

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

## Lighthouse Strategic Balanced Growth Fund (the “Fund”)

<b>Product Type</b>	Unit Trust	<b>Launch Date</b>	14 February 2013
<b>Manager</b>	Phillip Capital Management (S) Ltd	<b>Custodian</b>	BNP Paribas Securities Services Singapore Branch
<b>Trustee</b>	BNP Paribas Trust Services Singapore Limited	<b>Dealing Frequency</b>	Every Business Day
<b>Capital Guaranteed</b>	No	<b>Expense Ratio for Financial Year ended 30 September 2013</b>	3.82%

### PRODUCT SUITABILITY

#### WHO IS THE PRODUCT SUITABLE FOR?

This Fund is only suitable for investors who:

- seek medium to long term capital appreciation.
- understand that they may lose some or all of the principal amount invested.

Refer to Section 7 on Page 6 and Appendix 2 on page 36 of the Prospectus for further information on product suitability.

### KEY PRODUCT FEATURES

#### WHAT ARE YOU INVESTING IN?

- You are investing in a sub-fund of Phillip Select Fund, an umbrella unit trust fund constituted in Singapore and currently with 2 sub-funds established under it. The Fund aims to invest its assets as stated in the Investment Strategy.
- The Fund does not intend to distribute dividends.

Refer to Section 7 on Page 6 and Appendix 2 on page 36 of the Prospectus for further information on product suitability.

### Investment Strategy

• The Fund will primarily invest in collective investment schemes (CIS) (including Exchange Traded Funds (“ETFs”) and Real Estate Investment Trusts (“REITs”)). The Manager may also invest into individual securities (including equities, bonds and convertible bonds) in accordance with the Fund’s investment objective. The Fund has a global geographical focus.

• The Fund aims to accomplish its investment objective through its asset allocation with the minimum and maximum percentage as follows:-

Exposure	Strategic Allocation (%)	Minimum %	Maximum%
Equities	70	20	100
Bonds	30	0	80

The above intended strategic asset class allocation and lower and upper limits of each asset class allocation does not take into account cash holdings in the Fund and investments into money market funds.

Refer to Appendix 2 on page 36 of the Prospectus for further information on investment objective, focus and approach of the product.

<sup>1</sup> The Prospectus is available for collection at Phillip Capital Management (S) Ltd (Company Registration No. 199905233W) (250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101) during business hours or from our website at [www.phillipfunds.com](http://www.phillipfunds.com)

Nonetheless, for the avoidance of doubt, the Manager reserves the full and absolute discretion to vary the above percentages and deviation limits at any time and from time to time.

- The Fund may also invest into equity funds, balanced funds, fixed income funds and/or money market funds managed by the Manager.
- The Fund may use financial derivative instruments (“FDIs”) for the purposes of hedging existing positions in the portfolio and/or efficient portfolio management and such FDIs are not used to gear the overall portfolio.

### Parties Involved

#### WHO ARE YOU INVESTING WITH?

- The Manager is Phillip Capital Management (S) Ltd.
- The Trustee and Registrar is BNP Paribas Trust Services Singapore Limited.
- The Custodian and Administrator is BNP Paribas Securities Services Singapore Branch.

Refer to Page v, Sections 2 to 4 on Pages 2 to 4 of the Prospectus for further information on the parties involved.

### KEY RISKS

#### WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

**The value of the product and its dividends or coupons may rise or fall.** Prospective investors should be aware that the value of Units and the returns derived from them can fluctuate and can go down as well as up. There can be no assurance that the Fund will achieve its investment objective or that investors will get back their original investment.

Refer to Section 9 on Page 7 of the Prospectus for further information on risks of the product.

### Market and Credit Risks

#### • You are exposed to market risks

The prices of the securities and derivatives may go up and come down in response to the changes in the economic conditions, interest rates and the market perception of the securities which in turn may cause the prices of the units in the Fund to rise or fall.

#### • You are exposed to credit risks

Adverse changes in the financial condition of the issuer of the debt securities which the Fund is invested in, or in general economic conditions, or both, or an unanticipated rise in interest rate, may increase the potential for default and investors may suffer a substantial loss as a result.

Refer to Sections 9.2 and 9.4 on Pages 7 and 13 of the Prospectus for further information on risks relating to the Fund.

### Liquidity Risks

- **The Fund is not listed and you can redeem only on dealing days.**
- There is no secondary market for the Fund. All redemption requests should be made to the Manager.
- The Manager, with the approval of the Trustee, may suspend the issue, cancellation and realisation of Units during certain circumstances specified in the Prospectus and Trust Deed.

Refer to Section 12 and 15 on Pages 18 and 21 of the Prospectus for further information on realisation and suspension of dealing in the product.

### Product Specific Risks

#### • You are exposed to risks of investing in Exchange Traded Funds (ETFs) and Real Estate Investment Trusts (REITs)

The value of ETFs will generally fluctuate with changes in the market value of the underlying index shares as well as supply and demand for the units in the ETFs. REITs are dependent on specialized management skills and may have limited diversification and may be subject to risks inherent in financing a limited number of properties.

Refer to Sections 9.2 and 9.4 on Pages 7 and 13 respectively of the Prospectus for further information on risks relating to the Fund.

**• You are exposed to risks of Investing in Underlying Collective Investment Schemes**

There can be no assurance that the selection of the managers of the underlying collective investment schemes will result in an effective diversification of investment styles and that positions taken by the underlying collective investment schemes will always be consistent.

**• You are exposed to securities lending or repurchase transactions risks**

This includes counterparty risk/credit risk, liquidity risk, sufficiency of collateral risk, collateral investment risk and delivery risk.

**• You are exposed to currency risk**

Investments by the Fund are made in SGD and may be made in a variety of other currencies, whereas the NAV of the Fund will be computed in its SGD base currency. The value of the Fund may be affected favorably or unfavorably by currency exchange rates.

**• You are exposed to derivative risks**

The use of derivatives may negatively impact the value of the Fund and it may suffer greater losses than if it had not used derivatives. At the worst case, you may lose all your funds invested if the Fund is fully exposed to derivative positions that move against the Manager’s judgment.

**• Duplication of costs when investing in underlying Collective Investment Schemes**

The Fund incurs costs in its capacity as an investor in the underlying Collective Investment Schemes (including ETFs) which in turn pay similar fees to their managers and other service providers. As a consequence, the direct and indirect costs borne by the Fund are likely to represent a higher percentage of the net asset value than would typically be the case with the Collective Investment Schemes which invest directly in equity and bonds market (and not through other underlying funds).

**FEES AND CHARGES**

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

Investors will need to pay the following fees and charges as a percentage of the gross investment sum:

<b>Charges and Fees Payable by Holder</b>	
Subscription Fee	Currently up to 3.5%. Maximum 5%
Realisation Fee	Currently nil. Maximum 3%
Switching Fee	Currently nil. Maximum 1%, subject to a minimum of SGD25

The Fund will pay the following fees and charges to the Manager, Trustee and other parties:

<b>Charges and fees payable by the Fund from invested proceeds</b>	
Annual management fee	Currently 1.5%. Maximum 2.0%.
Annual trustee fee, transfer agency and fund administration fees	Currently 0.09%. Maximum 0.12%, subject to minimum of SGD25,000
Audit fees	Currently constitutes 0.38%
Financial reporting fees	Currently constitutes 0.15%

Investors should note that subscriptions for units through any Distributor appointed by the Manager may incur additional fees and charges.

Refer to Appendix 2 on Page 37 of the prospectus for further information on fees and charges of the Fund.

**Fees and charges payable by the underlying collective investment schemes (including ETFs) invested into**

Annual management fee	Ranging from 0% to 2%.
Annual trustee fee	Ranging from 0% to 0.3%.
Annual custodian fee	Ranging from 0% to 0.5%.
Performance fee	Ranging from 0% to 25%.

**Fees and charges charged by the underlying collective investment schemes (including ETFs) invested into**

Preliminary charge	Ranging from 0% to 5%.
Realisation fee	Ranging from 0% to 6%.
Switching fee	Ranging from 0% to 1%.

**VALUATIONS AND EXITING FROM THIS INVESTMENT****HOW OFTEN ARE VALUATIONS AVAILABLE?**

The Fund is valued every Business Day. Pricing may be available on The Business Times, Bloomberg, Reuters and websites of the Fund's distributors, or such other sources as the Manager may decide upon.

**HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS OF DOING SO?**

- You may realise your Units on any Dealing Day subject to any applicable realisation fee.
- If the redemption form is received and accepted by the Manager by 3.30 p.m. Singapore time on a Dealing Day, your Unit is valued at the net asset value per Unit of the Fund as at the close of the Dealing Day less any realisation fee.
- You will normally receive the sale proceeds within 7 Business Days of receipt and acceptance of the realisation form by the Manager unless the realisation of Units has been suspended in accordance to paragraph 15 of the Prospectus.
- Numerical example of how the amount paid to an investor is calculated based on the sale of 1,000 Units and based on a notional realization price of SGD1.0000:  

$$1000 \text{ Units} \times \text{SGD}1.0000 = \text{SGD}1,000 - \text{SGD} 0 = \text{SGD} 1,000$$
Your realisation request  $\times$  realisation price = Your gross realisation proceeds - realisation fee = Your net realisation proceeds
- You may switch your Units of the Fund with units of any other collective investment scheme managed by the Manager.
- You have the right to cancel your initial purchase of Units in the Fund within 7 calendar days from the date of initial subscription or purchase of Units, without incurring the sales charge and fees stated in the FEE AND CHARGES disclosure, by providing notice in writing to the Manager or an authorised agent or distributor.

Refer to Section 12, 13, 14 and 15 on Pages 18 to 20 of the Prospectus for further information on valuations and exiting from your investment.

Refer to Section 10.6 on Page 17 of the Prospectus and the terms and conditions for cancellation of units attached to the application form for the subscription of units in the Fund.

**CONTACT INFORMATION****HOW DO YOU CONTACT US?**

You may contact us at the following address:

Phillip Capital Management (S) Ltd  
250 North Bridge Road  
#06-00 Raffles City Tower  
Singapore 179101  
Tel: +65 6538 3638  
Fax: +65 6538 3066  
Website: [www.phillipfunds.com](http://www.phillipfunds.com)  
Email: [pcm@phillip.com.sg](mailto:pcm@phillip.com.sg)

## APPENDIX: GLOSSARY OF TERMS

“**Business Day**” means a day on which banks in Singapore are normally open for business (except Saturdays, Sundays and gazetted public holidays).

“**Dealing Day**”, in connection with the issuance and realisation of Units of the Fund, means every Business Day or such other Business Day or Business Days or such other day or days at such intervals as the Manager may from time to time determine provided that reasonable notice of any such determination shall be given by the Manager to all Holders at such time and in such manner as the Trustee may approve. If on any day which would otherwise be a Dealing Day in relation to Units of any particular Fund the recognised stock exchange or over the counter market on which Investments or other property comprised in, and having in aggregate values amounting to at least 50 per cent of the net asset value (as at the immediately preceding valuation point) of, the Fund to which Units of that Fund relate are quoted, listed or dealt in is not open for normal trading, the Manager may determine that that day shall not be a Dealing Day in relation to Units of that Fund.