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***IMPORTANT: This notice requires your immediate attention. If you have any questions about the content of this notice, you should seek independent professional advice.***

## IMPORTANT

### **ABF PAN ASIA BOND INDEX FUND**

*A Singapore unit trust authorized under*

*Section 286 of the Securities and Futures Act, Chapter 289 of Singapore and  
Section 104 of the Securities and Futures Ordinance (Cap.571) of Hong Kong*

**(Stock Code: 2821)**

### **NOTICE TO UNITHOLDERS**

On 13 December 2016, ABF Pan Asia Bond Index Fund (the "**Trust**") issued (i) a supplementary prospectus (the "**Supplementary Prospectus**") to the prospectus dated 17 June 2016 in relation to the Trust (the "**Prospectus**") and (ii) a revised product key facts statement of the Trust (the "**Revised KFS**") for Hong Kong investors. Unless otherwise defined in this notice, terms and expressions used in this notice shall have the same meanings ascribed to them under the Prospectus.

The Supplementary Prospectus provides updates on (i) the level of Duties and Charges for dilution charge in relation to the creation of Units; (ii) the directors' information of the Manager and the members' information of the Supervisory Committee; (iii) the composition and weightings of the top 10 largest constituent securities of the Underlying Index as of 22 November 2016; and (v) the change in the methodology to calculate the underlying index of the Trust, Markit iBoxx<sup>®</sup> ABF Pan-Asia Index (please also refer to the Notice to Unitholders dated 15 November 2016 (the "**15 Nov 2016 Notice**") and note that following the 15 Nov 2016 Notice, on 23 November 2016 Markit Indices Limited (the index provider) adopted new terminologies in describing the markets of different sizes (without any further change to the calculation methodology of the underlying index) and references under the 15 Nov 2016 Notice to "small" shall be references to "medium-sized" and references to "regular market" shall be references to "large market").

The Revised KFS provides updates on the composition and weightings of the top 10 largest constituent securities of the Underlying Index as of 22 November 2016.

The Prospectus, the Supplementary Prospectus and the Revised KFS are available at [www.abf-paif.com](http://www.abf-paif.com)<sup>1</sup>.

*Update on the level of Duties and Charges for dilution charge*

State Street Global Advisors Singapore Limited (as manager of the Trust) (the "**Manager**") decided, and HSBC Institutional Trust Services (Singapore) Limited (as trustee of the Trust) (the "**Trustee**") agreed, to increase the Duties and Charges (as defined below) for dilution charge (as defined below), payable by the Authorised Participants (on your behalf) when creating Units, from 0.125% to 0.23% of the NAV of the Units, effective from 13 January 2017 (the "**Effective Date**"). There is no change to the Duties and Charges for dilution charge in relation to the redemption of Units.

As disclosed in the subsection entitled "Dilution" under the section entitled "Creation and Redemption of Units" in the Prospectus, the value of the property of the Trust could be reduced as a result of costs incurred in investing cash subscriptions received on an application for Units, in paying cash redemption proceeds on a redemption of Units, or incurred in respect of dealing in portfolio securities, stamp duties taxes or other normal costs of the Trust and there may be dilution costs due to the difference between the buying and selling prices of such securities and the market value of these securities (together the "**dilution charges**"). In order to prevent any potential adverse effect on unitholders and to avoid a dilution of the Trust's property due to such dilution charge, the Manager has the discretion to charge duties and charges ("**Duties and Charges**") for dilution charges to compensate for such decrease in the Trust's NAV when Units are issued or redeemed. Any such Duties and Charges paid to the Trust, will become part of the property of the Trust. Such Duties and Charges will be determined by the Manager as the Manager may consider represents the appropriate provision for dilution charges. As disclosed in the Prospectus, the maximum Duties and Charges for dilution charges in relation to the creation of Units is 0.50% of the NAV of the Units (the "**Maximum Charge**").

As the previous level of Duties and Charges for dilution charges (0.125% of the traded price of the Units) was insufficient to prevent any potential adverse effect on unitholders and to avoid a dilution of the Trust's property due to such dilution charges, the Manager has decided, and the Trustee has agreed, to increase the Duties and Charges for dilution charges in respect of creation of Units to 0.23% of the NAV of the Units from the Effective Date, which is within the Maximum Charge.

The above update will not result in any changes to the investment strategy and policies of the Trust and as such there is no impact to the normal operation and risk profile of the Trust.

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<sup>1</sup> The above website has not been reviewed by the SFC.

Investors who have any questions concerning this notice may contact the Manager at telephone number +65 6826 7555 in Singapore and +852 2103 0100 in Hong Kong.

**State Street Global Advisors Singapore Limited**

**Manager**

**13 December 2016**

**STATE STREET**  
**GLOBAL ADVISORS.**

*The Manager accepts full responsibility for the accuracy of the information contained in this notice as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement in this notice misleading.*