

## **GUIDANCE NOTE 4**

Date issued: 10 December 2004

### **Issued Pursuant to Release of the Guidelines on Online Transactions Of and Online Activities in Relation to Unit Trusts (Online Unit Trust Guidelines).**

#### **Introduction**

1. This Guidance Note is published to notify a policy amendment in relation to the provisions for a Management Company to undertake online transactions of unit trusts currently stipulated under Chapter 4 of the Guidelines on Advertisement and Promotional Material under the Guidelines on Unit Trust Funds (Guidelines).
2. Nothing contained herein should be construed as prejudicing the powers of the Securities Commission under the Guidelines.

#### **Amendment to Clause 4.09(1) (Advertisements by way of Computer Transmission)**

3. Under this Guidance Note, Clause 4.09(1) of the Guidelines is substituted with the following revised provision:

“The A&P Guidelines apply to advertisements issued by way of computer transmission. Among others, such advertisement should draw attention to the prospectus of the unit trust fund. Furthermore, the advertisement should not offer units for sale or purchase, and should not allow for transactions to be conducted via computer transmission (investors are, however, permitted to ask for further information and/or application form provided the form is accompanied with the prospectus). Prohibition of transaction via electronic transmission shall not apply to parties that are approved by the SC to carry out online transaction under the Guidelines on Online Transactions of and Online Activities in Relation to Unit Trusts.”