

13 July 2012

Dear Unitholder

**UNITED RENMINBI BOND FUND  
- CONVERSION TO A FEEDER FUND**

Thank you for investing in the United Renminbi Bond Fund (the "**Sub-Fund**"), a sub-fund of United Global Portfolios (the "**Fund**").

We, UOB Asset Management Ltd ("**UOBAM**"), the managers of the Sub-Fund, are writing to inform you that with effect from 13 August 2012, the Sub-Fund will change its investment focus and approach by investing all or substantially all of its assets in UOB United Renminbi Bond Fund (the "**Irish Sub-Fund**"), a series of UOB Global Strategies Funds plc (the "**Irish Umbrella Fund**"), an open-ended umbrella type investment company with variable capital and with segregated liability between series incorporated in Ireland on 13 July 1999. The following is the background and rationale for this change.

**Background information**

The investment objective of the Sub-Fund is to generate fixed income returns and benefit from the potential appreciation of the Renminbi ("**RMB**") over the medium term. Currently, this is achieved by making direct investments in (primarily) RMB denominated debt securities ("**RMB Debt Instruments**") issued or distributed outside mainland China, and also other authorised investments.

The Irish Sub-Fund was authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities (UCITS) in December 2011, and its investment objective is the same as the Sub-Fund. To meet its investment objective, the Irish Sub-Fund primarily invests in or takes exposure to RMB Debt Instruments listed or traded on certain recognised markets (outside mainland China), including but not limited to stock exchanges in Hong Kong. The investment policies of the Irish Sub-Fund are set out in [Annex A](#) of this notice.

The manager of the Irish Umbrella Fund and the Irish Sub-Fund is UOB Global Capital (Dublin) Limited (the "**Irish Manager**"), which is a related corporation of UOBAM. The Irish Manager is authorised by the Central Bank of Ireland as a management company for UCITS funds. UOBAM has been appointed as the investment adviser to the Irish Manager in respect of the Irish Manager's management of the Irish Sub-Fund.

**Why invest through the Irish Sub-Fund**

By investing into the Irish Sub-Fund, the Sub-Fund will potentially benefit from greater efficiency and economies of scale, since the assets of the Sub-Fund will be pooled and managed together with the assets of the Irish Sub-Fund.

All subscription fees and redemption fees in respect of the Irish Sub-Fund will be waived for subscriptions and redemptions by the Sub-Fund, and the management fee applicable to the Sub-Fund's investments in

the Irish Sub-Fund will be rebated to the Sub-Fund in cash. The fees and charges which will be applicable to the Sub-Fund's investment in the Irish Sub-Fund are summarised in Annex B of this notice.

Currently, it is intended that the Sub-Fund will invest in the SGD class shares and the US\$ class shares of the Irish Sub-Fund, although the Sub-Fund may invest in other classes of shares of the Irish Sub-Fund in the future. It is intended that the investment will be structured such that the proportion of the Sub-Fund's investments in the SGD class shares and the US\$ class shares of the Irish Sub-Fund will match (to the extent practicable) the pro rata allocation of the Sub-Fund's assets between the Class SGD Units and Class USD Units of the Sub-Fund.

The Sub-Fund may also hold liquid assets such as cash deposits and/or cash equivalents (including money market instruments, short term commercial paper, certificates of deposit, treasury bills, floating rate notes and fixed or variable rate commercial paper) for liquidity purposes.

\*\*\*\*\*

The above changes as well as further information on the Irish Umbrella Fund and the Irish Sub-Fund will be reflected in a replacement prospectus to the registered prospectus of the Fund which will be lodged with the Monetary Authority of Singapore on or around the date of this notice. After the lodgement of the replacement prospectus, you may obtain a copy of the replacement prospectus from us or from any of our authorised agents or distributors.

**This notice is for your information only. You do not need to take any action. These changes have no effect on the number of units which you hold in the Sub-Fund.**

Should you have any queries, please call our 24-hour hotline number at 1800 222 2228 or email us at [uobam@uobgroup.com](mailto:uobam@uobgroup.com).

We would like to thank you for your valuable support through the years, and we look forward to your continued support.

Yours sincerely



Julian Ong  
Head of Product Development & Marketing Communications

## ANNEX A Investment policies of the Irish Sub-Fund

### *Debt Securities*

The Irish Sub-Fund seeks to achieve its investment objective by primarily investing in or taking exposure to RMB Debt Instruments, as further described below, listed or traded on Recognised Markets (outside mainland China) detailed in paragraph A of Appendix 1 of the prospectus of the Fund as amended by a replacement prospectus dated on or about the date of this notice (collectively, the "**Prospectus**"), including but not limited to stock exchanges in Hong Kong.

The Irish Sub-Fund may invest in or take exposures to fixed and/or floating rate RMB Debt Instruments issued or guaranteed by governments and/or supranational entities and/or corporate entities throughout the world. RMB Debt Instruments include, but are not limited to RMB denominated or linked bonds (i.e. synthetic RMB denominated bonds which are USD settled), convertible bonds, commercial paper, short term bills and notes (such as discount notes, promissory notes), bank certificates of deposits and negotiated term deposits with banks. Where any convertible bonds are converted into shares of the issuer, the Irish Sub-Fund may hold such shares for up to one month.

The Irish Sub-Fund may invest up to 100% in unrated debt securities.

Up to 100% of the net assets of the Irish Sub-Fund may be invested in emerging markets. The term "emerging markets" is generally understood to refer to the markets of countries that are in the process of developing into modern industrialised states and thus display a high degree of potential but also entail a greater degree of risk. It shall include, but is not limited to countries included from time to time in the International Finance Corporation Global Composite Index or in the MSCI Emerging Markets Index, each of which is a free floating adjusted market index designed to measure the performance of relevant securities in global emerging markets.

Under current regulations in mainland China, the Irish Sub-Fund is not permitted to invest directly in RMB Debt Instruments issued or distributed within mainland China. If such regulations change in the future and/or the Investment Adviser<sup>1</sup> obtains the necessary Qualified Foreign Institutional Investor ("**QFII**") status in the People's Republic of China (the "**PRC**"), the Irish Sub-Fund may invest in RMB Debt Instruments issued or distributed within mainland China, provided any such investments are listed or traded on Recognised Markets in China detailed in paragraph A of Appendix 1 of the Prospectus and are in accordance with the requirements of the Central Bank of Ireland (the "**Irish Financial Regulator**"). Further details on the QFII system can be found in paragraph 10.3(d) of the Prospectus.

The Irish Sub-Fund will also have the flexibility to invest in debt securities the same as those described above but which are not denominated in RMB as the Investment Adviser, considers appropriate from time to time depending on prevailing circumstances (for example, a surge in demand and/or shortage in supply of RMB Debt Instruments). Any such investment in non-RMB denominated debt securities is expected to be minimal and in any event shall not exceed 30% of the net assets of the Irish Sub-Fund.

Exposure to RMB Debt Instruments or non-RMB denominated debt securities may be generated through direct investment or indirectly through investing in collective investment schemes (including exchange traded funds classified by the Investment Adviser as collective investment schemes) or investing in Access Products (such as participating notes, as detailed below or other materially similar investment products issued in the future provided they are in accordance with the requirements of the Irish Financial Regulator) issued by institutions that have obtained QFII status in the PRC.

---

<sup>1</sup> The Investment Adviser is UOB Asset Management Ltd, the managers of the Sub-Fund.

### *Access Products*

There is no current intention to invest in Access Products however this may change pending change in current regulations in China or in exceptional market circumstances whereby the Investment Adviser considers it appropriate to invest in Access Products and in any event shall not exceed 30% of the net assets of the Irish Sub-Fund.

A participation note is a form of medium term note issued by a brokerage firm or other counterparty that provides the purchaser with (a) exposure to an individual equity or a basket or index of equities, or (b) exposure to the relative performance of these types of assets and may include the benefit of capital protection over the term. Participation notes are generally traded over-the-counter. Participation notes are often used as a convenient means of investing in local securities (such as equity securities or securities with equity characteristics) by a foreign investor. In a participation note, the investor's principal investment may be guaranteed over the term or participation notes can be structured without a capital guarantee, in which case the investor's risk of loss is limited to the purchase price of the participation note. A participation note is typically exchangeable daily by a purchaser for cash equivalent to the economic value of the investment position embedded in the participation note.

### *Collective Investment Schemes*

The Irish Sub-Fund may invest up to 10% of its net assets in Undertakings for Collective Investment in Transferable Securities ("UCITS") and/or non-UCITS collective investment schemes, including exchange traded funds (classified by the Investment Adviser as collective investment schemes), which may or may not have materially similar policies to the Irish Sub-Fund, where the Investment Adviser considers such investment to be consistent with the overall objectives and risk profile of the Irish Sub-Fund. The collective investment schemes invested by the Irish Sub-Fund will be regulated, will be open-ended and/or closed-ended, will not be limited to any jurisdiction and may be leveraged and/or unleveraged.

The Irish Sub-Fund may invest in another series of the Irish Umbrella Fund in which case the Investment Adviser may not charge investment management fees in respect of that portion of its assets invested in the other series of the Irish Umbrella Fund. The Irish Sub-Fund cannot invest in another series of the Irish Umbrella Fund which is itself invested in another series of the Irish Umbrella Fund.

### *Cash and Cash Equivalents*

The Irish Sub-Fund may hold or maintain cash deposits and/or cash equivalents (such as short term commercial paper, certificates of deposit, treasury bills, floating rate notes and fixed or variable rate commercial paper listed or traded on one or more Recognised Markets) and subject to the conditions and within the limits laid down by the Irish Financial Regulator. The amount of cash and/or cash equivalents that the Irish Sub-Fund will hold will vary depending on prevailing circumstances.

In exceptional market conditions, the Irish Sub-Fund may hold or maintain up to 100% of its net assets in ancillary liquid assets including but not limited to time deposits, master demand notes and variable rate demand notes listed or traded on one or more Recognised Markets.

### *Efficient Portfolio Management*

The Irish Sub-Fund may utilise techniques and instruments, such as futures, options, swaps, repurchase and reverse repurchase agreements, stocklending arrangements and forward currency contracts, for efficient portfolio management in order to reduce the risk and/or costs and/or to generate additional income for the Irish Sub-Fund (*i.e.*, for investment purposes) and/or to protect against exchange rate risks subject to the conditions and within the limits laid down by the Irish Financial Regulator. Additional details on these techniques and instruments can be found in paragraph B of Appendix 1 of the Prospectus. The Irish Sub-Fund will not be leveraged in excess of 100% of its net assets.

The underlying exposure of the financial derivatives in each case may relate to transferable securities, money market instruments, other collective investment schemes and interest and foreign exchange rates or currencies consistent with the investment policies of the Irish Sub-Fund as outlined above. The net exposure due to each type of financial derivative which may be used by the Irish Sub-Fund will be calculated using the commitment approach, as further detailed in the risk management process of the Irish Sub-Fund.

The Investment Adviser will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been reviewed by the Irish Financial Regulator. Further information on the risk management process adopted in respect of the Irish Sub-Fund can be found in paragraph 7.8 of the Prospectus. UOBAM will, on request, procure the provision of supplemental information to investors relating to the risk management process of the Irish Sub-Fund.

Deterioration in the Irish Sub-Fund's performance may arise in relation to a share class designated in a currency other than the currency in which the shares of the Irish Sub-Fund are denominated. Changes in the exchange rate between the currency in which the shares of the Irish Sub-Fund are denominated and the designated currency could lead to a depreciation in the value of the share class as expressed in their designated currency. The Investment Adviser may try to mitigate this risk by using financial instruments, such as foreign exchange spot and forward contracts, as a hedge. Further information can be found in paragraph 10.4(b) of the Prospectus.

**ANNEX B**  
**Fee and charges of the Irish Sub-Fund**

The fees and charges applicable to the Sub-Fund's investment in Irish Sub-Fund are set out below:

<b>Payable by the Sub-Fund</b>	
Subscription fee	All classes: Maximum 6%. Currently waived for subscriptions by the Sub-Fund.
Redemption fee	All classes: Maximum 2% if a shareholder sells his shares within 30 days of purchase. Currently waived for redemptions by the Sub-Fund.
<b>Payable by the Irish Sub-Fund<sup>(1)</sup></b>	
Management fee <sup>(2)</sup>	All classes: Currently 1% p.a.; maximum 2% p.a. Currently rebated to the Sub-Fund in cash.
Custodian fee <sup>(3)</sup>	Maximum 0.15% p.a.
Administration fee <sup>(4)</sup>	Maximum of 0.15% p.a., subject to a minimum annual fee of US\$24,000.
Other fees and charges <sup>(5)</sup>	Subject to agreement with the relevant parties. Each fee or charge may amount to or exceed 0.1% p.a., depending on the proportion that each fee or charge bears to the net asset value of the Irish Sub-Fund.

Notes:

- (1) Fees and charges payable by the Irish Sub-Fund may be subject to value added tax, if any.
- (2) The Irish Manager pays the Investment Adviser's fees from its own fee.
- (3) The fee of the Irish Sub-Fund's custodian (the "**Irish Custodian**") is accrued daily and payable monthly in arrears and is based on the number of transactions and the net asset value of the Irish Sub-Fund. In addition, the Irish Custodian is entitled to be repaid all of its reasonable disbursements, including the fees and expenses of any sub-custodian (which shall be at normal commercial rates) and transaction charges (which shall also be at normal commercial rates) levied by the Irish Custodian which are payable by the Irish Sub-Fund.
- (4) The Irish Sub-Fund's administrator (the "**Irish Administrator**") is entitled to receive out of the assets of the Irish Sub-Fund an annual fee, accrued daily and payable monthly in arrears, based on the net asset value of the Irish Sub-Fund. This minimum fee may be waived by the Irish Administrator for such period or periods of time as may be agreed between the Irish Manager and the Irish Administrator from time to time. A maintenance fee per shareholder account, per annum, a fee per transaction noted on the register and a fee for financial statement preparation are also payable by the Irish Sub-Fund, such fees shall be charged at normal commercial rates. The Irish Administrator is also entitled to be reimbursed by the Irish Sub-Fund for all of its reasonable disbursements and out of pocket expenses.
- (5) Other fees and charges include the remuneration of the directors of the Irish Umbrella Fund, the reasonable and properly vouched out-of-pocket expenses of the Irish Manager, Irish Custodian, Irish Administrator, Investment Adviser and directors of the Irish Umbrella Fund and the costs and expenses of the correspondent banks and paying agents for the Irish Umbrella Fund, which are attributable to the Sub-Fund.

The preliminary and organisational expenses and the costs and expenses of and incidental to the offer of shares in the Irish Sub-Fund (including the costs of preparing contracts to which the Irish Umbrella Fund is a party and the fees and expenses of its professional advisers), shall not exceed US\$50,000 (exclusive of value added tax) and are payable by the Irish Umbrella Fund out of the assets of the Irish Sub-Fund. Such expenses are being amortised over the first five years of the Irish Sub-Fund (or such other period as may be determined by the directors of the Irish Umbrella Fund) and will represent a liability for the purposes of calculating the net asset value of the Irish Sub-Fund.