager has consulted with counsel, accountants and other experts regarding the structure and terms of the Fund, such counsel, accountants and other experts do not represent the Members. The Investment Manager urges each prospective investor to consult its own legal, tax and financial advisors regarding the desirability of investing in the Fund and its suitability for such prospective investor in view of such prospective investor's particular circumstances and risk tolerances.

***Legal Counsel.*** Allen & Gledhill LLP serves as legal counsel to the Fund with respect to Singapore legal matters in connection with the offering of Participating Shares. Allen & Gledhill LLP renders legal services to the Fund and does not represent the interests of any Member of the Fund. For the avoidance of doubt, no independent legal counsel has been retained to represent the interests of Members of the Fund or any Sub-Fund and prospective investors should therefore seek their own legal, tax and financial advice before making an investment in the Fund. Allen & Gledhill LLP's representation of the Fund is limited to only those specific matters in respect of which it has been consulted, and there may exist other matters which may have a bearing on the Fund in respect of which Allen & Gledhill LLP has not been consulted. Allen & Gledhill LLP does not undertake to monitor compliance with the investment objective and strategy, valuation procedures and other guidelines or requirements set out in this Memorandum, nor does Allen & Gledhill LLP monitor

compliance with applicable laws. In addition, Allen & Gledhill LLP relies upon information and material furnished to it by the Investment Manager and the Fund, and does not investigate nor verify the accuracy and completeness of any of the information set out in this Memorandum relating to the Fund, the Sub-Funds, the Investment Manager, other service providers and their respective affiliates, shareholders, representatives and/or personnel.

**Other Possible Conflicts**

Other present and future activities of the Interested Parties and/or their affiliates, officers and employees may give rise to other conflicts of interest. In the event that a conflict of interest should arise, the Interested Parties will attempt to resolve such conflicts of interest in a fair and equitable manner.

## **X. OTHER MATERIAL INFORMATION**

### **STATEMENTS AND REPORTS**

#### **Quarterly Statements**

The Investment Manager (or its duly authorised agents) shall, on a quarterly basis, provide or cause to be provided to the holders of Participating Shares of each Sub-Fund an investment brief in respect of the relevant Sub-Fund(s) for which the Member holds Participating Shares, which is intended to include (a) a brief summary of the portfolio and market in respect of the relevant Sub-Fund; (b) a distributions update (past and prior quarters, future quarterly forecasts with any adjustments highlighted) in respect of the relevant Sub-Fund; and (c) portfolio performance of the relevant Sub-Fund, which content and form may be determined or amended from time to time at the discretion of the Investment Manager.

#### **Annual Reports**

The Investment Manager (or its duly authorised agents) shall provide or cause to be provided to the Members of each Sub-Fund (a) a valuation report of the relevant Sub-Fund(s) for which the Member holds Participating Shares; and (b) the financial statements (or consolidated financial statements and balance sheet, as the case may be) of the Fund.

### **BORROWING POWERS AND SECURITIES LENDING**

Subject to the provisions of the Statutes and any restrictions set out in this Memorandum (in particular in the Supplement in respect of a Sub-Fund), the Directors may exercise all the powers of the Fund to borrow money, to mortgage or charge all or any part of its undertaking, property and uncalled capital or to otherwise provide for a security interest to be taken in such undertaking, property or uncalled capital, and to issue debentures, securities, and other capital markets products whether outright or as collateral security for any debt, liability or obligation of the Fund or of any third party.

Any borrowing shall be attributable to a particular Sub-Fund or Sub-Funds and any cash raised by borrowing shall constitute part of the assets of the relevant Sub-Fund. The Directors may cause the Fund to borrow money on behalf of a Sub-Fund to amplify returns from an investment or multiply that Sub-Fund's buying power. The Directors generally regard the gross leverage of each Sub-Fund to be the total value of the underlying assets that the Sub-Fund is exposed to, divided by the total capital of that Sub-Fund. However, the Directors may apply other measures of leverage in their absolute discretion where appropriate. Further details on the approach to leverage and the expected level of leverage for each Sub-Fund (if any) are set out under the relevant Supplement.

### **WINDING UP**

#### **Winding Up of the Fund**

The Fund is of indeterminate duration and may be wound-up in accordance with the provisions of the Act and the Constitution.

The Directors shall have power in the name and on behalf of the Fund or any Sub-Fund to present a petition to the court for the Fund or any Sub-Fund to be wound up.

#### **Distributions on Winding-Up**

In the event of a winding up of the Fund or a Sub-Fund, the assets of the Fund or the Sub-Fund (as applicable) available for distribution among the Members shall be, subject to the Act, applied as follows:

- (a) firstly, in paying to the holders of the Management Shares, the amount of capital paid up on the Management Shares; and
- (b) finally, in paying to the holders of the Participating Shares, an aggregate amount equal to the sum of the Redemption Price of each of their Participating Shares.

#### **Distribution of Assets In Specie**

If the Fund or any Sub-Fund is wound up (whether the liquidation is voluntary, under supervision, or by the court), save where the contrary is provided in the Constitution, the liquidator may, with the authority of a Special Resolution of the Fund (or the relevant Sub-Fund, as the case may be), divide (subject to the Constitution and the Act) among the Members of the Fund or the relevant Sub-Fund *in specie* or kind the whole or any part of the assets of the Fund or the relevant Sub-Fund, whether the assets consist of property of the same kind or not, and may for that purpose set such value as he/she deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the Members or the Members of different Sub-Funds or Classes (as applicable). The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members of the Fund or the relevant Sub-Fund as the liquidator shall think fit, and the liquidation of the Fund or the relevant Sub-Fund may be closed and the Fund or the relevant Sub-Fund dissolved, but so that no contributory shall be compelled to accept any shares or other securities in respect of which there is a liability.

#### **QUERIES AND COMPLAINTS**

All enquiries and complaints about the Fund, any Sub-Fund or any Class within any Sub-Fund should be directed to the Investment Manager at +65 6225 7464 (telephone) or [T&M-Fund-Structuring@dbs.com](mailto:T&M-Fund-Structuring@dbs.com) (email).

## **XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS**

### **REGULATORY MATTERS**

No action has been taken or will be taken by the Fund, the Sub-Funds, the Investment Manager or the Sub-Managers which would permit a public offering of Participating Shares or the publication of information relating to Participating Shares, the Sub-Funds or the Fund in any country or jurisdiction where action for that purpose is required. Accordingly, Participating Shares may not be offered or sold, directly or indirectly, and neither this Memorandum nor any other offering material may be distributed in or from, or published in, any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. This Memorandum does not constitute an offer to sell or a solicitation of any offer to buy any of the Participating Shares offered herein by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

#### **Singapore**

This Memorandum is based on the law and practice currently in force in Singapore and is subject to change.

The Fund is incorporated as an umbrella variable capital company under the Act, which is administered by ACRA, other than in relation to Part 7 (International Obligations and Prevention of Money Laundering, Terrorism Financing and Other Offences) of the Act.

The Investment Manager is a bank licensed under the Banking Act, Chapter 19 of Singapore. Accordingly, it is exempted under Section 99(1)(a) of the SFA from the requirement to hold a capital markets services licence in respect of any activity regulated under the SFA, including the regulated activity of fund management.

All investors or prospective investors (wherever resident) subscribing for Participating Shares or to whom Participating Shares are transferred, must be “accredited investors” as defined under the SFA or investors in an equivalent class under the laws of the country or territory in which the offer or invitation of Participating Shares is made, “institutional investors” as defined under the SFA, or both.

### **ANTI-MONEY LAUNDERING REQUIREMENTS**

#### **Singapore**

The Fund and the Investment Manager are required to comply with Singapore anti-money laundering and countering the financing of terrorism laws, regulations, notices and guidelines and the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, Chapter 65A of Singapore (which includes the obligation to report suspicious transactions to relevant authorities, and such report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by law or otherwise) and each of them reserves the right to request such evidence as is necessary to verify the identity and source of funds of a Member or prospective Member to enable it to comply with such requirements.

The information that each applicant will be required to supply to the Investment Manager (or its duly authorised agents) or the Fund is dependent upon a number of factors. Detailed requirements will be specified within the subscription agreement or otherwise requested. By way of example, a corporate applicant may be required to produce the names, dates of birth, nationalities, identification numbers and residential addresses of all of its authorised signatories and beneficial owners. Each of the Investment Manager and the Fund reserves the right to request such information as is necessary to verify the identity of an applicant and the source of subscription monies. The acceptance of subscription requests and/or the issue of Participating Shares to an investor should not be taken as an indication that all anti-money laundering, anti-terrorist financing, financial status and know-your-client checks have been concluded. In the event of delay or failure by the applicant to produce any information required for verification purposes or any investor fails to pass any anti-money laundering, anti-terrorist financing, financial status or know-your-client checks (whether these are initial or on-going checks), the Investment Manager and the Fund may refuse to accept the subscription and will not be liable for any interest, costs or compensation. Similarly, when Participating Shares are issued, they cannot be transferred until full details of registration and anti-money laundering documents have been completed. In the event a subscription is rejected, the subscription monies or any balance thereof (if any) will be returned (without interest) to the applicant by transfer to the applicant's designated account or by cheque by post at the applicant's risk, provided the identity of the applicant can be properly verified pursuant to Singapore anti-money laundering and countering the financing of terrorism rules and regulations. In such event, the Investment Manager and the Fund will not be liable for any interest, costs or compensation.

### **Other Jurisdictions**

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

The Investment Manager and/or any of its affiliates may take any action which it in its sole discretion considers appropriate so as to comply with any applicable law, regulation, request from a public or regulatory authority or any group policy of the Investment Manager which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and



other services to sanctioned persons or entities and to comply with lawful requests for information from tax and other authorities. Such action may include but is not limited to the interception and investigation of transactions on the Sub-Funds' accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of funds paid into or out of the Sub-Funds' accounts. In certain circumstances, such action may delay or prevent the processing of applications, the settlement of transactions over the Sub-Funds' accounts or the Investment Manager's performance of its obligations under the Investment Management Agreement. The Investment Manager or any of its affiliates will not be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by the Investment Manager or any of its associates pursuant to this section.

## CERTAIN TAXATION CONSIDERATIONS

**THE DISCUSSION BELOW IS A SUMMARY OF CERTAIN SINGAPORE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF PARTICIPATING SHARES. THE SUMMARY IS BASED ON THE EXISTING PROVISIONS OF THE RELEVANT TAX LAWS AND THE REGULATIONS THEREUNDER, AND PRACTICES IN EFFECT AS OF THE DATE HEREOF, ALL OF WHICH ARE SUBJECT TO CHANGE AND DIFFERING INTERPRETATIONS, EITHER ON A PROSPECTIVE OR RETROACTIVE BASIS. THE SUMMARY IS NOT INTENDED TO CONSTITUTE TAX ADVICE OR A COMPLETE ANALYSIS OF ALL THE TAX CONSIDERATIONS RELATING TO THE PARTICIPATION IN THE FUND. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS, INCLUDING THE TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAX JURISDICTION, WHICH MAY BE APPLICABLE TO THEIR PARTICULAR SITUATIONS.**

### Singapore Taxation

The Singapore income tax comments herein are based on the details of the tax incentive scheme released by the MAS in its circulars dated 1 November 2006, 31 August 2007, 30 April 2009, 21 February 2012, 30 May 2014, 29 May 2015, 31 October 2018 and 7 June 2019. The relevant legislative provisions applicable are contained in Section 13R of the Income Tax Act (Chapter 134 of Singapore) (the "**Income Tax Act**") and the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010 gazetted on 7 January 2010 and subsequently amended on 20 July 2012, 11 October 2013 and 1 August 2016 (hereinafter referred to as the "**Section 13R Tax Exemption Scheme**"), as well as in Section 13X of the Income Tax Act and the Income Tax (Exemption of Income Arising from Funds Managed in Singapore by Fund Manager) Regulations 2010 gazetted on 30 July 2010 and amended on 28 June 2012, 13 August 2013, 11 October 2013, 1 August 2016 and 19 April 2017 (hereinafter referred to as the "**Section 13X Tax Exemption Scheme**"). It should be noted that the changes announced during the Singapore Budget 2019 on 18 February 2019, further details of which were released in the MAS circular dated 7 June 2019, have yet to be legislated. The Variable Capital Companies (Miscellaneous Amendments) Act 2019 which comprises amendments to the Income Tax Act, dealing with the tax treatment for VCCs, was enacted on 15 January 2020. On 15 January 2020, the Income Tax Act was amended to add a new Section 107 which states that reference to a company in the Income Tax Act and the subsidiary legislation made under it includes a VCC.

Income Tax

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

Gains on Disposal of Investments

Singapore does not impose tax on capital gains. However, gains from the disposal of investments may be construed to be of an income nature and subject to Singapore income tax. Generally, gains on disposal of investments are considered income in nature if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore. Specific exemption from tax is provided under the Income Tax Act for gains derived from the disposal of ordinary shares (i.e. not preference shares, bonds, debentures or other instruments) where the divesting company has held at least 20% of the ordinary shares in the investee company for a continuous period of at least 24 months immediately prior to the disposal. This is provided that the investee company, if unlisted, is not in the business of trading or holding Singapore immovable properties (other than the business of property development). This exemption is currently applicable to disposals during the period 1 June 2012 to 31 May 2022 (both dates inclusive). The above exemption on disposal of ordinary shares has been extended to 31 December 2027 following the Singapore Budget announcement on 19 February 2020. For shares disposed on or after 1 June 2022, the above exemption will not apply to disposals of unlisted shares in an investee company that is in the business of trading, holding or developing immovable properties in Singapore or abroad. The tax treatment of such share disposals will be based on the facts and circumstances of the case. All other conditions and exclusions of the exemption scheme remain the same.

As the investment and divestment of assets of the Fund is managed by the Investment Manager, the Fund may be construed to be carrying on activities of a trade or business in Singapore. Accordingly, income from and gains on disposal of investments derived by the Fund should be considered as income accruing in or derived from Singapore and subject to Singapore income tax, unless the income and gains on disposal are exempted from tax pursuant to the Section 13R or Section 13X Tax Exemption Scheme, or the above exemption in relation to the disposal of ordinary shares.

The Fund may apply to the MAS for approval as an "approved company" under Section 13R of the Income Tax Act for the purpose of the Section 13R Tax Exemption Scheme, or as an "approved person" under Section 13X of the Income Tax Act for the purpose of the Section 13X Tax Exemption Scheme.

Section 13R Tax Exemption Scheme

Under the Section 13R Tax Exemption Scheme, "specified income" derived by an "approved company" in respect of "designated investments" is exempt from tax in Singapore, if the funds of the "approved company" are managed directly by a "fund manager" in Singapore and the prescribed conditions under the Section 13R Tax Exemption Scheme are met.

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

Pursuant to the new Section 107 of the Income Tax Act, Section 13R and the regulations made under it apply for the purpose of determining the exempt income of a sub-fund if and only if the umbrella VCC of the sub-fund is approved by the Minister or a person appointed by the Minister under that section.

The Fund should qualify as an "approved company" for the purpose of the Section 13R Tax Exemption Scheme, if it is approved by the MAS and satisfies the following conditions at all times during the basis period relating to any year of assessment:

- (a) it is a company (which includes VCC) incorporated in Singapore;
- (b) it is a tax resident of Singapore where the control and management of its business is exercised in Singapore;
- (c) it uses a Singapore-based fund administrator;
- (d) it is managed or advised directly by a Singapore "fund manager";
- (e) it incurs at least S\$200,000 in expenses in each basis period relating to any year of assessment;
- (f) it is not used to serve other investment purposes apart from what it is approved for under the Section 13R Tax Exemption Scheme;
- (g) it satisfies any other condition as specified in the letter of approval of the Fund for the purpose of the Section 13R Tax Exemption Scheme; and
- (h) it did not derive income from investments which have been transferred (other than by way of a sale on market terms and conditions) from a person that was previously carrying on a business in Singapore, where the income derived by that person would not have been tax-exempted if not for their transfer; and

With effect from 19 February 2019, the Fund is allowed to derive the following income before application for the Section 13R Tax Exemption Scheme:

- i. warehousing of investments, which means acquiring investments at the initial stage of the Fund's existence, prior to closing the Fund;
- ii. setting up bank accounts in anticipation of commencing operations; and
- iii. placement of monies in deposits or money market instruments on a temporary basis before an application for the Section 13R Tax Exemption Scheme is made.

A "fund manager" for the purpose of the Section 13R Tax Exemption Scheme means a company holding a capital markets services licence for fund management under the SFA or one that is exempt under the SFA from holding such a licence. The Investment Manager is exempted from holding a capital markets services licence for fund management under the SFA as it is a bank licensed under the Banking Act, Chapter 19 of Singapore, and therefore falls within the licensing exemption under Section 99(1)(a) of the SFA from the requirement to hold a capital markets services licence in respect of any activity regulated under the SFA. The Investment Manager therefore qualifies as a "fund manager" for the purpose of the Section 13R Tax Exemption Scheme.

The Investment Manager will endeavour to conduct the affairs of the Fund such that it will qualify for the Section 13R Tax Exemption Scheme. There is, however, no assurance that the Investment Manager will be able, on an ongoing basis, to ensure that the Fund will always meet all the qualifying conditions for the Section 13R Tax Exemption Scheme. Upon any such disqualification, the Fund may be exposed to Singapore tax on its income and gains, wholly or partially, as the case may be, at the prevailing corporate tax rate.

The Section 13R Tax Exemption Scheme is currently available up to 31 December 2024. As long as the Fund is approved as an "approved company" before 1 January 2025, the Section 13R Tax Exemption Scheme would continue to apply for the life of the Fund even if the Section 13R Tax Exemption Scheme is not extended beyond this date, provided that all the prescribed conditions continue to be met.

*"Specified Income"*

Unless specifically excluded, all income and gains derived on or after 19 February 2019 from "designated investments" will be considered as "specified income". Excluded income or gains are defined to be:

- (a) distributions made by a trustee of a real estate investment trust (as defined in Section 43(10) of the Income Tax Act) that is listed on the Singapore Exchange;
- (b) distributions made by a trustee of a trust who is a resident of Singapore or a permanent establishment in Singapore, other than a trust that enjoys tax exemption under Sections 13CA, 13G, 13O or 13X of the Income Tax Act;
- (c) income or gain derived or deemed to be derived from Singapore from a publicly-traded partnership, where tax is paid or payable in Singapore on such income of the partnership by deduction or otherwise; and
- (d) income or gain derived or deemed to be derived from Singapore from a limited liability company, where tax is paid or payable in Singapore on such income of the limited liability company by deduction or otherwise.

*"Designated Investments"*

The list of "designated investments" on or after 19 February 2019 is defined to mean:

- (a) stocks and shares of any company, other than an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (b) debt securities (i.e. bonds, notes, commercial papers, treasury bills and certificates of deposits), other than non-qualifying debt securities<sup>1</sup> issued by an unlisted company that is in the business

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<sup>1</sup> "Non-qualifying debt securities" will refer to debt securities that do not enjoy the "Qualifying Debt Securities" tax status as defined under Section 13(16) of the Income Tax Act.

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

of trading or holding of Singapore immovable properties (other than one that is in the business of property development);

- (c) units in real estate investment trusts and exchange traded funds constituted in the form of trusts and other securities (not already covered in other sub-paragraphs of this "designated investments" list) but excludes any securities issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (d) futures contracts held in any futures exchanges;
- (e) immovable property situated outside Singapore;
- (f) deposits placed with any financial institution;
- (g) foreign exchange transactions;
- (h) interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and financial derivatives;
- (i) units in any unit trust, except:
  - i. a unit trust that invests in Singapore immovable properties;
  - ii. a unit trust that holds stock, shares, debt or any other securities, that are issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development); and
  - iii. a unit trust that grant loans that are excluded under (j);
- (j) loans, including secondary loans, credit facilities and advances, except:
  - i. loans granted to any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
  - ii. loans to finance/ re-finance the acquisition of Singapore immovable properties; and
  - iii. loans that are used to acquire stocks, shares, debt or any other securities, that are issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (k) commodity derivatives<sup>2</sup>;
- (l) physical commodities if:

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<sup>2</sup> Commodity derivatives means derivatives the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity.

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

- i. the trading of those physical commodities by the "approved company" in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (referred to in this sub-paragraph as related commodity derivatives) in that basis period; and
  - ii. the trade volume of those physical commodities traded by the "approved company" in that basis period does not exceed 15% of the total trade volume of those physical commodities and related commodity derivatives traded in that basis period;
- (m) units in a registered business trust;
  - (n) emission derivatives<sup>3</sup> and emission allowances;
  - (o) liquidation claims;
  - (p) structured products (as defined in Section 13(16) of the Income Tax Act);
  - (q) Islamic financial products<sup>4</sup> and investments in prescribed Islamic financing arrangements under Section 34B of the Income Tax Act that are commercial equivalents of any of the other "designated investments" specified in this list;
  - (r) private trusts that invest wholly in "designated investments";
  - (s) freight derivatives<sup>5</sup>;
  - (t) publicly-traded partnerships that do not carry on a trade, business, profession or vocation in Singapore;
  - (u) interests in limited liability companies that do not carry on any trade, business, profession or vocation in Singapore;
  - (v) bankers' acceptances issued by financial institutions;
  - (w) accounts receivables and letters of credits; and
  - (x) interests in Tokumei Kumiai ("TK")<sup>6</sup>.

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<sup>3</sup> Emission derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying emission allowances.

<sup>4</sup> Recognised by a Shariah council, whether in Singapore or overseas.

<sup>5</sup> Freight derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates.

<sup>6</sup> A TK is a contractual arrangement under which one or more silent investors (the TK investor) makes a contribution to a Japanese operating company (the TK operator) in return for a share in the profit/ loss of a specified business conducted by the TK operator (the TK business).

*Taxation of Members*

Provided that the Fund qualifies as an "approved company" pursuant to the Section 13R Tax Exemption Scheme, the Singapore income tax consequences to a Member of the VCC will, inter alia, depend on whether that Member is a "qualifying investor", and such Member's individual circumstances.

A "qualifying investor" of an "approved company" will not be subject to payment of a financial penalty to the Comptroller of Income Tax ("CIT") in Singapore.

A "qualifying investor" of an "approved company" is:

- a) an individual investor;
- b) a bona fide non-resident non-individual investor that:
  - i. does not have a permanent establishment in Singapore (other than a fund manager) and does not carry on a business in Singapore; or
  - ii. carries on an operation in Singapore through a permanent establishment in Singapore but does not use funds from its operation in Singapore to invest in the VCC, where

A bona fide non-resident non-individual investor is one, which carries out substantial business activities for genuine commercial reasons and has not as its sole purpose the avoidance or reduction of tax or penalty under the Income Tax Act;

- c) a "designated person", which means:
  - i. GIC Private Limited, as renamed from time to time;
  - ii. any of the following companies as renamed from time to time, but only if the company is wholly owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act (Cap. 183 of Singapore):
    - A. GIC (Ventures) Pte. Ltd.;
    - B. GIC (Realty) Private Limited;
    - C. Eurovest Pte. Ltd.;
  - iii. a company that is wholly owned (directly or indirectly) by any company that is a "designated person" by reason of paragraph ii;
  - iv. any other company that is wholly owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act, and is approved by the Minister or such person as the Minister may appoint; or

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

- v. any statutory board;
- d) another "approved company" under Section 13R of the Income Tax Act which, at all times during the basis period for the year of assessment for which the income of the first "approved company" is exempt from tax under Section 13R of the Income Tax Act satisfies the conditions in regulation 3(2) of the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010;
- e) an "approved person" under Section 13X of the Income Tax Act which, at all times during the basis period for the year of assessment for which the income of the "approved company" is exempt from tax under Section 13R of the Income Tax Act, satisfies the conditions in regulation 3(2) of the Income Tax (Exemption of Income Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010; or
- f) an investor other than those listed in a), b), c), d) and e) which, either alone or together with its associates:
  - i. beneficially owns not more than 30% of the total value of issued securities of the "approved company" if the "approved company" has less than 10 investors; or
  - ii. beneficially owns not more than 50% of the total value of issued securities of the "approved company" if the "approved company" has 10 or more investors.

For the purpose of determining whether a Member of the "approved company" is an associate of another Member of the "approved company", the two Members (except where either of the Members is a "designated person" or an individual) shall be deemed to be associates of each other if:

- a) at least 25% of the total value of the issued securities in one Member is beneficially owned, directly or indirectly, by the other; or
- b) at least 25% of the total value of the issued securities in each of the two Members is beneficially owned, directly or indirectly, by a third person except where the third person is an individual or a "designated person".

The "*deemed association*" tests in a) and b) above do not apply where:

- a) any of the two Members is a listed entity and each does not beneficially own, directly or indirectly, 25% or more of the total value of the issued securities in the other;
- b) no third person (other than an individual or a "designated person") beneficially owns, directly or indirectly, at least 25% of the total value of issued securities of the two Members and at least 25% of the total value of the issued securities in each of the two Members is owned either directly by an individual or a "designated person", or indirectly through a nominee company or a trust fund by an individual or a "designated person"; or



## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

- c) one of the Members is an "approved person" under Section 13X of the Income Tax Act which, at all times during the basis period for the year of assessment for which the income of an "approved company" is exempt from tax under Section 13R of the Income Tax Act:
- i. beneficially owns directly any of the issued securities of the "approved company"; and
  - ii. satisfies all the conditions in regulation 3(2) of the Income Tax (Exemption of Income Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010.

Members should take note of this aggregation rule. Members should also note that for the purposes of determining whether other Members of the Fund who are connected with them are associates under this aggregation rule, shareholdings of non-resident non-individual Members connected to them may be aggregated (notwithstanding that these persons are themselves "qualifying investors") in assessing whether the relevant thresholds have been exceeded.

The Fund, the Investment Manager, and the Administrator (on behalf of the Fund) reserve the right to request such information as any of the Fund, the Investment Manager and the Administrator (as the case may be) at its absolute discretion may deem necessary to ascertain whether Members are associates with each other for the purposes of the Section 13R Tax Exemption Scheme.

### *Non-qualifying investor*

A "non-qualifying investor", which is a Member other than a "qualifying investor", will have to pay a financial penalty to the CIT, subject to the exception noted below. Such financial penalty is computed as follows:-

Financial penalty =  $A \times B \times C$ , where:

- A: is the percentage of the total value of all issued securities of the "approved company" which is beneficially owned by the "non-qualifying investor" on the relevant day;
- B: is the amount of income of the "approved company" as reflected in its audited accounts for the basis period relating to that year of assessment; and
- C: is the corporate tax rate applicable to that year of assessment.

Pursuant to the new Section 107 of the Income Tax Act, where the qualifying investor mentioned in section 13R(3) is an umbrella VCC, the amount of any financial penalty under that provision that it is liable for is considered liability incurred by it for the purpose of its sub-funds, and the amount of such liability in relation to each sub-fund is to be computed in accordance with the formula

$$\frac{A}{B} \times C,$$

where —

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

- (a) A is the total value of issued securities held by the umbrella VCC for the sub-fund on the relevant day as defined in section 13R(8);
- (b) B is the total value of all the issued securities held by the umbrella VCC for all its sub-funds on the relevant day as defined in section 13R(8); and
- (c) C is the amount of the penalty.

The "value" in relation to issued securities of the "approved company" means the net asset value of those securities as at the relevant day.

The relevant day means the last day of the basis period for the year of assessment of the "approved company" or the last day the "approved company" avails of the Section 13R Tax Exemption Scheme.

Where the "non-qualifying investor" is a non-bona fide non-resident entity, it is not subject to the financial penalty. Instead, the CIT will "look-through" that entity. A beneficial owner of that entity (excluding a person who falls within a), b), c), d), e) and f) of the definition of a "qualifying investor") which:

- a) either alone or together with its associates, beneficially owns at least 30% (if the "approved company" has less than 10 investors) or 50% (if the "approved company" has 10 or more investors) of the total value of all equity interests of the "approved company" on the relevant day; and
- b) is not itself a non-bona fide entity;

shall be liable to pay the financial penalty in proportion to its equity interests in the "approved company".

Reference to "non-qualifying investor" in the formula for computing financial penalty as discussed above would then be replaced by reference to such beneficial owner.

The status of whether a Member is a "qualifying investor" will be determined on the relevant day. If a "non-qualifying investor" can prove to the CIT that the applicable investment limit is exceeded for reasons beyond his reasonable control, the CIT may allow him a three-month grace period from the relevant day to reduce its percentage of ownership in the "approved company" to meet the allowable investment limit.

The taxation of income derived by the Members from the Fund, will depend on the particular situation of the Members. This is notwithstanding that the Member may have paid a financial penalty to the CIT. We strongly advise that prospective investors consult their own tax advisors on the tax laws that would apply to their particular situations, in relation to the purchase, ownership and disposition of Participating Shares in the Fund.

### Section 13X Tax Exemption Scheme

Under the Section 13X Tax Exemption Scheme, "specified income" derived by an "approved person" in respect of "designated investments" is exempt from tax in Singapore, if the funds of the "approved

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

person" are managed directly by a "fund manager" in Singapore and the prescribed conditions under the Section 13X Tax Exemption Scheme are met.

Pursuant to the new Section 107 of the Income Tax Act, Section 13X and the regulations made under it apply for the purpose of determining the exempt income of a sub-fund if and only if the umbrella VCC of the sub-fund is approved by the Minister or a person appointed by the Minister under that section.

The Fund should qualify as an "approved person" for the purpose of the Section 13X Tax Exemption Scheme, if it is approved by the MAS and satisfies the following conditions at all times during the basis period relating to any year of assessment (the "**Section 13X Conditions**"):

- (a) the Fund has a minimum fund size of at least S\$50 million at the time of application for approval under the Section 13X Tax Exemption Scheme ("minimum fund size condition");
- (b) the Fund is managed or advised directly throughout each basis period for any year of assessment by a fund management company in Singapore, where the fund management company:
  - (i) must hold a capital markets services licence for the regulated activity of fund management under the SFA or is exempt from the requirement to hold such a licence under the SFA, or as otherwise approved by the Minister or such other persons as he may appoint; and
  - (ii) must employ at least three investment professionals who are earning more than S\$3,500 per month each and are substantially engaged in qualifying activities throughout the basis period relating to any year of assessment for which the tax exemption is sought. Examples include portfolio managers, research analysts and traders;
- (c) the Fund incurs at least S\$200,000 in local business spending (i.e. spending in Singapore) in each basis period relating to any year of assessment ("local business spending condition");
- (d) the Fund must not change the investment strategy after being approved for the Section 13X Tax Exemption Scheme unless and the MAS is satisfied that the change is made for a *bona fide* commercial purpose and approves such a change;
- (e) the Fund cannot concurrently enjoy other tax incentive schemes; and
- (f) any other condition as may be specified in the letter of approval issued by the MAS approving the Fund for the purpose of the Section 13X Tax Exemption Scheme.

Except for the condition in paragraph (a) above which is required to be complied with at the time of application only, the Section 13X Conditions will have to be fulfilled by the Fund throughout the life of the Fund.

In the event that the "approved person" fails to satisfy any of the Section 13X Conditions for any basis period, the Fund will not enjoy the tax exemption on "specified income" derived from "designated investments" for the basis period concerned. If at any time the Fund ceases to meet the

conditions of the Section 13X Tax Exemption Scheme, the Fund has to inform the MAS in writing within 1 week of such event. The Fund can however continue to enjoy the tax exemption in any subsequent basis period, if the Fund is able to satisfy the Section 13X Conditions in that subsequent period.

The terms “specified income” and “designated investments” have the same meanings as set out in “**Section 13R Tax Exemption Scheme**” above, except that any reference to “prescribed company” therein is modified to refer to “approved person”.

The Section 13X Tax Exemption Scheme is available until 31 December 2024. As long as the Fund is an “approved person” before 1 January 2025, the Section 13X Tax Exemption Scheme would continue to apply for the life of the Fund even if the Section 13X Tax Exemption Scheme is not extended beyond this date, provided that all the Section 13X Conditions continue to be met.

There is no assurance that the Investment Manager will be able, on an ongoing basis, to ensure that the Fund will always meet all the qualifying conditions for the Section 13X Tax Exemption Scheme. Upon any such disqualification, the Fund may be exposed to Singapore tax on its income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate.

#### *Taxation of Members*

The determination of “qualifying” and “non-qualifying” investors is not relevant under the Section 13X Tax Exemption Scheme (discussed below). Consequently, there is no imposition of financial penalty to an investor.

Prospective investors should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

#### *Reporting Obligations*

Where the Fund relies on the Section 13R Tax Exemption Scheme, to enable Members to determine their investment stakes in the Fund, in respect of any financial year of the Fund, the Investment Manager will issue an annual statement to each Member of the Fund, showing the following information:

- (a) the gains or profits of the Fund for that financial year as reflected in the audited financial statements of the VCC;
- (b) the total value of issued securities of the Fund as at the relevant day;
- (c) the total value of issued securities of the Fund held by the Member as at the relevant day; and
- (d) whether the Fund has less than 10 investors as at the relevant day.

With effect from the year of assessment 2020, instead of issuing annual statement to each Member, the Investment Manager can choose to publish the information stated above on its website for Members to assess if they are liable to pay a financial penalty. Whichever method chosen, it should be applied consistently.

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

The Investment Manager is required to submit a declaration to the CIT within one month after the date of issue of the audited accounts of the Fund, where there are "non-qualifying investors" and furnish the CIT with the details of any such "non-qualifying investors".

In this regard, Members should note that they are each responsible for:

- i. the computation of the aggregate of the value of Participating Shares held by them and their associates in the Fund and may be required by the Investment Manager to disclose such computation to the Investment Manager from time to time; and
- ii. where they are determined to be a "non-qualifying investor", declaring the financial penalty paid in their Singapore annual income tax return for the relevant year of assessment based on the year-end of the Member.

Each Member should also note that it agrees that the Fund, the Investment Manager and the Administrator may disclose to each other, to any other service provider to the Fund, or to any regulatory body in any applicable jurisdiction copies of their Subscription Agreement and any information concerning them and their associates provided by them to the Fund, the Investment Manager, or the Administrator, and any such disclosure shall not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

Where the Fund has been approved as an "approved company" for the purpose of the Section 13R Tax Exemption Scheme or approved as an "approved person" for the purpose of the Section 13X Tax Exemption Scheme, it will be required to submit an annual income tax return to the Inland Revenue Authority of Singapore ("IRAS"). Additionally, the Fund will be required to submit annual declaration to the MAS within four (4) months of each financial year-end.

In the instance of an umbrella VCC, the umbrella VCC (and not its sub-funds) should ensure that the above reporting obligations are met at the umbrella VCC level.

### USE OF DATA BY ADMINISTRATOR

By agreeing to invest any of the Sub-Funds, a Member acknowledges and accepts that:

- (a) the Administrator will be entitled to disclose, use, store and/or transfer (whether within or outside Singapore) and/or exchange such information regarding the Fund, the Investment Manager, the transactions of the Fund or the Investment Manager, any Personal Data provided by the Fund or the Investment Manager to the Administrator, the business or other affairs of the Fund or the Investment Manager or received in connection with the Fund Administration Agreement or collected by the Administrator in the course of the Fund's or Investment Manager's relationship with the Administrator or any DBS Group member, to be accessed by its employees and/or its agents and their employees who may need such information to perform their duties in relation to the services to be provided by the Administrator under the Fund Administration Agreement;
- (b) the Administrator will be entitled to disclose, use, store and/or transfer (whether within or outside Singapore) and/or exchange the information referred to in (a) above, to or with all such persons (including any DBS Group member and any delegate, sub-custodian(s) and

## XI. CERTAIN REGULATORY, TAX AND OTHER CONSIDERATIONS

service provider(s) of any DBS Group member, whether situated in or outside Singapore), as the Administrator may consider necessary for the performance of the services to be provided by the Administrator under the Fund Administration Agreement; and

- (c) the Administrator may record all telephone conversations between itself, the Fund, the Investment Manager and any Member and any such tape recordings may be submitted in evidence in any proceedings relating to the Fund Administration Agreement.

## XII. GLOSSARY OF TERMS

Certain terms used in this Memorandum have the meanings indicated below:

“ACRA”	means the Accounting and Corporation Regulatory Authority of Singapore.
“accredited investor”	shall have the meaning ascribed to it under the SFA, as may be amended from time to time.
“Act”	means the Variable Capital Companies Act (No. 44 of 2018) of Singapore, as may be amended from time to time.
“Accounting Standards”	means the “Accounting Standards” as defined in the Act.
“Administrator”	means DBS Bank Ltd., or such other entity that is the fund administrator(s), transfer agent and registrar for the time being of the Fund, if any.
“Affected Participating Shares”	means such Participating Shares as referred to in Section III.
“Auditors”	means PricewaterhouseCoopers LLP, the auditor(s) for the time being of the Fund, if any.
“Base Currency”	means the currency in which the accounts of each Sub-Fund will be prepared.
“Board Resolutions”	means a resolution of the Directors.
“Business Day”	means any day (other than a Saturday, Sunday or public holiday) on which banks in Singapore, U.S. or any other place or places as the Directors may from time to time determine, are open for business or such other day or days as the Directors may from time to time determine in relation to any Sub-Fund.
“Class”	means a class of Shares and/or sub-class of a class of Shares issued by the each Sub-Fund, as the case may be.
“Closing Date”	means the date on which Participating Shares shall be issued.
“Commencement Date”	in relation to any particular Sub-Fund, means such commencement date as determined by the Directors.

“Companies Act”	means the Companies Act, Chapter 50 of Singapore, as may be amended from time to time.
“Fund”	means Vector Fund VCC.
“Constitution”	means the constitution of the Fund as may be amended from time to time.
“corporation”	shall have the meaning ascribed thereto in the Companies Act.
“CRS”	means: <ul style="list-style-type: none"> <li>(a) the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters, the Associated Commentary and domestic guidance to the extent available;</li> <li>(b) any applicable treaty, law, regulation, instruction or other official guidance enacted or amended relating to a bilateral or multilateral agreement between governments to exchange financial account information, which (in either case) facilitates the implementation of paragraph (a) above; or</li> <li>(c) any applicable treaty, law, regulation, instruction or other official guidance analogous to paragraphs (a) or (b) enacted or amended in any other jurisdiction from time to time, and any applicable agreement pursuant to the implementation of any such applicable treaty, law, regulation, instruction or other official guidance with any governmental or taxation authority in any jurisdiction.</li> </ul>
“Custodian”	means DBS Bank Ltd., or such other entity that is the custodian(s) for the time being of the Fund or any Sub-Fund, if any.
“DBS Group”	means the Investment Manager and its divisions, branches, parent company, representative offices, agencies, subsidiaries and affiliates (including branches or representatives of any such subsidiary or affiliate). Each division and each branch of DBS Bank Ltd. shall be considered a separate member of the DBS Group.
“Directors”	the director(s) of the Fund.
“Duties and Charges”	means all stamp and other duties, taxes, governmental charges, brokerage, commissions, bank charges, transfer fees, registration fees and other duties, taxes, charges and fees whether in connection with:



- (a) the constitution of the Sub-Funds;
- (b) the increase or decrease of the assets of the Sub-Funds;
- (c) the issue, sale or purchase of Participating Shares; or
- (d) the sale or purchase of investments, or otherwise, which may have become or may be payable in respect of, prior to or upon the occasion of the transaction or dealing in respect of which the same are payable.

“FATCA”

means:

- (a) Sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any applicable associated regulation, instruction or other official guidance from the US Internal Revenue Service (“**US IRS**”), as amended from time to time;
- (b) any applicable treaty, law, regulation, instruction or other official guidance enacted or amended relating to an intergovernmental agreement between the United States and Singapore, which (in either case) facilitates the implementation of paragraph (a) above;
- (c) any applicable agreement pursuant to the implementation of paragraphs (a) or (b) above between the Singapore Government, the Inland Revenue Authority of Singapore, the US IRS or the US Government; or
- (d) any applicable treaty, law, regulation, instruction or other official guidance analogous to paragraphs (a) or (b) enacted or amended in any other jurisdiction from time to time, and any applicable agreement pursuant to the implementation of any such applicable treaty, law, regulation, instruction or other official guidance with any governmental or taxation authority in any jurisdiction.

“Fund Administration Agreement”

shall have the meaning ascribed to it under Section VI of this Memorandum.

“General Meeting”

means a general meeting of the Fund.

“Gross Investment Sum”

means the aggregate amount paid or to be paid by an applicant (whether or not already the holder of other Participating Shares) for the purpose of investing in the Participating Shares of any Sub-Fund, comprising of the Net Investment Sum, the Subscription Fee and any applicable Duties and Charges.

“Gross Redemption Proceeds”	means the gross amount pursuant to a redemption of Participating Shares, comprising the Net Asset Value per Share of the relevant Participating Shares as of the relevant Valuation Day, multiplied by the number of Participating Shares redeemed.
“GST”	means the goods and services tax payable pursuant to the Goods and Services Tax Act, Chapter 117A of Singapore;
“Income Tax Act”	shall have the meaning ascribed to it under Section XI of this Memorandum.
“Initial Offer Period”	means the initial offer period for Shares in respect of a Sub-Fund or any Class of the same, as the case may be, and as further described in the relevant Supplement in respect of the Sub-Fund.
“Initial Subscription Price”	means the initial price at which Shares may be subscribed for in respect of a Sub-Fund or any Class of the same (as the case may be) during the Initial Offer Period, and as further described in the relevant Supplement in respect of the Sub-Fund.
“institutional investor”	shall have the meaning ascribed to it under the SFA.
“Interested Party”	shall have the meaning ascribed to it under Section IX of this Memorandum.
“Investment Management Agreement”	means the investment management agreement entered into between the Fund and the Investment Manager.
“Investment Manager”	means the person appointed by the Fund as manager pursuant to Section 46 of the Act from time to time.
“Investment Advisors”	means the Investment Manager’s affiliates or third parties engaged to provide advice to the Investment Manager with respect to the management and investments in respect of the Sub-Funds, as described in the Supplement for the relevant Sub-Fund. For the avoidance of doubt, the Investment Manager (or relevant Sub-Manager, if applicable) retains discretionary investment authority over the relevant Sub-Fund, unless otherwise specified in the Supplement.
“ISDA”	means the International Swaps and Derivatives Association.
“Managed Fund”	shall have the meaning ascribed to it under Section IV of this Memorandum.

“Management Fee”		means the “Management Fee” as described in the relevant Supplement for each Sub-Fund.
“Management Shares”		means the management shares in the capital of the Fund issued subject to and in accordance with the Act and the Constitution and having the rights and subject to the restrictions provided for in the Constitution.
“MAS”		means the Monetary Authority of Singapore.
“Member”		means a registered holder of Shares in the Fund or a registered holder of Shares in the Fund in respect of a particular Sub-Fund, as the case may be.
“Memorandum”		means this confidential private placement memorandum dated 30 July 2021 in respect of Vector Fund VCC, as it may be amended, supplemented or modified from time to time.
“Minimum Closing Size”		shall have the meaning ascribed to it under Section III of this Memorandum.
“Minimum Holding Amount”		means, in relation to each Member’s holding of Participating Shares of each Sub-Fund or Class, the amount specified in the relevant Supplement as being the minimum holding amount that each Shareholder must maintain in respect of that Sub-Fund or Class.
“Minimum Subscription Amount”		means, in relation to each Sub-Fund and/or Class within a Sub-Fund, an initial application for such number of Participating Shares or an initial application of such amount (excluding any Subscription Fee and/or applicable Duties and Charges) as the Investment Manager may from time to time determine, and as described in the relevant Supplement for each Sub-Fund.
“NAV per Share”		means in relation to a Share of a particular Sub-Fund and/or Class within a Sub-Fund, that proportion of the Net Asset Value of the Fund or any Sub-Fund, as the case may be, represented by such Share, as determined in accordance with the Constitution and this Memorandum.
“Net Asset Value”		means the total assets less the total liabilities of the Fund (or any Sub-Fund, as the context may require), as determined in accordance with the Accounting Standards (as defined in the Act).
“Net Capital Inflows”		shall have the meaning ascribed to it under Section IV of this Memorandum.

“Net Capital Outflows”	shall have the meaning ascribed to it under Section IV of this Memorandum.
“Net Investment Sum”	means the resultant amount of the Gross Investment Sum less any Subscription Fee and/or applicable Duties and Charges that will be applied towards the subscription of Participating Shares.
“Ordinary Resolution”	means an ordinary resolution of the Fund in General Meeting passed in accordance with the Constitution and the Act (and includes any resolution in writing signed in accordance with the Constitution).
“OTC”	means over-the-counter.
“Participating Shares”	means the participating shares in the capital of the Fund in respect of a particular Sub-Fund issued subject to and in accordance with the Act and this Constitution and having the rights and subject to the restrictions provided for in the Constitution. For the avoidance of doubt, if the Fund has constituted two or more Sub-Funds, the Participating Shares of each Sub-Fund participate only in the assets and liabilities of that particular Sub-Fund as a collective investment scheme segregated from other Sub-Fund(s).
“Personal Data”	has the meaning ascribed to it in the Personal Data Protection Act 2012 (No. 26 of 2012) of Singapore.
“Recognised Market”	means any stock exchange or over-the-counter market, any futures exchange and any organised securities market which is open to the public and on which securities are regularly traded, being in each case an exchange or market in any part of the world and, in relation to any particular investment of a Sub-Fund, includes any responsible firm, corporation or association in any country in the world so dealing in the investment as to be expected generally to provide, in the reasonable opinion of the Investment Manager, a satisfactory market for the investment and in such case the investment shall be deemed to be the subject of an effective permission to deal or be dealt in on the market deemed to be constituted by such firm, corporation or association.
“Redemption Day”	means such Business Day as the Directors may from time to time determine, and as described in the relevant Supplement for each Sub-Fund.
“Redemption Dealing Deadline”	means such redemption dealing deadline as described in the relevant Supplement.

“Redemption Fee”	means a charge upon the redemption of Participating Shares of such amount as set out in the Supplements, or as the Directors may from time to time determine generally or in relation to any specific transaction or Class of Participating Shares.
“Redemption Form”	means a request for redemption or repurchase of Shares given by the Member to the Fund (or its delegate) in such form as the Directors may determine.
“Redemption Price”	in relation to a Share of a particular Sub-Fund or Class, the price equal to the applicable NAV per Share in the capital of the Fund or in respect of a particular Sub-Fund, as the case may be, as adjusted (to the extent required) by adding to such price or subtracting from such price such fees and charges as may be determined by the Directors, as described in the relevant Supplement.
“Register of Members”	means the register of Members kept and maintained by the Fund in accordance with Section 81 of the Act.
“Related Parties”	shall have the meaning ascribed to it under Section IX of this Memorandum.
“Requirements”	shall have the meaning ascribed to it under Section XI of this Memorandum.
“Section 13R Tax Exemption Scheme”	shall have the meaning ascribed to it under Section XI of this Memorandum.
“Section 13X Tax Exemption Scheme”	shall have the meaning ascribed to it under Section XI of this Memorandum.
“Securities and Futures Act” or “SFA”	means the Securities and Futures Act, Chapter 289 of Singapore, as may be amended from time to time.
“Service Provider”	means the Investment Manager and other service providers to the Fund as may be appointed by the Fund from time to time.
“Shares”	means the shares in the capital of the Fund or in respect of a particular Sub-Fund, as the case may be, which may be divided into one or more than one Class of the same.
“Side Letter”	shall have the meaning ascribed to it under Section II of this Memorandum.
“Singapore Dollars” or “S\$”	means the lawful currency of the Republic of Singapore.

“Special Purpose Vehicles”	shall have the meaning ascribed to it under Section I of this Memorandum.
“Special Resolution”	means a special resolution of the Fund in General Meeting passed in accordance with the Constitution and the Act (and includes any resolution in writing signed in accordance with the Constitution).
“Statutes”	means the Act, the Companies Act and every other act for the time being in force concerning companies and affecting the Fund.
“Sub-Fund”	means a collective investment scheme that is part of the Fund.
“Sub-Fund Expenses”	shall have the meaning ascribed to it under Section VII of this Memorandum.
“Sub-Managers”	means the Investment Manager’s affiliates or third parties engaged to assist it in the operation and investment management of the Sub-Funds, as described in the Supplement for the relevant Sub-Fund.
“Subscription Day”	means such Business Day as the Directors may from time to time determine, and as described in the relevant Supplement for each Sub-Fund.
“Subscription Dealing Deadline”	means such subscription dealing deadline as described in the relevant Supplement.
“Subscription Fee”	means a charge upon the issue of Participating Shares of such amount as set out in the Supplements, or as the Directors may from time to time determine generally or in relation to any specific transaction or Class of Participating Shares.
“Subscription Form”	means a request to subscribe for Shares given to the Fund (or its delegate) in such form (whether written, verbal, electronic or otherwise) as the Directors may determine.
“Subscription Price”	means, in relation to a Share (or in relation to a particular Class of the same of such Shares) in the capital of the Fund, or in respect of a particular Sub-Fund, as the case may be: (a) during the Initial Offer Period applicable to such Share, the initial price for such Share as the Directors may from time to time determine; and (b) after the Initial Offer Period applicable to such Share, the price equal to the applicable NAV per Share, as adjusted (to the extent required) by adding to such price or subtracting from such price such fees and charges as may be determined by the Directors, in each case as may be further described in the relevant Supplement.

“Supplement”	means any supplemental document to this Memorandum issued in connection with a Sub-Fund from time to time.
“Suspension”	shall have the meaning ascribed to it under Section V of this Memorandum.
“Swing Factor”	shall have the meaning ascribed to it under Section IV of this Memorandum.
“Swing Pricing Mechanism”	shall have the meaning ascribed to it under Section IV of this Memorandum.
“Swing Threshold”	shall have the meaning ascribed to it under Section IV of this Memorandum.
“Taxes”	shall have the meaning ascribed to it under Section VII of this Memorandum.
“Term”	means, in respect of a Sub-Fund, means the period from the Commencement Date of such Sub-Fund, until the date on which the Sub-Fund is wound-up.
“United States Dollars”, “US\$” or “USD”	means the lawful currency of the United States of America.
U.S.	means the United States of America.
“Valuation Day”	means such Business Day as the Directors may from time to time determine on which the Net Asset Value falls to be determined, and as described in the relevant Supplement for each Sub-Fund.
“Valuation Point”	means the time(s) by reference to which the Net Asset Value and NAV Per Share shall be calculated as determined by the Directors and specified in Section IV of this Memorandum.
“VCC”	means a variable capital company incorporated under the Act.

## **SUPPLEMENT 1**

### **DBS I.D.E.A. FUND**

This Supplement contains specific information in relation to the DBS I.D.E.A. Fund (the “**Sub-Fund**”), a sub-fund of Vector Fund VCC (the “**Fund**”), an umbrella variable capital company incorporated under the laws of Singapore, in which the assets and liabilities of each sub-fund of the Fund are segregated in accordance with Section 29 of the Variable Capital Companies Act 2018 (No. 44 of 2018) of Singapore (the “**Act**”).

This Supplement forms part of and should be read in conjunction with the Confidential Private Placement Memorandum of the Fund (the “**Memorandum**”), which contains the general description of the Fund, the key terms of the Fund, its management and administration, information on the taxation of the Fund and of its Members, and its risk factors. In the event of any inconsistency between this Supplement and the Memorandum, the provisions of this Supplement shall prevail.

Unless the context otherwise requires, each capitalised term used and not otherwise defined herein shall have the meaning given to such term in the Memorandum.

#### **1. Name and Registration Number of Sub-Fund**

DBS I.D.E.A. Fund (Registration Number T21VC0119B-SF001).

#### **2. Classes of Shares**

The following Classes of Shares have been established within the Sub-Fund:

<b>Name of Class</b>	<b>Currency of denomination</b>
USD Class	United States dollar
SGD Hedged Class	Singapore dollar (hedged in SGD against the Base Currency)
HKD Class	Hong Kong dollar
SGD Class	Singapore dollar
AUD Class	Australian dollar

#### **3. Investment Advisor**

The Investment Manager has appointed the Private Banking division of DBS Bank Ltd. (“**DBS Private Bank**”) as the Investment Advisor of the Sub-Fund. DBS Bank Ltd. is incorporated under Singapore law and its registered address is at 12 Marina Boulevard, Level 3 Marina Bay Financial Centre Tower 3, Singapore 018982.

As the Investment Advisor, DBS Private Bank will advise the Investment Manager solely on securities selection for the Sub-Fund following the I.D.E.A. themes developed by the DBS Chief Investment Office. The Investment Manager will retain full discretion over the



management and investments of the Sub-Fund and will provide risk management and operational support. None of the Investment Advisor or any of its directors, officers, employees, members, shareholders or affiliates assume any responsibility for the Investment Advisor's selection of securities for the Sub-Fund. In the performance of its role, the Investment Advisor may take into account various factors including and not limited to certain assumptions, parameters and internal restrictions, and is not liable to disclose to any party its basis for such selection. Future results may differ from expectations.

DBS Private Bank will receive from the Investment Manager advisory fees no more than 10% per annum of the annual Management Fees receivable from the Sub-Fund in connection with its appointment as the Investment Advisor. As a distributor, it will also receive from the Investment Manager fees of up to 70% of the annual Management Fee receivable from the Sub-Fund.

Investors will also pay to DBS Private Bank the Subscription Fee mentioned in paragraph 8 of this Supplement. Details are set out in paragraph 8 of this Supplement. Other fees incidental to the private banking accounts/services that are offered to investors are as set out in the applicable terms and conditions governing such DBS Private Banking accounts. Unless otherwise stated, the Fund, the Sub-Fund and the Investment Manager are not entitled to or recipients of any fees payable by such investors to DBS Private Bank.

#### **4. Investment Objective**

The Sub-Fund aims to provide long term capital appreciation by investing in global equities following the I.D.E.A. themes developed by the DBS Chief Investment Office. The Sub-Fund will invest in secular winners defined as Innovators, Disruptors, Enablers, and Adaptors. The Sub-Fund will reference the MSCI ACWI Index as a benchmark.

#### **5. Investment Strategy and Restrictions**

The Sub-Fund shall aim to achieve its objectives by identifying investment opportunities as follows:

- (a) the Sub-Fund aims to allocate approximately 95% of its Net Asset Value to investments in equities, with the freedom to decrease this allocation down to 70%, as the Investment Manager may decide in its absolute discretion;
- (b) the Sub-Fund aims to allocate approximately 5% of its Net Asset Value to cash and bank deposits, with the freedom to increase this allocation to up to 30% or decrease this allocation down to 0%, as the Investment Manager may decide in its absolute discretion.

As regards its target equity allocation, the Sub-Fund will invest in the following key markets: the United States of America, Europe and the United Kingdom, Japan, Australia, New Zealand, Hong Kong, Macau, Singapore, Korea, Taiwan, Thailand, Indonesia, Malaysia and the Philippines. The Sub-Fund's investment in each of Thailand, Indonesia, Malaysia and the Philippines is capped at 5% of the Sub-Fund's Net Asset Value respectively. The Sub-

Fund will invest in equities with a minimum market capitalisation of US\$1 billion and/or equities with a 3-month average daily trading volume exceeding US\$3 million.

The Sub-Fund will not invest more than 10% of its Net Asset Value in any single stock.

The Sub-Fund will not invest more than 15% of its Net Asset Value in any single exchange traded fund or 15% of its Net Asset Value in any single mutual fund.

The Sub-Fund may use financial derivative instruments (“**FDIs**”), techniques and instruments to hedge against exchange rate risk and protect against fluctuations in the relative value of its portfolio positions. FDIs will not be used for other investment purposes.

The Investment Manager shall observe all other investment restrictions imposed on the Sub-Fund by applicable laws, regulations and guidelines.

**6. Risk Factors and Conflicts of Interest**

The attention of investors is drawn to the risk factors and potential conflicts of interest as set out under Sections VIII and IX of the Memorandum. As further described therein, DBS Private Bank engages in multiple roles and separate activities, whether for the Sub-Fund(s) and/or on behalf of its clients (which includes investors of the Sub-Fund(s)). In addition to its appointment as the Investment Advisor of the Sub-Fund, DBS Private Bank may without limitation, act as a distributor of various investment products, act as a custodian in relation to the holdings of any of its clients (whether in connection with the holdings of investors of the Sub-Fund and/or any future sub-fund of the Fund, or for other investments), carry out discretionary portfolio management for any of its clients (which may include investing in the Sub-Fund and/or any future sub-fund of the Fund on a discretionary basis) and carry out any other activities as part of its businesses. DBS Private Bank receives fees for all of these roles. Please also refer to the other relevant documents setting out such fees.

**7. The Minimum Subscription Amount and Minimum Holding Amount**

Subject to change by the Investment Manager either generally or in any particular case, there is currently no initial or subsequent Minimum Subscription Amount in respect of the Sub-Fund. Any such amount would exclude any applicable Subscription Fee and/or any applicable bank charges. There is also no Minimum Holding Amount in respect of the Sub-Fund.

**8. Fees and Charges**

The fees and charges payable by the Members and by the Sub-Fund are set out in the tables below:

<b>Payable by the Members</b>	
Subscription Fee	Up to 2.0% of the Gross Investment Sum.
Redemption Fee	Up to 2.0% of the Gross Redemption Proceeds.

	There is currently no Redemption Fee payable.
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<b>Payable by the Sub-Fund</b>	
Management Fee	<p>In consideration for its services to the Sub-Fund, the Investment Manager shall be entitled to receive an annual Management Fee from the Sub-Fund of up to one and one-quarter per cent. (1.25%) per annum of the Net Asset Value attributable to the relevant Class of the Sub-Fund (appropriately adjusted for redemptions and subscriptions).</p> <p>Any Management Fee will be debited against the Net Asset Value attributable to the relevant Class of the Sub-Fund.</p> <p>The Management Fee will be paid by the Administrator out of the assets attributable to the relevant Class of the Sub-Fund within a commercially reasonable timeframe of it becoming payable.</p> <p>For the avoidance of doubt, the Management Fee will be charged in addition to any fees and expenses payable by the Sub-Fund.</p> <p>The amount of the Management Fee payable to the Investment Manager shall be exclusive of and net of all applicable GST.</p>
Custodian Fees	Up to 0.10% per annum and \$40 per transaction.
Administration Fees	Up to 0.10% per annum.
Other fees including audit fees, tax advisor fees and other fees and charges	Subject to agreement with the relevant parties. Each fee or charge may be substantial (i.e. 0.1% or more of the Net Asset Value of the Sub-Fund) depending on the proportion it bears to the Net Asset Value of the Sub-Fund.

Please also refer to Section VII (Fees and Charges) of the Memorandum which sets out information on the establishment costs in relation to the Fund and this Sub-Fund, and the fees, expenses, duties and charges payable out of the assets of this Sub-Fund.

**9. Commencement Date**

The Commencement Date of the Sub-Fund shall be determined by the Directors within a reasonable period of time from the registration of the Sub-Fund.

**10. Financial Year**

The period ending on and including 31 December of each financial year and (in the case of the first financial year) commencing on the Commencement Date and ending on 31 December 2021, unless otherwise determined by the Investment Manager.

**11. Base Currency**

United States Dollars.

**12. Initial Subscription Price and Subsequent Subscription Price**

<b>Class</b>	<b>Initial Subscription Price per Participating Share</b>
USD Class	USD 10.00
SGD Class	SGD 10.00
HKD Class	HKD 10.00
SGD Hedged Class	SGD 10.00
AUD Class	AUD 10.00

The issue of Participating Shares after the Initial Offer Period shall be at the NAV per Share of the Participating Shares of the relevant Class of the Sub-Fund, as further described below.

**13. Initial Offer Period**

The Initial Offer Period will commence on or about 19 July 2021, or such other date as may be determined at the sole discretion of the Investment Manager, and will end on or about 2 August 2021, or such other date as may be determined at the sole discretion of the Investment Manager.

**14. Minimum Closing Size**

The Investment Manager shall have the discretion to return all application monies received (without interest) pursuant to an initial offer of Participating Shares in the Sub-Fund to investors within fourteen (14) Business Days of the end of the Initial Offer Period if the subscription amounts in respect of applications for Participating Shares in the Sub-Fund is less than US\$25 million or such other amount as may be determined by the Investment Manager.

**15. Term**

The Sub-Fund is of indefinite duration and may be wound-up in accordance with the Act and the Constitution.

**16. Valuation Frequency / Valuation Day**

The Valuation Day of this Sub-Fund is every Business Day. Additional valuations and calculations of the Net Asset Value may also be conducted on an ad hoc basis on such date or dates as may be determined by the Investment Manager.

**17. Subscription Day / Subscription Dealing Deadline / Subscription Pricing**

After the Initial Offer Period, the Investment Manager may accept applications for Participating Shares on one or more Subscription Days. A “**Subscription Day**” shall be every Valuation Day, or such other Business Day as the Directors may from time to time determine.

The Subscription Dealing Deadline is 5.00 p.m. (Singapore time). However, appointed distributors may impose an earlier deadline for the receipt of subscription requests. You should confirm the applicable deadline with the relevant appointed distributor.

The Subscription Price after the Initial Offer Period shall be equal to the applicable NAV per Share of the Sub-Fund or Class (where applicable) as of the Valuation Day corresponding to the relevant Subscription Day, adjusted (to the extent required) by adding to such price or subtracting from such price such fees and charges as may be determined by the Directors (including the Subscription Fee).

**18. Redemption Day / Redemption Dealing Deadline / Redemption Pricing**

After the expiry of the Initial Offer Period, the Investment Manager may accept requests for redemption of Participating Shares on one or more Redemption Days. A “**Redemption Day**” shall be every Valuation Day, or such other Business Day as the Directors may from time to time determine.

The Redemption Dealing Deadline is 5.00 p.m. (Singapore time). However, appointed distributors may impose an earlier deadline for the receipt of redemption requests. You should confirm the applicable deadline with the relevant appointed distributor.

The Redemption Price shall be equal to the applicable NAV per Share of the Sub-Fund or Class (where applicable) as of the Valuation Day corresponding to the relevant Redemption Day, adjusted (to the extent required) by adding to such price or subtracting from such price such fees and charges as may be determined by the Directors (including the Redemption Fee).

All Redemption Fees will be deducted from the proceeds payable to the redeeming Member, and shall be retained by the Sub-Fund and form part of the assets of the Sub-Fund.

**19. Restrictions on Redemption**

The Swing Pricing Mechanism applies to this Sub-Fund. The applicable Swing Factor is up to 2% of the NAV per Share. In exceptional market conditions, however, the Investment Manager may temporarily apply an adjustment exceeding the stated Swing Factor from time to time to protect the interests of holders of Participating Shares in the Sub-Fund.

In respect of each Class of the Sub-Fund, the Investment Manager has presently imposed a redemption gate of 10% of the applicable Net Asset Value of such Class as of the Valuation Day immediately prior to the relevant Redemption Day. Please refer to the Memorandum for more information on the redemption gate.

**20. Distributions**

Distributions to the holders of the Participating Shares may be made during the term of the Sub-Fund at the sole discretion of the Investment Manager.

**21. Borrowings and Leverage**

The Sub-Fund will not enter into any short positions.

The Sub-Fund may borrow, on a temporary basis, for the purposes of meeting realisations and bridging requirements. In aggregate, the borrowings may not exceed 10% of the Net Asset Value of the Sub-Fund at the time the borrowing is incurred.