

Chapter 5

INFORMATION ON THE FUND

5.01 A prospectus must include a section giving details on the fund offered in the prospectus. The objective is to provide prospective investors with detailed information on the fund for the purpose of making an informed assessment of the fund for decision making purposes.

Taxation of the fund

5.02 A prospectus must contain a report providing an opinion from the fund's tax adviser detailing the following:

- (a) The taxation of the fund taking into account any distinctive characteristic of the fund (e.g. its participation in futures contracts, investment in foreign securities); and
- (b) Tax liabilities of the investors, if any.

Salient terms of the deed

5.03 A prospectus must disclose salient terms of the deed, particularly provisions relating to–

- (a) rights and liabilities of investors, including the limitations and restrictions on the rights of investors;
- (b) maximum fees permitted by the deed and payable by the investors, such as management fee, trustee fee, etc.;
- (c) increase in fees from the level disclosed in the prospectus and the maximum rate provided in the deed;
- (d) permitted expenses payable out of the fund's assets;
- (e) removal, replacement and retirement of the management company and trustee;

- (f) termination of the fund; and
- (g) unit holders' meeting.