RHB Asset Management Pte. Ltd.
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RESPONSE TO CONSULTATION PAPER ON PROPOSED AMENDMENTS TO CODE ON COLLECTIVE INVESTMENT SCHEMES

Dear Sir / Madam

We refer to your Consultation Paper on Proposed Amendments to the Code on Collective Investment Schemes.

We would like to inform you that RHB Asset Management Pte. Ltd. does not intend to offer funds with precious metals at this juncture or go into securities lending and borrowing.

Appended below is our response to your consultation paper:

Question 8: MAS seeks comments on the proposal to allow all funds, except property funds and hedge funds, to pay out redemption proceeds within 7 business days from the receipt of the redemption request.

Response: Currently below is requirement for pay out of redemption proceeds managed by fund manager:
- T+4 business days for bonds and money market funds
- T+6 business days for other types of funds other than property and hedge funds and
- T+7 business days for a fund which invest substantially all of its NAV in another fund

Currently all the CIS funds managed by us falls in category 2 where the redemption proceeds need to be paid out on T+6 business basis

As per the MAS consultation paper, MAS is proposing to allow fund manager more days to generate cash

MAS is proposing to align the timelines to allow the fund manager T+ 7 business days for pay out of redemption proceeds

We think it is a positive move which will give enough time for the fund managers to generate cash in case of redemption. This is more so in bonds funds where there may be operational difficulties to generate cash within the tight timelines of T+4 business days. The fund manager may not need to keep higher cash positions since there will enough time to generate cash in case of redemption.

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