

# Prosperity Account SGD Index-Linked Structured Deposit Tranche B

Quarterly Update – Dec 2010

## Product Features<sup>1</sup>

**Prosperity Account Tranche B** is a 4-year 11-month SGD Index-Linked Structured Deposit designed for you seeking alternative investments whose return is linked to the performance of 6 Asia-Pacific equity indices. There will be a fixed payout of 6% on 22 Jan 2007. There will be 4 potential annual payouts, each occurring on the 4<sup>th</sup> day of August in each year from 2008 to 2010 as well as 4 July 2011, subject to possible early redemption by the Bank. The Potential Payout Rate is the Annual Returns of all 6 indices subject to a minimum of 0%.

Annual Returns: (a) 3% if that Index is one of the 5 Best Performing Indices or (b) Individual Index Return

Individual Index Return:  $(\text{Closing Level} - \text{Initial Level}) / \text{Initial Level}$

Closing Level: the closing level of the index quoted by the relevant Exchange on a Fixing Date

Initial Level: the closing level of the Index quoted by the relevant on the Deposit Value Date

5 Best Performing Indices: the 5 Indices with the highest Individual Index Return

Bonus Amount: 5% of Principal Amount

If an Early Redemption Event occurs, the Bank will fully redeem the Deposit and pay the Principal Amount and the Bonus Amount. An Early Redemption Event occurs if the Potential Payout Rate is greater than or equal to the Early Redemption Rate as below

Fixing Date	Early Redemption Rate
21 July 2008	2%
21 July 2009	1.5%
21 July 2010	1%
21 June 2011	1%

The Bank will return your full Principal at maturity or (if applicable) upon Early Redemption by the Bank.

## Product Details

Value Date	21 Jul 2006
Maturity Date	4 Jul 2011
Initial Price	100%
Price as at 31 Dec 2010	98.59%
Accumulated Total	6.66%
Coupon (%)	
Next Payout Date	4 Jul 2011

Product Update As at 31 Dec 2010, this product paid you a payout of 6.66% of the principal amount.

The price of this product is affected by many factors including, but not limited to, the prevailing indices.

This Quarterly Update contains a brief description of the product named herein and is not intended in any way to replace the terms of the product as set out in the relevant termsheet. In the event of any inconsistency between the terms in this Quarterly Update and the provisions in the relevant termsheet, the provisions in the relevant termsheet shall prevail. You should therefore refer to the relevant termsheet for the full details, definitions and terms of the product.

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## Underlying Reference:

Index	Bloomberg Ticker	Exchange
Hang Seng Index	HSI Index	Hong Kong Stock Exchange
KOSPI 200 Index	KOSPI2 Index	Korea Stock Index
MSCI Singapore Free Index	SGY Index	Singapore Stock Exchange
MSCI Taiwan Index	TWY Index	Taiwan Stock Exchange
Nikkei-225 Stock Average	NKY Index	Tokyo Stock Exchange
S&P/ASX 200 Index	AS51 Index	Australian Stock Exchange

## Appendix

### Performance of Underlying

#### First Fixing

Index	Bloomberg Ticker	Initial Price	Fixing1	Index Return	Annual Return %	
			21/Jul/08			
Hang Seng Index	HSI Index	16464.1800	22532.9000	36.8601	3.0000	
MSCI Singapore Free Index	SGY Index	281.2500	359.1000	27.6800	3.0000	
Korea KOSPI 200 Index	Kospi2 Index	165.0000	200.0000	21.2121	3.0000	
MSCI Taiwan Index	TWY Index	266.1700	274.7500	3.2235	3.0000	
S&P/ASX 200 Index	AS51 Index	4960.6000	5011.8000	1.0321	3.0000	
Nikkei-225 Stock Average	NKY Index	14821.2600	13184.9600	-11.0402	-11.0402	
					<b>Total Annual Return</b>	3.9598
					<b>Average Annual Return</b>	0.6600
					<b>Potential Payout Rate</b>	0.6600

#### Second Fixing

Index	Bloomberg Ticker	Initial Price	Fixing2	Index Return	Annual Return %	
			21/Jul/09			
Hang Seng Index	HSI Index	16464.1800	19501.7300	18.4494	3.0000	
Korea KOSPI 200 Index	Kospi2 Index	165.0000	193.6200	17.3455	3.0000	
MSCI Singapore Free Index	SGY Index	281.2500	295.6500	5.1200	3.0000	
MSCI Taiwan Index	TWY Index	266.1700	253.6800	-4.6925	3.0000	
S&P/ASX 200 Index	AS51 Index	4960.6000	4050.7000	-18.3425	3.0000	
Nikkei-225 Stock Average	NKY Index	14821.2600	9652.0200	-34.8772	-34.8772	
					<b>Total Annual Return</b>	-19.8772
					<b>Average Annual Return</b>	-3.3129
					<b>Potential Payout Rate</b>	0.0000

### Third Fixing

				Fixing3		
Index	Bloomberg Ticker	Initial Price	21/Jul/10	Index Return	Annual Return %	
Hang Seng Index	HSI Index	16464.1800	227.88	38.10909091	3.0000	
Korea KOSPI 200 Index	Kospi2 Index	165.0000	20,487.23	24.43516774	3.0000	
MSCI Singapore Free Index	SGY Index	281.2500	345.39	22.80533333	3.0000	
MSCI Taiwan Index	TWY Index	266.1700	273.15	2.622384191	3.0000	
S&P/ASX 200 Index	AS51 Index	4960.6000	4,412.70	-11.04503487	3.0000	
Nikkei-225 Stock Average	NKY Index	14821.2600	9,278.83	-37.39513375	-37.39513375	
					<b>Total Annual Return</b>	-22.39513375
					<b>Average Annual Return</b>	-3.7325
					<b>Potential Payout Rate</b>	0.0000