

TERMS AND CONDITIONS  
GOVERNING THE CANCELLATION PERIOD  
FOR COLLECTIVE INVESTMENT SCHEMES CONSTITUTED AS UNIT TRUSTS

1. Interpretation

The following definitions are applicable in these terms and conditions:-

"Cancellation Period" means a period of seven (7) calendar days from the date of the Purchase Agreement;

"OCBC Bank" means Oversea-Chinese Banking Corporation Limited;

"Participant" means a person who participates in a collective investment scheme by way of owning one or more units in a collective investment scheme;

"Purchase Agreement" means an agreement to purchase units in a Unit Trust, which includes an agreement to participate in a regular savings plan; and

"Unit Trust" means a collective investment scheme under which the property is held on trust for the Participants and is authorised under section 286(2) of the Securities and Futures Act (Cap. 289)

2. Right to Cancel

(a) OCBC Bank shall give the customer the right to cancel the Purchase Agreement.

(b) The right to cancel the Purchase Agreement must be exercised within the Cancellation Period. Where the last day of the Cancellation Period falls on a Sunday or a public holiday, the Cancellation Period shall be extended to the next calendar day, not being a Sunday or a public holiday.

(c) The right to cancel the Purchase Agreement shall not be given in any of the following circumstances:-

(i) where the customer is not an individual;

(ii) where the customer is an existing participant in a Unit Trust and the Purchase Agreement is the customer's second or any subsequent purchase agreement (other than one which results from a switch of units in a Unit Trust units in accordance with these terms and conditions) was entered into by the customer within the Cancellation Period of his first Purchase Agreement in respect of the Unit Trust

(iii) where the customer switches units in accordance with these terms and conditions; or

(iv) where the customer participates in a regular savings plan, the second and any subsequent payment.

3. Exercising the Right to Cancel

(a) The customer may exercise his right to cancel the Purchase Agreement by completing the Cancellation of Unit Trust Application form and submitting this form by hand to OCBC Bank.

(b) The customer may exercise his right to cancel the Purchase Agreement by sending his completed Cancellation of Unit Trust Application form by post to OCBC Bank. In which case, the relevant day for determining whether the right to cancel has been exercised within the Cancellation Period is the date on which such request is posted by the customer (as determined by the postmark).

(c) For the avoidance of doubt, where OCBC Bank receives a duly completed and valid Cancellation of Unit Trust Application form signed by the customer before 3:30 p.m., the application shall be processed for the same day. Where OCBC Bank receives a duly completed and valid Cancellation of Unit Trust Application form signed by the customer after 3:30 p.m., the application shall be processed for the next business day. This shall apply for determining the bid price or net asset value of the units for the purposes of paragraph 4 below.

(d) Copies of the Cancellation of Unit Trust Application form is available at all OCBC Bank branches.

4. Calculation of the Amount to be Repaid

(a) Subject to these terms and conditions, when a customer has made payment for his Purchase Agreement and thereafter validly exercises his right to cancel, OCBC Bank shall, in making refund of the monies to the customer, comply with the requirements under the Code on Collective Investment Scheme in respect of payment of redemption proceeds, subject to any modification by an exemption granted to the Unit Trust, as if the cancellation was a redemption.

(b) In determining the amount payable to the customer under sub-paragraph (a) above, OCBC Bank shall in determining the amount that is payable to the customer, be entitled to an adjustment to reflect the change in market value of the units held by the customer.

(c) Where the market value of the units held by the customer is greater than the original amount paid by the customer, OCBC Bank is not obliged to pay the excess amount to the customer.

5. Recovery of Expenses Incurred by OCBC Bank

(a) OCBC Bank shall be entitled to charge \$30 for out-of-pocket expenses incurred from the original purchase and subsequent cancellation of units of the customer by deducting such amount from the amount to be refunded to the customer.

(b) For the avoidance of doubt, where the customer exercises his right to cancel, any sales charge or front-end load fee imposed by OCBC Bank in respect of any Purchase Agreement shall not be chargeable to the customer. In addition, there shall be no penalty imposed on the customer for the termination of the Purchase Agreement.

6. Realisation Charge

Where a Unit Trust provides for the levy of a realisation charge (by whatever name it is called) on the customer who redeems his units, OCBC Bank shall not impose such charge on the customer who has submitted a duly completed and valid Cancellation of Unit Trust Application form signed by the customer.

7. Redemption and Switching

(a) During the Cancellation Period, the customer may choose to redeem his units instead of exercising his right to cancel. In this case, the redemption procedures as stated in the prospectus of the Unit Trust will apply. The customer acknowledges and agrees to the following:-

(i) the customer will not be able to enjoy the benefits of cancellation in the event that he chooses to redeem his units (ie. no refund of initial sales charge will be given for redemption and realisation charges will be imposed) and that the redemption proceeds that the customer will receive may be lower than the amount being refunded had he exercised his cancellation right if the appreciation in the value of the units in the Unit Trust is less than the initial sales charge; and

(ii) the published prices are indicative in nature and can change during the period between the submission and processing of the redemption request.

(b) Where OCBC Bank allows the customer to switch his units to another Unit Trust during the Cancellation Period applicable to such Purchase Agreement, OCBC Bank may also give the customer the right to cancel units in the other Unit Trust. Before any switch of units is made by the customer pursuant to the Purchase Agreement in respect of the original Unit Trust, OCBC Bank shall inform the customer in writing:-

(i) that the customer shall not receive any refund of initial sales charge in relation to the Purchase Agreement in respect of the original Unit Trust;

(ii) that it is not certain whether the customer would be in a better or worse position if he switches Unit Trusts;

(iii) of any charge or fee involved in switching from the original Unit Trust to the other Unit Trust; and

(iv) whether the customer shall be entitled to the right to cancel the units in the other Unit Trust.