

**FREQUENTLY-ASKED QUESTIONS ON REVISED GUIDELINES ON ONLINE
TRANSACTIONS AND ACTIVITIES IN RELATION TO UNIT TRUSTS**

(Date of Issuance: 13 July 2017)

(Date of Revision: 17 October 2017)

- 1. Can a management company opt for electronic communication as the default mode of communication to provide annual and interim reports of its funds, statements or other notices relating to its funds, to its unitholders?**

Yes. Following the revision to the *Guidelines on Online Transactions and Activities in relation to Unit Trusts* (Online Guidelines) issued on 13 July 2017, a management company may choose electronic communication as the default mode of communication provided that the management company complies with the requirements set out in the Online Guidelines.

- 2. Does electronic communication to unitholders include communication by means of mobile phones?**

Yes. Electronic communication to unitholders permitted under the Online Guidelines includes communication by means of mobile phones such as text messaging or SMS.

- 3. Do the requirements of the Online Guidelines apply to a management company and its distributors in relation to their conduct when selling, marketing and distributing, and promoting and advertising their products through social media?**

No. Such conduct does not fall under the definition of "online activities in relation to unit trusts" as defined in the Online Guidelines. However, such conduct will continue to be regulated under the following guidelines and code:

- *Guidelines on Marketing and Distribution of Unit Trust Funds;*
- *Guidelines on Unit Trust Advertisements and Promotional Materials;*
- *Guidelines on Sales Practices of Unlisted Capital Market Products; and*
- *FIMM's Code of Ethics and Rules of Professional Conduct (Unit Trust Funds).*

[Inserted on 17 October 2017]

- 4. What are some examples of social media?**

Social media can include Facebook, Instagram, Twitter, Google+ and YouTube.

[Inserted on 17 October 2017]