

Investing  
for **Everyone**

# MASTER PROSPECTUS

This Master Prospectus encompasses the following unit trust funds:

TA Growth Fund \*27 June 1996  
TA Comet Fund \*20 September 1999  
TA Islamic Fund \*6 April 2001  
TA Income Fund \*14 March 2002  
TA Small Cap Fund \*22 December 2003  
TA Dana OptiMix \*31 December 2004  
TA Islamic CashPLUS Fund \*2 June 2005  
TA South East Asia Equity Fund \*7 November 2005

TA Global Asset Allocator Fund \*17 May 2006  
TA Asia Pacific Islamic Balanced Fund \*6 October 2006  
TA European Equity Fund \*5 February 2007  
TA Asian Dividend Income Fund \*26 June 2007  
TA Dana Fokus \*19 March 2008  
TA Asia Pacific REITs Income Fund \*21 June 2013  
TA Dana Afif \*8 July 2014  
TA Dana Global \*27 July 2017  
\*Date of Constitution

(Hereinafter collectively referred to as “the Funds”)

This Master Prospectus is dated 22 March 2023

Manager : TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))

Trustees : CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))  
CIMB Islamic Trustee Berhad (Registration Number: 198801000556 (167913-M))  
Maybank Trustees Berhad (Registration Number: 196301000109 (5004-P))  
Universal Trustee (Malaysia) Berhad (Registration Number: 197401000629 (17540-D))

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS MASTER PROSPECTUS.  
IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR MORE INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY  
PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 54.

THIS IS A REPLACEMENT MASTER PROSPECTUS THAT REPLACES AND SUPERSEDES THE MASTER PROSPECTUS DATED  
23 NOVEMBER 2021 AS AMENDED BY THE FIRST SUPPLEMENTARY MASTER PROSPECTUS DATED 25 AUGUST 2022 AND  
THE SECOND SUPPLEMENTARY MASTER PROSPECTUS DATED 30 NOVEMBER 2022 IN RESPECT OF THE FUNDS.

## **RESPONSIBILITY STATEMENTS**

This Master Prospectus has been reviewed and approved by the directors of TA Investment Management Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Master Prospectus false or misleading.

## **STATEMENTS OF DISCLAIMER**

The Securities Commission Malaysia has authorised the Funds and a copy of this Master Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the Funds, and registration of this Master Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the said Funds or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Master Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of TA Investment Management Berhad, the management company responsible for the said Funds and takes no responsibility for the contents in this Master Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Master Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

## **ADDITIONAL STATEMENT**

**THE FUNDS WITH CAPITAL DISTRIBUTION MAY DECLARE DISTRIBUTION OUT OF CAPITAL AND THE CAPITAL OF THE FUNDS WITH CAPITAL DISTRIBUTION MAY BE ERODED. THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.**

This Master Prospectus contains relevant information about the Funds and should be kept for future reference.

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in this Master Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Master Prospectus or the conduct of any other person in relation to the Funds.

While it is the duty of the Manager to ensure the Funds are being correctly valued or priced, the Manager cannot be held liable for any error in prices published in the newspapers and the websites of our distributors for the Funds. Pursuant to the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia, where there is incorrect valuation or pricing of units, the Manager will take immediate remedial action to rectify the error, which extends to reimbursement of money by the Manager to the Funds and/or to the Unit Holders and/or to the former Unit Holders; or by the Funds to the Manager. Rectification need not be extended to any reimbursement where it appears to the Trustees that the incorrect pricing is of minimal significance.

While it is the duty of the Manager to ensure that all comments given to the media is accurate and true at the time the comments were given, misquotation may still occur either by the media or third parties, which is out of the Manager's control. In such situation, TA Investment Management Berhad and its employees hold no responsibility for any claims and liabilities due to the misquotation by the media and/or third parties, and are under no obligation to fulfil any expectation or demand in relation to the misquoted statements.

The distribution of this Master Prospectus and offering, purchase, sale or transfer of units of the Funds in certain jurisdictions may be restricted by law. In these jurisdictions, other than Malaysia, the Manager has not applied to allow distribution of this Master Prospectus or units of the Funds. Therefore, this Master Prospectus does not constitute an offer or invitation to purchase units of the Funds in any jurisdiction in which such offer or invitation would be unlawful.

Investors should be aware that for investments of our Funds made via any of our IUTA, where applicable, any investment transactions are subject to the terms and conditions of the IUTA.

TA Islamic Fund, TA Dana OptiMix, TA Islamic CashPLUS Fund, TA Asia Pacific Islamic Balanced Fund, TA Dana Fokus, TA Dana Afif and TA Dana Global have been certified as Shariah-compliant by the Shariah advisers appointed for the Funds.

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# 1. GLOSSARY

In this Master Prospectus, the following words or abbreviations shall have the following meaning unless otherwise stated:

<b>ADRs</b>	American depository receipts. A negotiable certificate issued by a US bank representing a specified number of shares (or one share) in a foreign stock that is traded on a US exchange. ADRs are denominated in USD, with the underlying security held by a US financial institution overseas. ADRs help to reduce administration and duty costs that would otherwise be levied on each transaction.
<b>Auditor</b>	Has the same meaning as is assigned to that word in the Act.
<b>Baitulmal</b>	Refers to the treasury of a State Islamic Religious Council.
<b>Bank / Counterparty</b>	A financial institution that will enter into Islamic Derivative transaction with TADG.
<b>BIMB Securities Sdn Bhd</b>	The Shariah adviser for TAIF, TADO, TAICP, TAIB, TADF and TADA.
<b>Bursa Malaysia</b>	The stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
<b>Business Day</b>	A day on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain business days to be a non-Business Day although Bursa Malaysia or the banks are open for business. <i>Note: For Feeder Fund, we may declare certain business days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the management company of the Target Fund declares a non-dealing day.</i>
<b>Cash Produce</b>	All cash receivable by the Trustee in the form of dividends, bonuses and interests/profits, fees and other charges charged by the Fund, any profit from the sale of the assets of the Fund, and any other sum having the nature of income which the Manager and Trustee deem to be Cash Produce.
<b>CCTB</b>	CIMB Commerce Trustee Berhad.
<b>China A-Shares</b>	In relation to the Target Fund, means the Shares in mainland China based companies that trade on Chinese stock exchanges.
<b>CITB</b>	CIMB Islamic Trustee Berhad.
<b>Class(es)</b>	Any class of units representing similar interest in the assets of the Fund.
<b>Class A and Class B</b>	In relation to TAICP, the Class(es) issued by the Fund denominated in MYR and differentiated by features such as transaction amount, transaction methods and/or distribution policy.
<b>CMSA or the Act</b>	Capital Markets and Services Act 2007.
<b>Commodity Murabahah</b>	A commodity Murabahah consists of two sale and purchase contracts. The first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash and spot basis.
<b>Commodity Murabahah Transactions</b>	A series of multiple commodity Murabahah transactions between the Fund and its Counterparty which will be entered into and executed from time to time in respect of the sale of the commodity by executing the sale agreements with the Counterparty.
<b>Deed</b>	The deeds including any supplemental deeds made between TAIM, the Trustees and the Unit Holders of the Funds, agreeing to be bound by the provisions of the respective deeds.
<b>deposits</b>	Refer to current deposits and/or fixed deposits.
<b>Eligible Market</b>	An exchange, government securities market or an OTC market- (a) that is regulated by a regulatory authority of that jurisdiction; (b) that is open to the public or to a substantial number of market participants; and (c) on which financial instruments are regularly traded.
<b>EPF</b>	Employees' Provident Fund.
<b>EPF Members Investment Scheme/EPF-MIS</b>	Facility that allows the EPF members who have excess amount of basic savings in Account 1 at the predetermined age levels to invest in the approved unit trust funds. This facility is subject to rules and regulations of EPF.
<b>ETF</b>	Exchange-traded fund.
<b>EU</b>	The European Union.
<b>External Investment Manager</b>	Lion Global Investors and/or OpusAM.
<b>FBMKLCI</b>	FTSE Bursa Malaysia KLCI Index.
<b>Feeder Fund</b>	A unit trust fund that invests nearly all of its assets in a single collective investment scheme.
<b>financial institution</b>	(a) if the institution is in Malaysia:

	<ul style="list-style-type: none"> <li>(i) licensed bank;</li> <li>(ii) licensed investment bank; or</li> <li>(iii) licensed Islamic bank; or</li> </ul>
	(b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
<b>Fund(s)</b>	TA Growth Fund, TA Comet Fund, TA Islamic Fund, TA Income Fund, TA Small Cap Fund, TA Dana OptiMix, TA Islamic CashPLUS Fund, TA South East Asia Equity Fund, TA Global Asset Allocator Fund, TA Asia Pacific Islamic Balanced Fund, TA European Equity Fund, TA Asian Dividend Income Fund, TA Dana Fokus, TA Asia Pacific REITs Income Fund, TA Dana Afif and TA Dana Global referred to individually as “the Fund” and collectively as “the Funds”.
<b>Fund-of-Funds</b>	A unit trust fund that invests all its assets in other collective investment schemes.
<b>Funds with Capital Distribution</b>	TA Growth Fund, TA Comet Fund, TA Islamic Fund, TA Income Fund, TA Dana OptiMix, TA South East Asia Equity Fund, TA Asia Pacific Islamic Balanced Fund, TA European Equity Fund, TA Asian Dividend Income Fund, TA Dana Fokus, TA Asia Pacific REITs Income Fund and TA Dana Global.
<b>GDRs</b>	Global depository receipts. A bank certificate issued in more than one country for shares in a foreign company. The shares are held by a foreign branch of an international bank. The shares trade as domestic shares, but are offered for sale globally through the various bank branches.
<b>Guidelines</b>	The Guidelines on Unit Trust Funds issued by the SC as may be amended from time to time.
<b>investment committee</b>	Investment committee of TAIM.
<b>ISDA/IIFM Tahawwut Master Agreement</b>	The ISDA/IIFM Tahawwut master agreement is a framework agreement which sets out terms upon which the parties can subsequently enter into risk management arrangements. After the parties have entered into the Tahawwut master agreement, they may subsequently enter into further arrangements which will be subject to and governed by the Tahawwut master agreement with the TADG.
<b>Islamic deposits</b>	<p>Sum of money accepted or paid in accordance with Shariah:-</p> <ul style="list-style-type: none"> <li>(a) on terms under which it will be repaid in full, with or without any gains, return or any other consideration in money or money's worth, either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and person accepting it; or</li> <li>(b) under an agreement, on terms whereby the proceeds under arrangement to be paid to the person paying the sum of money shall not be less than such sum of money, but excludes money paid <i>bona fide</i> - <ul style="list-style-type: none"> <li>(a) by way of an advance or a part payment under a contract for the sale, hire or other provision of property or services, and is repayable only in the event that the property or services are not in fact sold, hired or otherwise provided;</li> <li>(b) by way of security for the performance of a contract or by way of security in respect of any loss which may result from the non-performance of a contract;</li> <li>(c) without limiting paragraph (ii), by way of security for the delivery up or return of any property, whether in a particular state of repair or otherwise; and</li> <li>(d) in such other circumstances, or to or by such other person, as set out in schedule 2 of the Islamic Financial Services Act 2013.</li> </ul> </li> </ul>
<b>Islamic Derivative</b>	A transaction where the Fund may enter into with a Bank/Counterparty from time to time, which includes but not limited to the derivative transactions such as Islamic Profit Rate Swap or Islamic Total Return Swap based on the Shariah principle of Commodity Murabahah or Commodity Musawamah (where applicable) in accordance with the relevant term sheet and/or trade confirmation entered or to be entered into between the Bank and the Fund, and subject to, the ISDA/IIFM Tahawwut Master Agreement, as amended and supplemented from time to time.
<b>Islamic money market instruments</b>	Means financial instruments with liquidity and near term maturity, issued under the Shariah principles, that are tradeable, such as Islamic commercial papers, banker's acceptance and Islamic negotiable certificate of deposit.
<b>IUTA</b>	A corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
<b>Last Practicable Date</b>	15 January 2023.
<b>licensed bank</b>	Has the same meaning as given under the Financial Services Act 2013.
<b>licensed investment bank</b>	Has the same meaning as given under the Financial Services Act 2013.
<b>licensed Islamic bank</b>	Has the meaning assigned to it in the Islamic Financial Services Act 2013.
<b>Lion Global Investors</b>	Lion Global Investors Limited.
<b>Liquid Asset</b>	<p>Means</p> <ul style="list-style-type: none"> <li>• money market instruments that are dealt in or under the rules of an Eligible Market and whose residual maturity does not exceed 12 months; or</li> <li>• placement in short-term deposits.</li> </ul>

<b>long-term or longer term</b>	Typically, a period of five (5) years and above.
<b>MARC</b>	Malaysian Rating Corporation Berhad.
<b>Master Prospectus</b>	The prospectus in relation to the Funds as may be amended by the supplementary prospectus or replacement prospectus from time to time.
<b>medium-term</b>	Typically, a period between three (3) to five (5) years.
<b>medium to long-term</b>	Investment horizon of minimum three (3) years.
<b>Member State(s)</b>	In relation to the Target Fund, means a member state of the EU.
<b>Moody's</b>	Moody's Investors Service, Inc.
<b>MSCI</b>	Morgan Stanley Capital International.
<b>MTB</b>	Maybank Trustees Berhad.
<b>NAV</b>	Net Asset Value.
<b>NAV of the Fund</b>	The value of all the Fund's assets less the value of all the Fund's liabilities at a valuation point.
<b>NAV per Unit</b>	The NAV of the Fund/Class divided by the number of Units in circulation of the Fund/Class at the same valuation point.
<b>OpusAM</b>	Opus Asset Management Sdn Bhd.
<b>OECD</b>	In relation to the Target Fund, means Organisation for Economic Co-operation and Development.
<b>OTC/over-the-counter</b>	OTC trades refer to the trading of financial instruments directly between two parties without going through the securities exchange. OTC trades are negotiable and both parties agree upon the particular of the trade prior to settlement in the future.
<b>Other State</b>	In relation to the Target Fund, means any state of Europe which is not a Member State or a member state of the OECD and all other countries of Europe (excluding the Russian Federation), North America, South America, Africa, Asia and Australia and Oceania.
<b>Quarterly Observation Date</b>	A date occurring every three months after the initial trade date of the Islamic Derivative.
<b>RAM</b>	RAM Rating Services Berhad.
<b>Reinvestment Date</b>	The distribution reinvestment date shall be within three (3) Business Day after the date of the declaration of any distribution.
<b>Regulated Market(s)</b>	In relation to the Target Fund, it has the meaning as defined in the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended.
<b>Repurchase Charge</b>	A fee imposed when investor sells Unit of the Fund. All Repurchase Charge will be retained by the Fund.
<b>REITs</b>	Real Estate Investment Trusts.
<b>RM/MYR and sen</b>	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia.
<b>SACSC</b>	Shariah Advisory Council of the Securities Commission Malaysia.
<b>Sales Charge</b>	A fee imposed when investor purchases Unit of the Fund.
<b>S&amp;P</b>	Standard & Poor's Ratings Service.
<b>SC or Securities Commission Malaysia</b>	The Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
<b>Shariah</b>	Means Islamic law comprising the whole body of rulings pertaining to human conducts derived from sources of the Shariah namely the Qur'an (the holy book of Islam) and Sunnah (practices and explanations rendered by the Prophet Muhammad (pbuh)) and other sources of Shariah such as Ijtihad (exertion of individual efforts to determine the true ruling of the divine law on matters whose revelations are not explicit) of Shariah scholars.
<b>Shariah Advisers</b>	Refers to BIMB Securities Sdn Bhd, Amanie Advisors Sdn. Bhd. or any Shariah adviser appointed for the Fund which includes its permitted assigns, successors in title and any new or replacement Shariah adviser. "Shariah Adviser" means any one of them.
<b>Shariah Supervisory Boards</b>	Refers to independent supervisory or advisory bodies of specialised jurists in <i>Fiqh al-mua'malat</i> (Islamic commercial jurisprudence).
<b>Shariah requirements</b>	Means the rulings, guidelines and resolutions made by the SACSC or the advice given by the Shariah Advisers.
<b>Share(s)</b>	A share of the Target Fund.
<b>Shareholder</b>	In relation to the Target Fund, means a registered holder of Shares.
<b>Special Resolution</b>	A resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths (3/4) of the Unit Holders present

	and voting at the meeting in person or by proxy” means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, “Special Resolution” means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders in the Fund or in the Class, as the case may be, present and voting at the meeting in person or by proxy.
<b>Stock Connect Programs</b>	In relation to the Target Fund, means the Shanghai Stock Connect and the Shenzhen Stock Connect.  The Stock Connect Programs comprises the Northbound link, through which the Janus Henderson Horizon Fund - Asian Dividend Income Fund (“Target Fund”) may purchase and hold China A-Shares, and the Southbound link, through which investors of the Target Fund in Mainland China may purchase and hold shares listed on the Hong Kong Exchanges and Clearing (“HKEx”). The Janus Henderson Horizon Fund will trade through the Northbound link.
<b>sukuk</b>	Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SACSC or any relevant Shariah Supervisory Boards and/or the Shariah Advisers.
<b>TACF</b>	TA Comet Fund.
<b>TADF</b>	TA Dana Fokus.
<b>TADG</b>	TA Dana Global.
<b>TADIF</b>	TA Asian Dividend Income Fund.
<b>TADA</b>	TA Dana Afif.
<b>TADO</b>	TA Dana OptiMix.
<b>TAE</b>	TA Enterprise Berhad.
<b>TAEURO</b>	TA European Equity Fund.
<b>TAGAAF</b>	TA Global Asset Allocator Fund.
<b>TAGF</b>	TA Growth Fund.
<b>TAIB</b>	TA Asia Pacific Islamic Balanced Fund.
<b>TAICP</b>	TA Islamic CashPLUS Fund.
<b>TAIF</b>	TA Islamic Fund.
<b>TAREITs</b>	TA Asia Pacific REITs Income Fund.
<b>Target Fund</b>	The collective investment scheme in which a Feeder Fund invests in.
<b>TASEA</b>	TA South East Asia Equity Fund.
<b>TASF</b>	TA Small Cap Fund.
<b>TASH</b>	TA Securities Holdings Berhad.
<b>TIF</b>	TA Income Fund.
<b>Trustees</b>	CCTB, CITB, MTB and/or UTMB and “Trustee” means any one of them.
<b>Underlying Asset</b>	An equity related asset which may comprise of collective investment scheme, index or any types of assets determined by us when we deem appropriate.
<b>Unit Holder(s) / investor(s) / you</b>	A person for the time being who is registered pursuant to the Deeds as a holder of Units of the Funds, including persons jointly so registered.
<b>Unit or Units</b>	An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund.
<b>Units in circulation</b>	A Unit created and fully paid for and which has not been cancelled.
<b>US</b>	The United States of America.
<b>USD</b>	United States Dollar, the official currency of US.
<b>UTMB</b>	Universal Trustee (Malaysia) Berhad.
<b>Valuation Day</b>	A Business Day on which the price of the Fund is calculated.
<b>We / our / us / the Manager / TAIM</b>	TA Investment Management Berhad (Registration Number: 199501011387(340588-T)).



## 2. CORPORATE DIRECTORY

<b>MANAGER:</b> <b>TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))</b>	<b>Head Office / Business Address</b>  23 <sup>rd</sup> Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2031 6603 Fax: 03-2031 4479 Toll Free: 1-800-38-7147 Email Address: <a href="mailto:investor.taim@ta.com.my">investor.taim@ta.com.my</a> Website: <a href="http://www.tainvest.com.my">www.tainvest.com.my</a>	<b>Miri Business Centre</b>  Lot 1251, 1 <sup>st</sup> Floor Centrepoint Commercial Centre (Phase 1) Jalan Melayu, 98000 Miri, Sarawak Tel: 085-430 415
<b>Registered Office</b>  34 <sup>th</sup> Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2072 1277	<b>Kota Kinabalu Business Centre</b>  Unit 4-1-02, 1 <sup>st</sup> Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023 Fax: 088-248 463	<b>Kuching Business Centre</b>  2 <sup>nd</sup> Floor, Lot 13008, SL26, Block 16, KCLD Gala City Commercial Centre Jalan Tun Jugah 93350 Kuching, Sarawak Tel: 082-265 979
<b>Melaka Business Centre</b>  57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-288 2687	<b>Ipoh Business Centre</b>  29A, Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh Perak Tel: 05-350 0399	<b>Penang Business Centre</b>  15-1-8 Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801 Fax: 04-611 9805
<b>Shariah Adviser (for TAIF, TADO, TAICP, TAIB, TADF and TADA)</b>  <b>BIMB Securities Sdn Bhd (Registration Number: 199401004484 (290163-X))</b> Registered Address: 32 <sup>nd</sup> Floor, Menara Bank Islam No. 22 Jalan Perak 50450 Kuala Lumpur  Business Address: Level 32, Menara Multi Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur  Tel: 03-2613 1600 Fax: 03-2613 1799 Website: <a href="http://www.bimbsec.com.my">www.bimbsec.com.my</a> Email Address: <a href="mailto:shariah@bimbsec.com.my">shariah@bimbsec.com.my</a>		<b>Shariah Adviser (for TADG)</b>  <b>Amanie Advisors Sdn. Bhd. (Registration Number: 200501007003 (684050-H))</b> Registered Address: Unit 11-3A, 3 <sup>rd</sup> Mile Square No. 151, Jalan Klang Lama Batu 3 ½ 58100 Kuala Lumpur  Business Address: Level 13A-2 Menara Tokio Marine Life 189, Jalan Tun Razak 50450 Kuala Lumpur Malaysia  Tel: 03-2161 0260 Fax: 03-2161 0262 Website: <a href="http://www.amanieadvisors.com">www.amanieadvisors.com</a> Email Address: <a href="mailto:info@amanieadvisors.com">info@amanieadvisors.com</a>
		<b>Johor Bahru Business Centre</b>  37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611781

#### TRUSTEES:

**CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))**

Registered Address:  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Tel: 03-2261 8888 Fax: 03-2261 0099

Business Address:  
Level 21, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Tel: 03-2261 8888 Fax: 03-2261 9894  
Email Address: [ss.corptrust@cimb.com](mailto:ss.corptrust@cimb.com)  
Website: [www.cimb.com](http://www.cimb.com)

**Universal Trustee (Malaysia) Berhad (Registration Number: 197401000629 (17540 D))**

Registered Address:  
Lot 5, Level 10  
Menara Great Eastern 2  
No. 50, Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2031 1988 Fax: 03-2031 9788

Business Address:  
No.1 Jalan Ampang (3<sup>rd</sup> Floor)  
50450 Kuala Lumpur  
Tel: 03-2070 8050 Fax: 03-2031 8715  
Email Address: [info@utmb.com.my](mailto:info@utmb.com.my)  
Website: [www.universaltrustee.com.my](http://www.universaltrustee.com.my)

**Maybank Trustees Berhad (Registration Number: 196301000109 (5004-P))**

Registered and Business Address:  
8<sup>th</sup> Floor, Menara Maybank  
100 Jalan Tun Perak  
50050 Kuala Lumpur  
Tel: 03-2074 8580 / 8952 Fax: 03-2070 9387  
Email Address: [mtb@maybank.com.my](mailto:mtb@maybank.com.my)  
Website: [www.maybank2u.com.my](http://www.maybank2u.com.my)

**CIMB Islamic Trustee Berhad (Registration Number: 198801000556 (167913-M))**

Registered Address:  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Tel: 03-2261 8888 Fax: 03-2261 0099

Business Address:  
Level 21, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Tel: 03-2261 8888 Fax: 03-2261 9894  
Email Address: [ss.corptrust@cimb.com](mailto:ss.corptrust@cimb.com)  
Website: [www.cimb.com](http://www.cimb.com)

## 3. DETAILED INFORMATION ON THE FUNDS

### 3.1 TA GROWTH FUND

TA Growth Fund (TAGF) is the first unit trust fund launched by TAIM to help investors participate in the buoyant economy and in the growth of the capital market.

#### Category of Fund

Equity

#### Investment Objective

The Fund aims to achieve steady income and capital growth over the medium to long-term period, for its Unit Holders, by investing in the strong economic growth of the country. Investing in the strong economic growth means buying into quality companies listed in the Bursa Malaysia which benefits from healthy business environment and higher business confidence, higher consumer spending and stable government policies. A strong economy will yield a stock market with higher valuations and vice versa.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

#### Investment Policy, Strategy and Asset Allocation

The Fund's investment strategy focuses on maintaining an optimal mix of investments with regular income and capital growth potential within an acceptable level of risk. Accordingly, the Fund will invest in four principal asset classes comprising a combination of equities, fixed income securities, derivatives (for hedging purposes) and liquid assets in varying proportion.

On average, the Fund will invest 70%-95% of its NAV in equities and the balance will be held as liquid assets. The Fund may invest up to 30% of its NAV in foreign securities. The investment manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other conditions. The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

The Manager reserves the right to take defensive position by holding liquid assets and investing in money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### Distribution Policy

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide steady income to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### Performance Benchmark

The benchmark for the Fund is the FTSE Bursa Malaysia Top 100 Index (FBM Top 100).

Information on the benchmark of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Securities of Malaysian companies listed on the Bursa Malaysia;
- (b) Units of REITs listed on the Bursa Malaysia;
- (c) Securities listed on a foreign stock exchange;
- (d) Unlisted securities that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing, by way of private placement or on a tender basis subject to the conditions provided in the Guidelines;
- (e) Malaysian Government Securities, Treasury Bills, Bank Negara Malaysia Certificates and Government Investment Certificates;
- (f) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificates of Deposit and placement of money at call with financial institutions;
- (g) Cagamas Bonds, Banker's Acceptances, unlisted loan stocks and corporate bonds that are traded in the money market and either bank guaranteed or carrying at least BBB rating by RAM and corporate bonds that have an equivalent rating by RAM;
- (h) Other collective investment schemes subject to the conditions provided in the Guidelines;
- (i) Any futures contract traded in a futures market of an exchange company approved, or an exempt futures market declared, by the Minister under the CMSA;
- (j) Lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC; and
- (k) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

## **3.2 TA COMET FUND**

TA Comet Fund (TACF) reflects our conviction that there is always an opportunity to purchase good value stocks at low prices given market inefficiencies arising from existing economic model. The Fund will invest primarily in low-priced securities listed on the Bursa Malaysia which are priced substantially below their net worth.

### **Category of Fund**

Equity

### **Investment Objective**

The Fund aims to provide a channel for investors to invest in low-priced securities offering good value with great upside potential with a view of diversifying towards medium-priced securities and blue chips as the market moves higher over the medium to long-term.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

### **Investment Policy, Strategy and Asset Allocation**

For TACF, the investment will focus on securities of companies with strong potential growth, low in prices and may present greater opportunities for capital appreciation. Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

Typically, the Fund will invest 70% to 95% of its NAV in equities most of the time with the cash portion making up the balance of the portfolio. The Fund may invest up to 30% of the Fund's NAV in foreign securities. The equity portion of the portfolio will consist of a combination between low-priced securities, medium-priced securities and blue chips.

The actual asset allocation shall be determined by the investment committee with the recommendation by the investment manager having taken into consideration the market conditions. The investment manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other conditions. The Manager reserves the right to take defensive position by holding liquid assets and investing in money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

### **Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide liquidity and consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

The benchmark for the Fund is the FTSE Bursa Malaysia Emas Index (FBM EMAS).

Information on the benchmark of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Securities of Malaysian companies listed on the Bursa Malaysia;
- (b) Units of REITs listed on the Bursa Malaysia;
- (c) Securities listed on a foreign stock exchange;
- (d) Unlisted securities that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing, by way of private placement or on a tender basis subject to the conditions provided in the Guidelines;
- (e) Malaysian Government Securities, Treasury Bills, Bank Negara Malaysia Certificates and Government Investment Certificates;
- (f) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificates of Deposits and placement of money at call with financial institutions;
- (g) Cagamas Bonds, Banker's Acceptances, unlisted loan stocks and corporate bonds that traded in the money market and either bank guaranteed or carrying at least BBB rating by RAM and corporate bonds that have an equivalent rating by RAM;
- (h) Other collective investment schemes subject to the conditions provided in the Guidelines;
- (i) Any futures contracts traded in a futures market of an exchange company approved, or an exempt futures market declared, by the Minister under the CMSA;
- (j) Lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC; and
- (k) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

## **3.3 TA ISLAMIC FUND**

TA Islamic Fund (TAIF) is a form of investment which provides a simple way to invest in Shariah-compliant securities and other approved investments that meet Shariah requirements.

### **Category of Fund**

Equity (Shariah-compliant)

### **Investment Objective**

The Fund aims to achieve steady capital growth over the medium to long-term period by investing in a portfolio of authorised investments which conforms strictly to Shariah principles.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

**Investment Policy, Strategy and Asset Allocation**

TAIF's strategy is to focus on companies that are undervalued but offer good growth potential. It also serves to satisfy the needs of those who appreciate investments that comply with Shariah requirements. The selection of such Shariah-compliant securities shall subscribe to the list of Shariah-compliant securities by the SACSC, the relevant Islamic indices for foreign Shariah-compliant securities and/or as approved by the Shariah Adviser.

Primarily, TAIF is reflective of our conventional growth funds with an added value that complies with Shariah requirements. Investments in sukuk and Islamic futures contracts (for hedging purposes) are on the condition that the dealings comply with Shariah requirements. Placements under the Mudharabah mechanism and investments in other Islamic collective investment schemes will always observe Shariah requirements while maintaining a focus on the relevant objectives of TAIF.

Depending on the market condition, the Fund will invest 70% to 95% of its NAV in Shariah-compliant securities with the balance in sukuk and Islamic liquid assets. The Fund may invest up to 30% of the Fund's NAV in foreign Shariah-compliant securities. The investment manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other conditions. The Manager reserves the right to take defensive position by holding Islamic liquid assets and investing in Islamic money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

**Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide a consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

**Performance Benchmark**

The benchmark for the Fund is the FTSE Bursa Malaysia EMAS Shariah Index (FBM EMAS Shariah).

Information on the benchmark of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

**Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Shariah-compliant securities of Malaysian companies listed on the Bursa Malaysia, which are approved by the SACSC and/or the Shariah Adviser;
- (b) Units of Islamic REITs listed on the Bursa Malaysia;
- (c) Unlisted Shariah-compliant securities that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing, by way of private placement or on a tender basis;
- (d) Malaysian Government Sukuk, Islamic Treasury Bills, Bank Negara Malaysia Monetary Notes-i and Government Investment Issues;
- (e) Malaysian currency balances in hand, Islamic deposits (Malaysian currency) including Islamic Investment Certificates and placement of money at call with Islamic financial institutions;
- (f) Shariah-compliant securities listed on a foreign stock exchange;

- (g) Islamic Accepted Bills, Cagamas Sukuk and sukuk either bank guaranteed or carrying at least BBB rating by RAM or MARC and sukuk that have equivalent rating by RAM or MARC;
- (h) Other Islamic collective investment schemes subject to conditions provided in the Guidelines;
- (i) Any Islamic futures contracts traded in a futures market of an exchange approved, or an exempt futures market declared, by the Minister under the CMSA;
- (j) Lending of Shariah-compliant securities within the meaning of the Securities Borrowing and Lending Guidelines and Islamic Securities Selling and Buying – Negotiated Transactions framework; and
- (k) Any other form of investment as may be permitted by the SACSC and/or the Shariah Adviser and in accordance with Shariah requirements from time to time.

To ensure compliance with Shariah requirements, the Fund shall not invest in companies whose principal activities involve gaming, alcoholic beverages, conventional banking, conventional insurance and financial services, non-halal food production and processing, interest bearing instruments or other activities as determined by the SACSC and/or the Shariah Adviser from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

### 3.4 TA INCOME FUND

TA Income Fund (TIF) has the flexibility of exposure in both equity and fixed-income market.

#### Category of Fund

Balanced

#### Investment Objective

The Fund aims to provide investors with an alternative longer term investment that provides a steady stream of fixed-income and potential capital gains from investment in bonds, money market instruments and equities.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

#### Investment Policy, Strategy and Asset Allocation

The investment strategy of TIF is to create a prudent mix in its portfolio which is in accordance with its objective and the investment managers' assessment of investment prospects in line with the underlying interest rates outlook. The bulk of the Fund is invested in high yielding corporate bonds which offer better returns than interest income from fixed deposits.

Typically, TIF will invest 40% of the Fund's NAV or more in bonds, money market instruments and deposits and a maximum of 60% of the Fund's NAV in stocks. The Fund may invest up to 30% of the Fund's NAV in foreign securities. The actual allocation of the equity, bonds, money market instruments and deposits will vary according to the economic and market conditions. The Manager reserves the right to take defensive position by holding liquid assets and investing in money market instruments in attempting to respond to adverse market conditions, economic, political or any other conditions. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### Distribution Policy

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide steady income and consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### **Performance Benchmark**

The benchmark for the Fund is a composite benchmark comprising 60% FTSE Bursa Malaysia KLCI (FBM KLCI) and 40% Maybank 12-month fixed deposit. The composite benchmark is a reflection of the Fund's asset allocation of 60% of the Fund's NAV in equities and 40% of the Fund's NAV in bonds, money market instruments and deposits.

Information on the benchmarks of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

#### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Securities of Malaysian companies listed on the Bursa Malaysia;
- (b) Units of REITs listed on the Bursa Malaysia;
- (c) Securities listed on a foreign stock exchange;
- (d) Unlisted securities that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing by way of private placement on a tender basis;
- (e) Cagamas bonds, Banker's Acceptance, unlisted loan stocks and corporate bonds that are traded in the money market and either bank guaranteed or carrying at least BBB rating by RAM or any other rating as may be specified in this Master Prospectus and corporate bonds that have an equivalent rating by RAM or other recognised rating agencies;
- (f) Malaysian Government Securities, Treasury Bills, Bank Negara Malaysia Certificates and Government Investment Certificates;
- (g) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificate of Deposits and placement of money at call with financial institutions;
- (h) Other collective investment schemes subject to conditions provided in the Guidelines;
- (i) Any futures contract traded in a futures market of an exchange approved or an exempt futures market declared, by the Minister under the CMSA;
- (j) Lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC; and
- (k) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

### **3.5 TA SMALL CAP FUND**

TA Small Cap Fund (TASF) offers investors an opportunity to tap into the underlying latent value of small capitalisation companies.

#### **Category of Fund**

Equity

#### **Investment Objective**

The Fund aims to achieve higher capital appreciation by investing in instruments which have the potential of substantial value appreciation over the medium to long-term period.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

#### **Investment Policy, Strategy and Asset Allocation**

TASF emphasises on the accumulation of small cap stocks with steady profit and/or promising high earnings growth prospects in the longer-term horizon. Such stocks are likely to be found in business sectors that focus on high value-added manufacturing and infrastructural development, modern telecommunications, utilities, consumer products, the services and information/technologies sectors.

The Fund will invest in stocks listed in the benchmark of the Fund; stocks with a market capitalisation of up to Ringgit Malaysia One Thousand Five Hundred Million (RM1,500 million) each at the point of investment; and/or in the case of foreign markets, stocks with a market capitalisation in the bottom third ranking of all equity stocks listed in a particular foreign stock exchange.

Depending on the investment condition, the equity exposure will range from 70% to 95% of the Fund's NAV with the balance in fixed income instruments and liquid assets. The Fund may invest up to 30% of the Fund's NAV in foreign securities. The investment manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other



conditions. The Manager reserves the right to take defensive position by holding liquid assets and investing in money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment manager proposes to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### **Distribution Policy**

Annual/interim distribution (if any).

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### **Performance Benchmark**

The benchmark for the Fund is the FTSE Bursa Malaysia Small Cap Index (FBM Small Cap).

Information on the benchmark of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

#### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) All stocks listed in the benchmark of the Fund;
- (b) All stocks with a market capitalisation of up to Ringgit Malaysia One Thousand Five Hundred Million (RM1,500 million) each at the point of investment;
- (c) Foreign stocks with a market capitalisation in the bottom third ranking of all equity stocks listed in a particular foreign stock exchange;
- (d) Derivatives products offered by the Bursa Malaysia Derivatives Berhad;
- (e) Securities of companies listed on the Bursa Malaysia;
- (f) Unlisted securities that have been approved by the relevant authorities for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing, by way of private placement or on a tender basis;
- (g) Malaysian Government Securities and Government Investment Certificates;
- (h) Malaysian currency balances in hand, Malaysian currency deposits including Investment Certificates, and placement of money at call with any financial institutions;
- (i) Malaysian Treasury Bills, Cagamas Bonds, corporate bonds carrying at least BBB rating by RAM or MARC;
- (j) Futures contracts subject to the conditions prescribed by the relevant laws;
- (k) Listed and unlisted collective investment schemes; and
- (l) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

### **3.6 TA DANA OPTIMIX**

TA Dana OptiMix (TADO) has the flexibility of investing in various classes of asset such as Shariah-compliant equity, sukuk and Islamic deposits.

#### **Category of Fund**

Mixed Asset (Islamic)

#### **Investment Objective**

The Fund aims to achieve steady capital gains with consistent income over the medium to long-term by investing in a diversified mix of Shariah-compliant instruments.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

### **Investment Policy, Strategy and Asset Allocation**

Typically, the portfolio has the flexibility of changing its asset allocation strategy depending on investment market condition. During a very positive equity market outlook, the typical asset allocation for Shariah-compliant equity to sukuk/Islamic deposits would be up to 95:5. In a prolonged bear equity market, however, the asset allocation for sukuk/Islamic deposits to Shariah-compliant equity would be up to 90:10. The Fund may invest up to 30% of its NAV in foreign Shariah-compliant securities.

The Fund will select Shariah-compliant securities with potentially good capital growth and dividend income over the medium to long-term. The selection of such Shariah-compliant securities shall be based on the list of Shariah-compliant securities by the SACSC, the relevant Islamic indices for foreign Shariah-compliant securities and/or as approved by the Shariah Adviser. Investments in unlisted Shariah-compliant securities and Islamic futures contracts (for hedging purposes) are on the condition that the dealings are acceptable under the Shariah requirements. Placements under the Mudharabah mechanism and investments in other Islamic collective investment schemes will always observe Shariah requirements while maintaining a focus on the relevant objectives of the Fund. In the case of sukuk, selection will depend largely on credit quality to assure relative certainty in profit income and principal payment and overall total return stability.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

### **Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide a consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

The benchmarks for the Fund are the FTSE Bursa Malaysia EMAS Shariah Index (FBM EMAS Shariah) and Maybank 12-month General Investment Account (GIA) rate. The FBM EMAS Shariah is used when the portfolio of the Fund consists of 90% or more of Shariah-compliant equities while the Maybank 12-month GIA rate is used when the Fund consists of 90% or more of sukuk/Islamic deposits. Both benchmarks will be used (50:50) when the portfolio of the Fund consists of a balanced mixed asset of Shariah-compliant equities and sukuk/Islamic deposits.

Information on the benchmarks of the Fund can be obtained from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Shariah-compliant securities of Malaysian companies listed on the Bursa Malaysia which are approved by the SACSC and/or the Shariah Adviser;
- (b) Units of Islamic REITs listed on the Bursa Malaysia;
- (c) Shariah-compliant securities listed on a foreign stock exchange;
- (d) Unlisted Shariah-compliant securities that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing, by way of private placement or on a tender basis;
- (e) Islamic Treasury Bills, Bank Negara Malaysia Monetary Notes-i and any Government Investment Issues;
- (f) Malaysian currency balances in hand, Islamic deposits (Malaysian currency) including Islamic Negotiable Instruments and placement of money at call with Islamic financial institutions;

- (g) Islamic Accepted Bills, Cagamas Sukuk and sukuk that traded in the money market and either bank guaranteed or carrying at least BBB rating by the RAM and sukuk that have equivalent rating by RAM;
- (h) Other Islamic collective investment schemes subject to the conditions provided in the Guidelines;
- (i) Any Islamic futures contracts traded in a futures market of an exchange approved, or an exempt futures market declared, by the Minister under the CMSA;
- (j) Lending of Shariah-compliant securities within the meaning of the Securities Borrowing and Lending Guidelines and Islamic Securities Selling and Buying – Negotiated Transactions framework; and
- (k) Any other form of investment as may be permitted by the SACSC and/or the Shariah Adviser and in accordance with Shariah requirements from time to time.

To ensure compliance with Shariah requirements, the Fund shall not invest in companies whose principal activities involve gaming, alcoholic beverages, conventional banking, conventional insurance and financial services, non-halal food production and processing, interest bearing instruments or other activities as determined by the SACSC and/or the Shariah Adviser from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

### 3.7 TA ISLAMIC CASHPLUS FUND

**Investment in the Fund is not the same as placement in an Islamic deposit with a financial institution. There are risks involved and investors should rely on their own evaluation to assess the merits and risks when investing in the Fund.**

#### Category of Fund

Money Market (Islamic)

#### Classes of Units

- Class A
- Class B

#### Investment Objective

The Fund aims to provide investors with an avenue to invest in low risk instruments that provide reasonable returns and high level of liquidity which comply with Shariah requirements and as approved by the SACSC and/or the Shariah Adviser.

Any changes to the investment objective of the Fund would require Unit Holders' approval.

#### Investment Policy, Strategy and Asset Allocation

The Fund may invest 90% to 100% of its NAV in a diversified portfolio which comprises of short-term Islamic money market instruments which have a remaining term of maturity of up to 397 days, Islamic deposits and/or short-term sukuk which have the remaining maturity period of not more than 2 years if it is issued by, or the issue is guaranteed by, either a government, government agency, central bank or supranational. The Fund may also invest up to 10% of its NAV in high quality sukuk with longer remaining maturity period, which is more than 397 days but does not exceed 732 days and/or other Islamic money market collective investment schemes.

The Fund will follow a stringent selection process to ensure quality instruments be invested in accordance with the investment objective. In essence, the selection process involves a screening process that shortlists appropriate investment instruments that matches the Fund's investment requirement and risk-return profile.

The Fund's strategy is to provide returns comparable to that of short-term Islamic money market instruments which simultaneously preserve its principal value and maintain a high degree of liquidity.

The short-term Islamic money market instruments may also include Islamic Negotiable Instruments (INIs) and/or investment accounts. The Fund may invest in Islamic money market collective investment schemes if the Manager deems appropriate.

The Fund is permitted to invest in other Islamic liquid assets including, but not confined to, sukuk issued by the government or quasi-government bodies, namely Khazanah Nasional and Bank Negara Malaysia, sukuk guaranteed by the government and/or corporate sukuk. For avoidance of doubt, the corporate sukuk must be accorded with a minimum credit rating (including gradation and subcategories) of P3/AA by RAM or equivalent.

If the ascribed credit rating falls below the minimum rating, the Fund is to dispose the investment within a reasonable time frame. However, the Fund reserves the right to retain the investment should it be a temporary downgrade.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### Distribution Policy

Class A	Class B
Annual/interim distribution (if any).	Annual (if any).

The Manager has the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.

### Performance Benchmark

The benchmark for the Fund is based on Maybank 1-month General Investment Account (GIA) rate.

Information on the benchmark of the Fund can be obtained at [www.maybank2u.com.my](http://www.maybank2u.com.my) or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### Permitted Investments

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Malaysian currency balances in hand, Islamic deposits (Malaysian currency) with any Islamic financial institutions;
- (b) Malaysian currency Islamic deposits with Bank Islam Malaysia Berhad and Bank Muamalat as well as placement of Islamic money market instruments with Islamic financial institutions;
- (c) Islamic Accepted Bills, Cagamas Sukuk and sukuk that are traded in the Islamic money market and either bank guaranteed or carrying at least BBB rating by the RAM or MARC and sukuk that have an equivalent rating by RAM or MARC;
- (d) Government Investment Issues, Bank Negara Monetary Notes-i and any other government Islamic papers;
- (e) Islamic collective investment schemes including unlisted and listed Islamic unit trusts;
- (f) Placements of Islamic deposits with or the acquisition of Islamic certificates of deposits or any other Shariah-compliant security issued by an Islamic financial institution;
- (g) The acquisition of any Shariah-compliant security or Islamic deposit guaranteed or supported by an irrecoverable Islamic letter of credit expiring not less than five (5) Business Days after the relevant Shariah-compliant security or Islamic deposits established or confirmed by an Islamic banking corporation or by an eligible company; and
- (h) Any other form of investment as may be permitted by the SACSC and/or the Shariah Adviser and in accordance with Shariah requirements from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

## 3.8 TA SOUTH EAST ASIA EQUITY FUND

The TA South East Asia Equity Fund (TASEA) aims to provide long-term capital growth of assets of the Fund by investing primarily in listed equities and equity related instruments (including REITs) in South East Asia, particularly in Indonesia, Malaysia, Singapore, Thailand, and the Philippines.

### Category of Fund

Equity

### Investment Objective

The Fund aims to provide steady income and long-term capital growth by investing primarily in quoted or listed equities and equity related instruments (including REITs) in South East Asia markets.

Any changes to the investment objective of the Fund would require Unit Holders' approval.

### Investment Policy, Strategy and Asset Allocation

The Fund will invest 70% to 100% of its NAV in foreign equity and equity related securities in the South East Asia markets while 0 to 5% of the total assets will be kept in liquid assets.

The Fund will invest primarily in quoted or listed equities and equity related instruments (including REITs) in South East Asia, particularly in Indonesia, Malaysia, Singapore, Thailand, and the Philippines. The Fund may also invest in securities with significant business presence or risk exposure from South East Asia region. A portion of the Fund will also be invested in high dividend yielding stocks to provide a steady income stream to the Fund. The Fund will have the flexibility to invest in collective investment schemes which is in line with the Fund's investment objective.

There is no target industry or sector for the investments of the Fund. Investments by the Fund are not subject to any specific percentage or monetary limit on investment in a single industry or country. Lion Global Investors' focused, disciplined and research-oriented investment process will be used to manage the Fund. Lion Global Investors' investment philosophy is to buy stocks at a discount to its intrinsic value and to achieve long-term performance through high conviction idea. The portfolio will be constructed from investment ideas derived from rigorous bottom-up research overlaid by top-down analysis.

Risk management with an emphasis on portfolio diversification forms an integral part of the External Investment Manager's investment strategy and process. The External Investment Manager intends to adopt an active management strategy in meeting the Fund's investment objective. As the Fund primarily invests in equities and equities-related instruments, the equity weighting may change as the External Investment Manager purchases and/or sell equities based on the prevailing market condition. The External Investment Manager may take temporary defensive positions in attempting to respond to adverse market conditions, economic, political or any other conditions. The External Investment Manager reserves the right to take defensive position by holding liquid assets and investing in money market instruments. This strategy will minimise the potential loss, which may arise when the investment climate is unfavourable or the stock is not promising.

Given that the Fund is invested in foreign markets, there is risk associated with currency volatility. The External Investment Manager usually does not hedge the foreign currency exposure on a daily basis unless it will assist in mitigating adverse currency movements.

The External Investment Manager diversifies its investment across a range of securities in order to mitigate specific risk exposure to any particular company or a group of companies. The investments of the Fund are also diversified across markets / countries which will assist in mitigating country risk that may arise.

The External Investment Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### **Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide steady income to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### **Performance Benchmark**

The benchmark for the Fund is based on MSCI ASEAN Index.

Information on the benchmark of the Fund can be obtained from Bloomberg at [www.bloomberg.com](http://www.bloomberg.com) or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

#### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Securities of companies listed on the stock exchanges within the South East Asia region, particularly in Indonesia, Malaysia, Singapore, Thailand and the Philippines;
- (b) Foreign currency balances, fixed deposit and money market instruments placed with local and foreign commercial banks, finance companies, and investment banks;
- (c) Other collective investment schemes (including REITs) of the South East Asian region;
- (d) Derivatives such as warrants, futures and option contracts which are traded in approved exchanges; and
- (e) Any other forms of investment as may be agreed upon by the Manager and the Trustee from time to time, and as may be permitted by the SC.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

### **3.9 TA GLOBAL ASSET ALLOCATOR FUND**

The TA Global Asset Allocator Fund (TAGAAF) is a flexible Fund-of-Funds that aims to achieve a high degree of consistency in returns through a "truly" diversified portfolio of funds that covers the key investment classes globally available.

This would include investments in collective investment schemes or similar schemes specialising in equities, fixed income instruments, property-related securities (including REITS) and commodities-related securities. The resultant portfolio is expected to be most resilient

in almost all market conditions given the low correlation among the various asset classes. Returns are expected in the form of consistent capital appreciation of underlying funds and dividend income.

### Category of Fund

Fund-of-Funds (Global Mixed Asset)

### Investment Objective

The Fund aims to provide investors with long-term capital growth by investing in a diversified portfolio of collective investment schemes or similar schemes globally that invests in equities, fixed income instruments, property-related securities and commodity related securities.

Any changes to the investment objective of the Fund would require Unit Holders' approval.

### Investment Policy, Strategy and Asset Allocation

The Fund will invest in a portfolio of reputable domestic and global funds that are liquid and registered with recognised exchanges such as, but not limited to, in Malaysia, US, United Kingdom, Australia, Hong Kong, Singapore and Japan. The Manager will decide on the asset allocation to build a well-diversified portfolio of funds that complement each other to form the basic underlying concept of the investment strategy. The Fund will invest in a broad range of asset classes that perform differently at different cycle of the market. Four major asset classes have been identified namely equities, fixed income instruments, property-related instruments and commodity-related instruments.

The asset classes will be actively selected and combined by the Manager to produce an optimal diversified portfolio that is expected to be resilient in almost all market condition. In determining the appropriate allocation, the investment team will take into consideration the risk and correlation of each asset class, the overall risk-reward ratio when combined, the current outlook for each asset class and the expected market scenario. The Manager may take temporary defensive positions that may be inconsistent with the Fund's strategy in attempting to respond to adverse economic, political, or any other market conditions. In such circumstances, the Manager reserves the right to temporarily hold the Fund's assets in Liquid Assets which may be inconsistent with the Fund's objective and asset allocation strategy as a defensive strategy.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

### Asset Allocation Strategy

The Fund will invest a minimum of 85% of its NAV in collective investment schemes at all times with the balance in Liquid Assets. In terms of asset allocation, as an indication, a neutral rating for all asset classes would mean an equal 25% weightage in each of the four (4) asset classes. The Fund will be invested in each asset class (i.e. equities, fixed income instruments, property-related securities and commodity-related securities), ranging from 0% to 50% respectively.

In terms of Fund's allocation, the Manager will select funds that are managed by both local and foreign investment managers for each asset class to provide global and local exposure in each asset class. The Fund, however, will be invested in a minimum of five (5) collective investment schemes in its portfolio at all times with a maximum exposure of 30% in one (1) single collective investment scheme.

As an illustration, the sample portfolio for TAGAAF is as shown in the table below:

Asset Class	Funds
<b>Equities</b>	<ol style="list-style-type: none"> <li>1. AAA Global Growth &amp; Value Fund</li> <li>2. BBB Emerging Markets Fund</li> <li>3. CCC Growth Fund (Local)</li> </ol>
<b>Fixed income instruments</b>	<ol style="list-style-type: none"> <li>1. DDD Global Bond Fund</li> <li>2. EEE World Income Fund</li> <li>3. FFF Money Market Fund</li> </ol>
<b>Property related securities</b>	<ol style="list-style-type: none"> <li>1. Real Estate Investment Trusts <ul style="list-style-type: none"> <li>• GGG-REIT</li> <li>• HHH REIT</li> </ul> </li> <li>2. JJJ Global Real Estate Fund</li> </ol>
<b>Commodity related securities</b>	<ol style="list-style-type: none"> <li>1. KKK World Mining Fund</li> <li>2. LLL World Commodity Fund</li> </ol>

In evaluating the suitability of specific funds for investment, the Manager shall conduct a review of the investment objective of the fund, investment policy and strategies of the fund, fund performance and other factors deemed important by the Manager. The Fund shall invest based on fundamentals of the relevant markets and with a long view of at least 5 years. This would allow sufficient time for the various asset classes to interact and realise the benefit of asset diversification.

Overall, the Fund's volatility will be closely monitored to position the Fund as moderately aggressive. The portfolio is managed with the aim to deliver positive returns in any market condition. This will be achieved by actively managing asset allocation within the portfolio through various market cycle as well as tapping on to the skills and expertise of the top-tier fund managers in their respective categories.

#### **Risk Management Strategy**

Risk management with an emphasis on portfolio diversification forms an integral part of our investment strategy and process. The Manager intends to adopt an active management strategy in meeting the Fund's investment objective. The Manager will vary the asset allocation of each collective investment scheme between 0% to 50% of the Fund's NAV respectively in line with their outlook of each asset class. With the aim of building a well-diversified portfolio, the Fund will be invested in four lowly correlated asset classes that perform differently at different cycle of the market. As such, this will assist in minimising any single market risk that may arise.

As the Fund is also invested in foreign markets, there is risk associated with currency volatility. The Manager usually does not hedge the foreign currency exposure on a daily basis unless it will assist in mitigating adverse currency movements.

The Manager diversify their investments across a range of collective investment schemes in order to mitigate specific risk exposure to any particular company or group of companies. The Fund will be invested in a minimum of five (5) collective investment schemes in its portfolio at all times with a maximum exposure of 30% in one (1) single collective investment scheme.

#### **Distribution Policy**

Annual/interim distribution (if any).

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### **Performance Benchmark**

As the Fund will be invested in four major asset classes, the benchmark for the Fund will be based on the following:

- Equities: Morgan Stanley Capital International (MSCI) AC World Index – 25%;
- Fixed income instruments: JP Morgan Global Government Bond Global Unhedged USD Index – 25%;
- Property: S&P Developed REIT Index – 25%; and
- Commodities: S&P Goldman Sachs Commodity Index (GSCI) Index – 25%.

Information on the benchmark of the Fund can be obtained from Bloomberg at [www.bloomberg.com](http://www.bloomberg.com) or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

#### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) All type of collective investment schemes including unlisted and listed unit trusts that are regulated and registered/authorised/approved by the relevant authorities in their home jurisdiction;
- (b) Malaysian currency deposits and placement of money at call with any financial institutions;
- (c) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificates of Deposit and placement of money at call with financial institutions;
- (d) Foreign currency deposits;
- (e) Foreign exchange spot, forward and futures contracts; and
- (f) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

### **3.10 TA ASIA PACIFIC ISLAMIC BALANCED FUND**

The TA Asia Pacific Islamic Balanced Fund (TAIB) has the flexibility of exposure in both Shariah-compliant equity (including other Shariah-compliant equity related securities) and sukuk.

#### **Category of Fund**

Balanced (Islamic)

#### **Investment Objective**

The Fund aims to provide steady income and capital growth over the medium to long-term period by focusing its investment in local and Asia Pacific listed and unlisted Shariah-compliant equities, Shariah-compliant equity related securities, Islamic fixed income securities,

participation in mutual funds and other interests in collective investment schemes which are permitted under the Guidelines and complies with Shariah requirements.

Any changes to the investment objective of the Fund would require Unit Holders' approval.

#### **Investment Policy, Strategy and Asset Allocation**

The Fund seeks to meet its objectives of producing steady and recurring income while pursuing long-term capital growth by adhering to a balanced asset allocation approach of investing 40% to 60% of its NAV in Shariah-compliant equity and Shariah-compliant equity related securities while the balance into sukuk and Islamic liquid assets. The Fund will invest into Shariah-compliant instruments available locally and in the Asia Pacific region.

The Fund may also consider investments in unlisted Shariah-compliant equities with attractive potential returns. To mitigate the risks, the Fund may also invest in Islamic futures and Islamic options contracts to hedge against market volatility.

The Fund will be investing 40% to 60% of its NAV in Shariah-compliant equities and Shariah-compliant equity related securities while balance in sukuk and Islamic liquid assets. Notwithstanding the need for a stable and recurring income stream, the investment in sukuk is often raised at the expense of Shariah-compliant equity allocations when the equity markets are anticipated to be weak. Conversely, when the equity markets are expected to perform well, the Fund is reallocated from sukuk to Shariah-compliant equities.

The Shariah-compliant equity investment of the Fund primarily focuses on a diversified portfolio of listed or unlisted Shariah-compliant equities and Shariah-compliant equity related instruments available locally and in the Asia Pacific region. Generally, companies with good earnings growth prospects over the medium to long-term are selected. In identifying such companies, the Fund relies on fundamental research where the financial health, industry prospects, management quality and past track records of the companies are considered.

The Fund is invested in sukuk such as sovereign sukuk, corporate sukuk and Islamic money market instruments available locally and in the Asia Pacific region. The Fund will invest in sukuk that are rated BBB or higher (rating by RAM, MARC, equivalent by Moody's or S&P). Where yields are attractive and profit rate trends are favorable, the investments in sukuk will be increased.

Up to 70% of the Fund's NAV can be invested into foreign Shariah-compliant equity, foreign Shariah-compliant equity related securities and foreign sukuk available in the Asia Pacific region. This is to provide a platform of diversification for investors to diversify their investment into Shariah-compliant securities available in the Asia Pacific region. The Manager intends to adopt an active management strategy in meeting the Fund's investment objective. The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy, in attempting to respond to adverse market conditions, economic, political, or any other conditions. The Manager reserves the right to take defensive position by holding Islamic liquid assets and investing in Islamic money market instruments.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

#### **Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide steady income to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.



### Performance Benchmark

As the Fund will be invested in balanced asset classes between Shariah-compliant equity and sukuk, the benchmark for the Fund will be based on the following:

- Shariah-compliant equity: Dow Jones Islamic Market Asia Pacific Index – 50%; and
- Sukuk: Maybank 12-month General Investment Account (GIA) rate – 50%

Information on the benchmark of the Fund can be obtained from Bloomberg at [www.bloomberg.com](http://www.bloomberg.com) or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### Permitted Investments

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Shariah-compliant securities of Malaysian companies listed on the Bursa Malaysia which are approved by the SACSC and/or the Shariah Adviser;
- (b) Units of Islamic REITs listed on the Bursa Malaysia and other foreign markets which are approved by the relevant authorities;
- (c) Shariah-compliant securities listed on foreign stock exchanges, including ADRs and GDRs;
- (d) Unlisted Shariah-compliant securities\* that have been approved by the relevant authorities for listing and quotation on the Bursa Malaysia and other foreign markets, which are offered directly by the company approved for listing, by way of private placement or on a tender basis;
- (e) Malaysian Government Investment Issues, Bank Negara Monetary Notes-i and any other government Islamic papers;
- (f) Malaysian currency balances in hand, Malaysian currency Islamic deposits with licensed Islamic financial institutions including Islamic Investment Certificates and placement of moneys at call with Islamic investment banks;
- (g) Multi-currency Islamic money market instruments;
- (h) Islamic Accepted Bills, Cagamas Mudharabah Sukuk, sukuk carrying at least BBB rating by the RAM or MARC or equivalent by Moody's or S&P;
- (i) Listed and unlisted Islamic collective investment schemes that are regulated / registered / authorised or approved by the relevant authorities in their home jurisdiction;
- (j) Islamic futures contracts subject to the conditions prescribed by the relevant laws; and
- (k) Any other form of Shariah-compliant investment as may be permitted by the relevant authorities from time to time.

\* *Unlisted Shariah-compliant securities do not include digital assets.*

To ensure compliance with Shariah requirements, the Fund shall not invest in companies whose principal activities involve gaming, alcoholic beverages, conventional banking, conventional insurance and financial services, non-halal food production and processing, interest bearing instruments or other activities as determined by the SACSC and/or the Shariah Adviser from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

## 3.11 TA EUROPEAN EQUITY FUND

TA European Equity Fund (TAEURO) will invest in a diversified portfolio of local and/or foreign equity funds, REITs and ETFs that invest in Europe. This would include investments in collective investment schemes or similar schemes specialising in European equities. The resultant portfolio is expected to be flexible in allocating the Fund into the best equity strategies that suits the market condition at the point of investment. Returns are expected in the form of consistent capital appreciation of underlying funds and dividend income.

### Category of Fund

Fund-of-Funds (European Equity)

### Investment Objective

The Fund aims to seek steady income and capital growth over medium to long-term through investments in a diversified portfolio of local and/or foreign equity funds, REITs and ETFs that invest in Europe.

Any changes to the investment objective of the Fund would require Unit Holders' approval.

### Investment Policy, Strategy and Asset Allocation

The Fund will be invested in a portfolio of reputable domestic and global funds that are liquid and registered with recognised exchanges and/or authorities including, but not limited to, the following countries: Malaysia, United Kingdom, Hong Kong, Singapore and Luxembourg.

The Manager will decide on the Fund's allocation to build a well-diversified portfolio of funds that complement and is able to manage risk exposure by allocating into the best equity investment strategies that suits the market. The Fund will invest in a broad range of European equity funds and focuses into different investment strategy at different cycle of the market, e.g. large capitalisation, small capitalisation, dividend paying stock and property related equities. The Fund may invest up to 15% of its NAV into bond funds when the equity markets

are anticipated to be weak. The investment in bond funds is generally raised at the expense of equity funds allocation when the equity markets are anticipated to be weak and vice-versa.

The equity funds will be actively selected and combined by the Manager to produce an optimal diversified portfolio. In determining the appropriate allocation, the Manager will take into consideration the risk of the investment strategy by the underlying fund.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

### **Fund Allocation Strategy**

The Fund will invest a minimum of 85% of its NAV in collective investment schemes at all times with the balance in Liquid Assets. The Fund however, will be invested in a minimum of five (5) collective investment schemes in its portfolio at all times with a maximum exposure of 30% in one (1) single collective investment scheme. As an illustration, the sample portfolio for TAEURO is as shown in the table below:

<b>Strategy</b>	<b>Funds</b>
<b>Large Capitalisation</b>	1. AAA European Fund 2. BBB European Large Capital Fund
<b>Small Capitalisation</b>	1. DDD European Small Capital Fund 2. EEE European Smaller Company Fund
<b>Property related securities</b>	1. JJJ European Property Fund 2. Real Estate Investment Trusts <ul style="list-style-type: none"> <li>• GGG REIT</li> <li>• HHH REIT</li> </ul>
<b>Dividend Fund</b>	1. KKK European Dividend Fund

Solid management and sound investment performance of the target funds are factors that the Manager also considers. In evaluating the suitability of target funds for investment, the Manager will conduct a review of the track record of the manager and the fund, investment objective of the fund, investment policy and strategies of the fund, fund performance and other factors deemed important by the Manager.

The Manager will invest in the target funds in a manner, which will be in the best interest of the Unit Holders. The switch to another collective investment scheme may be performed on a staggered basis to facilitate a smooth transition. Hence, during the transition period the Fund's investment strategy may differ from the stipulated investment strategies.

The list of collective investment schemes may vary from time to time, as the Fund's allocation in the funds would depend on the Manager's discretion.

The investment strategy employed by the Manager adheres to the Guidelines pertaining to Fund-of-Funds. As such, the Manager shall be entitled to change their investment strategy if the SC makes any changes to the Guidelines.

Overall, the Fund's volatility will be closely monitored to position the Fund as moderately aggressive. The portfolio is managed with the aim to deliver positive returns in any market condition. This will be achieved by actively managing asset allocation within the portfolio through various market cycle as well as tapping on to the skills and expertise of the top-tier fund managers in their respective categories.

### **Risk Management Strategy**

Risk management with an emphasis on portfolio diversification forms an integral part of our investment strategy and process. The Manager intends to adopt an active management strategy in meeting the Fund's investment objective. With the aim of building a well-diversified portfolio, the Fund will be invested in at least five (5) funds which have different investment strategies which best suit their respective market condition.

As the Fund is also invested in foreign markets, there is risk associated with currency volatility. The Manager usually does not hedge the foreign currency exposure on a daily basis unless it will assist in mitigating adverse currency movements.

The Manager diversify their investments across a range of collective investment schemes in order to mitigate specific risk exposure to any particular company or group of companies. The Fund will be invested in a minimum of five (5) collective investment schemes in its portfolio at all times with a maximum exposure of 30% in one (1) single collective investment scheme.

The Manager may take a temporary defensive position when it believes the markets or the economies are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. The Manager reserves the right to temporarily hold the Fund's assets in Liquid Assets which may be inconsistent with the Fund's objective and asset allocation strategy as a defensive strategy. Under these circumstances, the Fund may be unable to pursue its investment goal.

In response to adverse conditions such as market conditions or economic conditions and as part of their risk management strategy, the Manager may utilise derivative instruments such as futures contracts but only for hedging purposes.

**Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide steady income to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

**Performance Benchmark**

The benchmark for the Fund is based on MSCI Europe CR Index.

Information on the benchmark of the Fund can be obtained from Bloomberg at [www.bloomberg.com](http://www.bloomberg.com) or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

**Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) All type of collective investment schemes including unlisted and listed unit trusts that are regulated and registered/authorised/approved by the relevant authorities in their home jurisdiction;
- (b) Malaysian currency deposits and placement of money at call with any financial institutions;
- (c) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificates of Deposit and placement of money at call with financial institutions;
- (d) Foreign currency deposits;
- (e) Foreign exchange spot, forward and futures contracts; and
- (f) Any other form of investment as may be permitted by the relevant authorities from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments.

**3.12 TA ASIAN DIVIDEND INCOME FUND**

The TA Asian Dividend Income Fund ("TADIF" or "the Fund") is a Feeder Fund; the investment of the Fund will consist of a single collective investment scheme, the Janus Henderson Horizon Fund - Asian Dividend Income Fund ("the Target Fund").

**Category of Fund**

Feeder Fund (Equity)

**Investment Objective**

The Fund seeks to provide income and long-term capital appreciation by investing in a collective investment scheme which invests mainly in a portfolio of Asian stocks.

Any material changes to the Fund's investment objective would require Unit Holders' approval.

**Investment Policy, Strategy and Asset Allocation**

A minimum of 85% of the Fund's NAV will be invested in the Target Fund with the balance in Liquid Assets.

As this is a feeder fund, the Manager will stay invested in the Target Fund as long as the Target Fund's investment objective and strategies enable the Fund to meet its investment objective. Nevertheless, during adverse market conditions, the Manager may adopt a

temporary defensive strategy by maintaining a sufficient level of Liquid Assets that may be inconsistent with the Fund's principal investment and asset allocation strategy. The defensive strategy may be necessary to protect the Fund's investments and safeguard the Unit Holders' interests in response to adverse market, economic, political, or any other conditions. As a result, the Fund's performance may diverge from the Target Fund's return and tracking error may increase.

If and when the Manager considers the investment in the Target Fund is unable to meet the objective of the Fund, the Manager may choose to replace the Target Fund with another collective investment scheme that is deemed more appropriate. The Manager will seek Unit Holders' approval before any such changes are made.

*Investors may obtain a copy of the Target Fund's prospectus from the Manager upon request.*

### **Distribution Policy**

TADIF intends to distribute income on a quarterly basis, if any.

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide a consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

MSCI AC Asia Pacific Ex Japan High Dividend Yield Index.

Source: Lipper, a Thomson Reuters Company

The performance benchmark of the Fund may obtain from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

The MSCI AC Asia Pacific Ex Japan High Dividend Yield Index has been adopted as the performance benchmark for the Fund as it is the performance benchmark adopted by the Target Fund.

### **Risk Management Strategies**

Risk management with an emphasis on portfolio diversification forms an integral part of our investment strategy and process. As the Fund is a Feeder Fund, the Manager will not be able to employ the aforementioned risk management strategy. The Target Fund, however, employs some form of portfolio diversification as it invests in a diversified portfolio of Asian securities.

However, the Manager may adopt a temporary defensive strategy by maintaining a sufficient level of Liquid Assets that may be inconsistent with the Fund's principal investment and asset allocation strategy. This defensive strategy may be necessary to protect the Fund's investments and safeguard the Unit Holders' interests in response to adverse market, economic, political, or any other conditions. As a result, the Fund's performance may diverge from the Target Fund's return and tracking error may increase. In addition, subject to Unit Holders' and SC's approval, we may choose to replace the Target Fund with another fund of similar objective if it is in the interest of the Unit Holders to do so or in our view, the Target Fund no longer meets the Fund's objective.

The Manager will practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet any redemption request. The Manager takes into account time to liquidate the Target Fund that allows the Manager to liquidate the Fund relatively quick in case required and ensure liquidity of the Fund is maintained at a healthy level.

To avoid suspension of the Fund, the Fund will hold adequate Liquid Assets and if the Liquid Assets are insufficient to meet redemption requests, the Manager may seek temporary financing if this is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to market value or fair value of the investment in the Target Fund cannot be determined.

In addition to the above, the Fund is monitored and overseen by the investment committee. The investment committee serves to monitor the performance of the Fund and ensure the Fund is managed according to the investment restrictions and limits, the Guidelines and the relevant laws.

As the Target Fund is denominated in a different currency, there are risks associated with currency volatility. The Manager usually does not hedge the foreign currency exposure on a daily basis unless it will assist in mitigating adverse currency movements.

#### Permitted Investments

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) A collective investment scheme called the Janus Henderson Horizon Fund – Asian Dividend Income Fund;
- (b) Malaysian currency deposits and placement of money at call with any financial institutions;
- (c) Malaysian currency balances in hand, Malaysian currency deposits including Negotiable Certificates of Deposit and placement of money at call with financial institutions;
- (d) Foreign currency deposits;
- (e) Foreign exchange spot, forward and futures contracts; and
- (f) Any other form of investments as may be permitted by the relevant authorities from time to time.

#### INFORMATION OF THE TARGET FUND – JANUS HENDERSON HORIZON FUND – ASIAN DIVIDEND INCOME FUND

This section provides you with information regarding the Target Fund and the people behind the management of the Target Fund as extracted from the prospectus of the Target Fund save for certain additional information included by investment manager of the Target Fund. All capitalised terms and expressions used in this section in reference to the Target Fund shall, unless the context otherwise requires, have the same meanings ascribed to them in the prospectus of the Target Fund dated 29 December 2022.

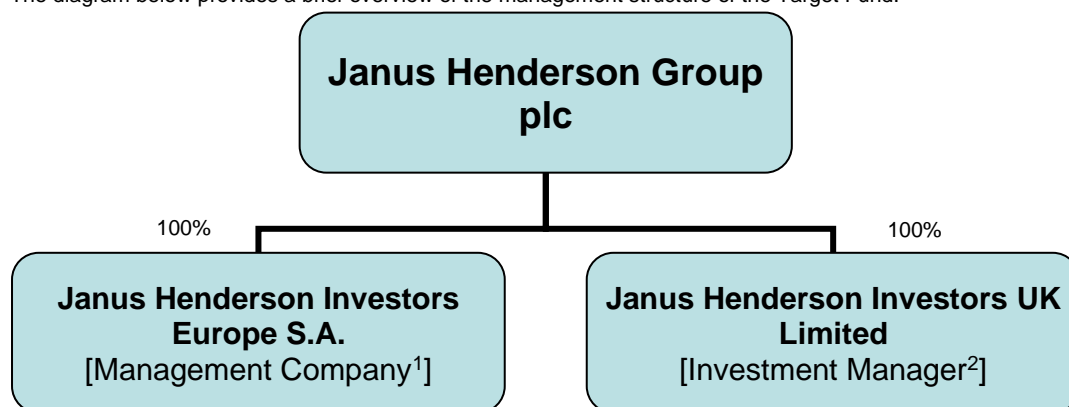
#### Structure of the Janus Henderson Horizon Fund – Asian Dividend Income Fund (“the Target Fund”)

The Target Fund, Janus Henderson Horizon Fund – Asian Dividend Income Fund is a sub-fund of Janus Henderson Horizon Fund (“the Company”). The Company is an open-ended investment company organised as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV (“société d’investissement à capital variable”).

The Company was incorporated in Luxembourg on 30 May 1985 pursuant to the Luxembourg laws of 10 August 1915 on commercial companies (as amended) and is qualified as an undertaking for collective investment in transferable securities under Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended (“the Law”).

The Company has appointed Janus Henderson Investors Europe S.A. as its management company.

The diagram below provides a brief overview of the management structure of the Target Fund.



1 Appointed by Janus Henderson Horizon Fund under a fund management company agreement.

2 Appointed by the Management Company under an investment management agreement.

#### Regulatory Authority

Commission de Surveillance du Secteur Financier (Luxembourg Financial Conduct Authority)

#### Applicable Legislation

Part I of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.

#### The Management Company and Investment Manager of the Target Fund

Janus Henderson Investors Europe S.A. (“Management Company”) has been appointed by the Company to act as its management company. The Management Company is authorised to act as the fund management company in accordance with Chapter 15 of the Law.

The Company has signed a fund management company agreement (the “Fund Management Company Agreement”) with the Management Company. Under this agreement, the Management Company is entrusted with the day-to-day management of the Company, with the responsibility for the Management Company to perform directly or by way of delegation functions relating to the

Company's investment management and administration, and implementation of the Company's policy for the marketing and distribution of the Target Fund.

In agreement with the Company, the Management Company has decided to delegate several of its functions as is further described in the prospectus of the Target Fund.

The Management Company is part of Janus Henderson Group, a substantial financial services group of companies listed in New York and Australia.

Janus Henderson Investors UK Limited ("Investment Manager") is a limited liability company incorporated under the laws of England and Wales. The Investment Manager is authorised and regulated by the Financial Conduct Authority ("FCA") and has been appointed by the Management Company under an investment management agreement (the 'Investment Management Agreement') to provide investment management services to the Management Company in respect of the Target Fund.

The Investment Manager is ultimately owned by Janus Henderson Group. Janus Henderson Group is a public company limited by shares incorporated in Jersey and is listed on the New York Stock Exchange and the Australian Securities Exchange.

The compliance of the Target Fund with their relevant investment policy and investment restrictions are organised under the control and the ultimate responsibility of the board of directors of the Company ("Directors"). The Company has delegated this to the Management Company who has in turn delegated this to the Investment Manager.

The Target Fund was inceptioned on 26 October 2006.

#### **The Sub-Investment Manager of the Target Fund**

The Investment Manager shares or delegates discretionary investment management functions of the Target Fund to the Sub-Investment Manager, Janus Henderson Investors (Singapore) Limited ("JHIS"). JHIS is a limited liability company incorporated in Singapore and is regulated by the Monetary Authority of Singapore. JHIS holds a Capital Markets Services Licence, which permits it to conduct certain regulated activities including fund management and dealing in capital markets products.

#### **Investment Objective of the Target Fund**

The Target Fund aims to provide an income in excess of the income generated by the MSCI AC Asia Pacific ex Japan High Dividend Yield Index with the potential for capital growth over the long term.

### **INVESTMENT POLICY & STRATEGY OF THE TARGET FUND**

#### **The Target Fund's Investment Policy**

The Target Fund invest at least two-thirds of its net assets in equities or equity-related instruments of companies in the Asia Pacific region (excluding Japan) which in the view of the Investment Manager offer prospects for above average dividends or reflect such prospects.

The Target Fund may invest in companies of any size, including smaller capitalisation companies, in any industry.

Equities may include China A-Shares, directly through the Stock Connect Programs and other eligible exchanges or indirectly through derivative instruments. Exposure to China A-Shares will not be more than 10% of the Target Fund's net asset value.

Equity-related instruments may include depository receipts.

The Target Fund may use derivative instruments (such as futures, forwards, options and warrants) to generate additional income for the Target Fund, to reduce risk and to manage the Target Fund more efficiently. Under no circumstances shall the use of these instruments and techniques cause the Target Fund to diverge from its investment policy.

For treasury management and/or defensive purposes (e.g. in case of unfavourable market conditions), the Target Fund may also invest in:

- investment grade government bonds and associated derivative instruments;
- cash and money market instruments.

#### **Use of Ancillary Liquid Assets**

The Target Fund may hold up to 20% in its net assets in ancillary liquid assets as described in greater detail under paragraph 10.4 of the section entitled "Investment Restrictions" in the Target Fund's prospectus.

#### **The Target Fund's Investment Strategy**

The Investment Manager aims to capture the income and capital growth potential of companies in Asia, one of the world's fastest-growing regions. The strategy looks to tap into the region's strong structural growth opportunities and the shift toward a more progressive dividend culture. The disciplined, value-driven investment process places an emphasis on dividend growth and high-yielding companies.

#### **Investment Restrictions of the Target Fund**

The Directors have power, based upon the principle of spreading of risk, to determine the corporate and investment policy for the Target Fund and the course of conduct of the management and business affairs of the Company. Pursuant thereto the Directors have resolved that:

1. The investments of the Target Fund shall consist of:
  - (a) Transferable securities and money market instruments admitted to official listings on stock exchanges in Member States,

- (b) Transferable securities and money market instruments dealt in on other Regulated Markets in Member States, that are operating regularly, are recognised and are open to the public;
  - (c) Transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Eastern and Western Europe the American continent, Asia, Oceania and Africa;
  - (d) Transferable securities and money market instruments dealt in on other Regulated Markets that are operating regularly, are recognised and open to the public of any other country in Eastern and Western Europe, the American Continent, Asia, Oceania and Africa;
  - (e) Recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in a) and c) or Regulated Markets that are operating regularly, are recognised and open to the public as specified in b) and d) and that such admission is secured within a year of issue;
  - (f) Units of Undertaking for Collective Investment in Transferable Securities ("UCITS") and/or other undertakings for collective investment ("UCIs") within the meaning of Article 1(2), first and second indents of the Directive 2009/65/EC as amended ("UCITS Directive"), as amended, whether they are situated in a Member State or not, provided that:
    - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Commission de Surveillance du Secteur Financier ("CSSF") to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
    - the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive, as amended;
    - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
    - no more than 10 % of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;
  - (g) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
  - (h) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market; and/or OTC derivatives, provided that:
    - the underlying consists of instruments described in sub-paragraphs (a) to (g) of this section above, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;
    - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF and;
    - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time, at their fair value, at the Company's initiative;
  - (i) money market instruments other than those dealt in on a Regulated Market, which fall under Article 1 of the Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
    - issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong or;
    - issued by an undertaking any securities of which are dealt in on Regulated Markets referred to in subparagraphs (a), (b) or (c) above, or;
    - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law or;
    - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least €10 million and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
2. Furthermore, the Target Fund may:  
Invest no more than 10% of its net assets in securities and money market instruments other than those referred to in sub-paragraph 1 (a) to (i) above.
3. The Target Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 1 (f) above, provided that in aggregate no more than 10% of the Target Fund's net assets are invested in units of UCITS or other UCIs.  
The Target Fund can, under the conditions provided for in Article 181 paragraph 8 of the Law, as may be amended, invest in the shares issued by one or several other sub-funds of the Company.  
Notwithstanding the 10% limit above, the Company can decide, under the conditions provided for in Chapter 9 of the Law, as may be amended, that a sub-fund of the Company ("Feeder") may invest at least 85% of its assets in units or shares of another UCITS ("Master") authorised according to the UCITS Directive (or a portfolio of such UCITS).  
When the Target Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same Investment Manager or by the same management company or by any other company with which the Investment Manager or by the management company is linked by common management or control, or by a substantial direct or indirect holding (i.e. more than 10% of the capital or voting rights), that no subscription, redemption and/or management fees may be charged to the Company

on its investment in the units of such other UCITS and/or UCIs. In respect of the Target Fund's investments in UCITS and other UCIs linked to the Investment Manager or its affiliates, there shall be no management fee charged to that portion of the assets of the Target Fund. The Company will indicate in its annual report the total management fees charged both to the Target Fund and to the UCITS and other UCIs in which the Target Fund has invested during the relevant period.

4. The Target Fund may hold up to 20% in its net assets in ancillary liquid assets such as bank deposits at site, i.e. cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law of 2010, or for a period of time strictly necessary in case of unfavourable market conditions. This restriction may only be exceeded temporarily for a period of time strictly necessary if the Directors consider this to be in the best interest of the Shareholders (e.g. during exceptionally unfavourable market conditions such as a severe financial market collapse).
5. The Target Fund may not invest in any one issuer in excess of the limits set out below:
  - (a) Not more than 10% of the Target Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity;
  - (b) Not more than 20% of the Target Fund's net assets may be invested in deposits made with the same entity;
  - (c) By way of exception, the 10% limit stated in the first paragraph of this section above may be increased to:
    - a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by an Other State or by public international bodies to which one or more Member States belong;
    - a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond holders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When the Target Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Target Fund.
  - (d) The total value of the transferable securities or money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments referred to in the two indents of 5 (c) above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in sub-paragraphs 5 (a) to (d) above, the Target Fund may not combine:

  - investments in transferable securities or money market instruments issued by a single entity, and/or
  - deposits made with a single entity, and/or
  - exposures arising from OTC derivative transactions undertaken with a single entity, in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

The limits provided for in sub-paragraphs 5 (a) to (d) above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with paragraphs 5 (a) to (d) shall under no circumstances exceed in total 35% of the net assets of the Target Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in sub-paragraphs 5 (a) to (d) above.

The Target Fund may not invest cumulatively more than 20% of its net assets in transferable securities or money market instruments of the same group subject to restrictions 5 (a) and the three indents under 5 (d) above.

Without prejudice to the limits laid down in paragraph 7 of this section below, the limit of 10% laid down in sub-paragraph 5 (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of the Target Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

**By way of derogation, the Target Fund is authorised to invest up to 100% of its net assets in different transferable securities (refer to Section 1(a)-(e) under Investment Restrictions of the Target Fund) and money market instruments issued or guaranteed by a Member State, its local authorities, by another member state of the OECD, the G20 (international forum for the governments and central bank governors from 20 major economies), by Singapore and by Hong Kong or public international bodies of which one or more Member States are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of the Target Fund.**

6. The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.



7. The Company may not:
  - (a) Acquire more than 10% of the shares with non-voting rights of one and the same issuer.
  - (b) Acquire more than 10% of the debt securities of one and the same issuer.
  - (c) Acquire more than 25% of the units of one and the same undertaking for collective investment.
  - (d) Acquire more than 10% of the money market instruments of any single issuer.

The limits stipulated in sub-paragraphs 7 (b), (c) and (d) above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of securities in issue cannot be calculated.
8. The limits stipulated in paragraphs 5 and 7 above do not apply to:
  - (a) Transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - (b) Transferable securities and money market instruments issued or guaranteed by an Other State;
  - (c) Transferable securities and money market instruments issued by public international institutions to which one or more Member States are members;
  - (d) Transferable securities held by the Target Fund in the capital of a company incorporated in an Other State investing its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the Other State complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the Law. Where the limits set in Articles 43 and 46 of the Law are exceeded, Article 49 shall apply, with the necessary amendments;
  - (e) Transferable securities held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unitholders' request exclusively on its or their behalf.
9. The Company may always, in the interest of the Shareholders, exercise the subscription rights attached to securities, which form part of its assets.
 

When the maximum percentages stated in paragraphs 2 to 7 above are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a primary objective, sales transactions to remedy the situation, taking due account of the interests of its Shareholders.
10. The Target Fund may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. The Target Fund will not purchase securities while borrowings are outstanding except to fulfil prior commitments and/or to exercise subscription rights. However, the Company may acquire for the account of the Target Fund, foreign currency, by way of back-to-back loan.
11. The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in sub-paragraphs 1 (f), (h) and (i) above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.
12. The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 1 (f), (h) and (i) above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.
13. The Target Fund may not directly acquire commodities or precious metals or certificates representative thereof, provided that transactions in foreign currencies, financial instruments, indices or transferable securities as well as futures and forward contracts, options and swaps thereon are not considered to be transactions in commodities for the purposes of this restriction. This does not prevent the Target Fund from gaining indirect exposure to precious metals or commodities by investing into units/shares of eligible collective investment schemes, ETFs, derivatives whose underlying assets consist of eligible transferable securities or commodity indices, or other eligible transferable securities that are backed by precious metals or commodities or financial instruments whose performance is linked to commodities. The Target Fund may only gain indirect exposure to commodities or precious metals in accordance with the stated investment objective and policies of the Target Fund.
14. The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
15. Janus Henderson applies a firmwide exclusion policy (the "Firmwide Exclusions Policy"). This applies to all the investment decisions made by the Management Company or Investment Manager. The Firmwide Exclusions Policy may be updated from time to time.

Presently, investment is not permitted in entities involved in the current manufacture of, or minority shareholding of 20% or greater in a manufacturer of controversial weapons, namely: (i) Cluster munitions; (ii) Anti-Personnel mines; (iii) Chemical weapons; (iv) Biological weapons.

Classification of issuers is primarily based on activity identification fields supplied by our third-party environmental, social and governance data providers. This classification is subject to an investment research override in cases where sufficient evidence exists that the third-party data field is not accurate or appropriate. In any scenario where a portfolio position is identified as not meeting this exclusion criteria for any reason (legacy holding, transition holding, etc.) the Investment Manager shall be granted 90 days to review or challenge the classification of the issuer if appropriate. After this period, in the event an investment research override is not granted divestment is required immediately under normal market trading circumstances.

Investors may obtain the information in relation to the Law from the Manager upon request.

## **GENERAL POLICIES APPLICABLE TO THE TARGET FUND**

### **Financial Techniques and Instruments**

#### **1. General**

The Company may employ techniques and instruments, as further described under the sections below, for investment purposes, the reduction of risk, or for managing the Target Fund more efficiently.

When these operations concern the use of financial derivative instruments, these conditions and limits shall conform to the provisions laid down in the Law.

Under no circumstances shall these operations cause the Target Fund to diverge from its investment objective as laid down in the Target Fund's prospectus.

The risks associated with the below-mentioned instruments and techniques are described further in the section "Investment and Risks Considerations" in the Target Fund's prospectus.

## **2. Transparency of Securities Financing Transactions and of Reuse (SFTR)**

The Target Fund may enter into securities financing transactions (SFTs) within the meaning under the SFTR.

The SFTs that may be entered into by the Target Fund are described below, including the maximum and expected exposures as a percentage of the Target Fund's net asset value.

### **Repurchase Transactions and Reverse Repurchase Transactions**

Under these types of transactions, a party buys or sells securities to a counterparty, against payment, and has either the right or the obligation to sell back or buy back (respectively) the securities at a later date and a specific (and typically higher) price. For the seller this is a 'repurchase transaction'; for the buyer it is a 'reverse repurchase transaction'.

The Target Fund will not enter into repurchase transactions (as a seller). The Target Fund will not enter into reverse repurchase transactions (as a buyer) other than those that may be entered into by the J.P Morgan SE ("Securities Lending Agent") on behalf of the Target Fund as further described in the Target Fund's prospectus. The Target Fund will enter into reverse repurchase transactions solely for the purposes of efficient portfolio management.

### **Securities Lending**

The Target Fund may, for the purposes of efficient portfolio management and to generate income, enter into securities lending transactions on a continuous basis. For avoidance of doubt, the Target Fund entering into securities lending transactions to generate income is confined to the purposes of efficient portfolio management.

Under such arrangements, the Target Fund's securities are transferred temporarily to approved borrowers in exchange for collateral. Securities lending may involve additional risks for the Company. Under such arrangements, the Target Fund will have a credit risk exposure to the counterparties to any securities lending. The extent of this credit risk can be reduced by receipt of adequate collateral.

Assets that may be subject to securities lending transactions include shares, stocks, debentures, bonds, notes or other like obligations, whether issued in certificated or uncertificated form, and any certificates, receipts, warrants or other instruments representing rights to receive, purchase or subscribe for the same that are commonly traded or dealt in on securities exchanges or financial markets.

The Securities Lending Agent is given discretion to act as agent on behalf of the Target Fund in respect of entering into securities lending. Furthermore, the Securities Lending Agent will ensure that sufficient value and quality of collateral is received before or simultaneously with the movement of loaned securities. This will then be held throughout the duration of the loan transaction and only returned once the lent asset has been received or returned to the Target Fund. The Securities Lending Agent will also monitor and maintain all operational aspects of the assets while they are on loan.

Securities lending generates additional revenue for the benefit of the Target Fund. 92% of such revenue will be for the benefit of the Target Fund, with a maximum of 8% being retained by the Securities Lending Agent to cover the direct and indirect costs of running the lending programme and providing the requisite operational and collateral infrastructure, plus the compliance and risk oversight. The Securities Lending Agent is not related to the Investment Manager.

The Securities Lending Agent charges a fee of up to 0.05% of the reinvested cash collateral for its cash collateral management services. This fee is deducted from the cash collateral reinvestment return before any securities lending revenue is then apportioned between the Target Fund and the Securities Lending Agent. After such deduction, 92% of the reinvestment return will be for the benefit of the Target Fund, with a maximum of 8% being retained by the Securities Lending Agent.

Further details will be contained in the Company's annual reports.

Please see the section entitled "Counterparty Selection" in the Target Fund's prospectus for details in relation to counterparty selection.

An overview of the usage of securities lending for the Target Fund is set out below:

<b>Securities Lending</b>	<b>Maximum permitted level</b>	<b>Maximum expected level</b>
Target Fund	30%	20%

*This information is accurate as at the date of the Target Fund's prospectus, the expected levels may be exceeded, up to the maximum indicated, depending on market conditions (e.g. during times of market volatility). The latest annual report and accounts of the Target Fund will provide the actual levels over the past period.*

The Target Fund does not engage in securities borrowing.

### **3. Collateral Management Policy for Securities Lending and OTC derivatives**

#### **General**

##### **Diversification**

Collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Target Fund receives from a counterparty of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the Target Fund's net asset value.

When the Target Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Target Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. The Target Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Target Fund's net asset value.

##### **Liquidity**

Collateral (other than cash) should be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

##### **Correlation**

The collateral received will be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

##### **Custody**

Collateral received will be held by the BNP Paribas Securities Services, Luxembourg Branch ("Depository"), or a delegated third-party custodian subject to the conditions laid down in the applicable laws and regulations and the provisions of the depositary agreement of the Target Fund (or applicable delegation agreement).

Securities may be held by the Securities Lending Agent on behalf of the Target Fund at a tri-party agent or securities depository chosen by the Securities Lending Agent.

#### **Collateral Management Policy for Securities Lending**

##### **Eligible Collateral**

The Company will generally require the counterparty to post collateral as defined by Luxembourg laws and regulations, in particular the ESMA Guidelines 2014/937 on ETFs and other UCITS issues ("ESMA 2014/937"), as may be amended and/or supplemented from time to time. Collateral (other than highly liquid cash) received will mainly consist of high-quality government bonds, corporate bonds, equities which are highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that they can be sold quickly at a price that is close to pre-sale valuation.

##### **Issuer Credit Quality**

Collateral received will be of high-quality subject to a minimum long-term credit rating of at least A- by one or more major rating agency, or equities.

##### **Reuse and Reinvestment of Collateral**

Non-cash collateral received will not be sold, re-invested or pledged.

Cash collateral received may only be reinvested in the following ways:

- placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive, as may be amended from time to time; or
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase transactions (for efficient portfolio management) provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined under the ESMA's Guidelines on a Common Definition of European Money Market Funds, as may be amended from time to time.

Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral.

### **Valuation and Haircuts**

Valuations are carried out daily in accordance with the relevant valuation principles as described in the Target Fund's prospectus and a margin is applied to collateral transactions so that, depending on the combination of securities on loan and the type of collateral received, the value of collateral required will range from 102% to 110% of the value of securities on loan.

The collateral is marked to market daily to maintain the 102% to 110% excess collateral to act as insurance for volatile market conditions.

Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral.

The Target Fund reserves the right to vary this policy at any time in which case the Target Fund's prospectus will be updated accordingly.

Reverse repurchase transactions entered into in the context of reinvestment of cash collateral are collateralised between 102% to 110%, depending on the underlying securities. The pricing for collateral is performed by the tri-party agent chosen by the Securities Lending Agent and are revalued daily. The daily price calculation will determine the amount of collateral required to be received / delivered from the counterparty for that day. The collateral delivery / receipt is initiated and managed by the tri-party agent.

### **Collateral Policy for OTC Derivatives**

#### **Eligible Collateral**

Eligible collateral types for OTC derivative trading are approved by the Investment Manager, and are set out in the respective International Swap Dealers Association ("ISDA") credit support annexes (CSAs). Eligible collateral consists of UK gilts, US Treasuries and negotiable debt obligations of a range of Eurozone countries, generally subject to a minimum Fitch, Moody's or S&P rating of AA-/Aa3.

#### **Issuer Credit Quality**

Collateral received will be of high quality.

#### **Reuse and Reinvestment of Collateral**

Non-cash collateral received will not be sold, reinvested or pledged.

Cash collateral received may only be reinvested in the following ways:

- placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive, as may be amended from time to time; or
- invested in high-quality government bonds; or
- invested in short-term money market funds as defined under the ESMA's Guidelines on a Common Definition of European Money Market Funds, as may be amended from time to time.

Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral.

### **Valuation and Haircuts**

Valuations are carried out daily in accordance with the relevant valuation principles as described in the Target Fund's prospectus.

A margin is applied to collateral transactions so that, depending on the combination of securities on loan and the type of collateral received, the value of collateral required will range from 102.5% to 110% of the value of securities on loan.

The collateral is marked to market daily to maintain the 102.5% to 110% excess collateral to act as insurance for volatile market conditions.

The Target Fund reserves the right to vary this policy at any time, in which case the Target Fund's prospectus will be updated accordingly.

## **4. Counterparty selection**

All counterparties are subject to approval and review by the Investment Manager's Counterparty Risk Committee ("CRC").

To be approved a counterparty must:

- comply with prudential rules considered by the CSSF as equivalent to EU prudential supervision rules;
- must be considered creditworthy by the CRC;
- undergo analysis applicable to the counterparty's intended activity, which can include a review of such aspects as company management, liquidity, profitability, corporate structure, capital adequacy, and asset quality, as well as the regulatory framework in the relevant jurisdiction. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements will typically be considered as well;
- typically have a minimum investment grade long-term credit rating.

In exceptional circumstances the CRC has the authority to approve counterparties not meeting the minimum ratings.

A downgrade by any one of Fitch, Moody's or S&P of a counterparty's long-term rating below A, or investment grade if a cleared OTC derivatives counterparty, will prompt a review by the CRC. The CRC will, in a timely manner, considering the facts and

circumstances of the downgrade, and acting in the best interests of clients, determine whether to cease trading with the affected counterparty, or reduce, or maintain existing exposure.

The minimum long-term credit rating requirement as stated in the Target Fund's prospectus is subject to change, in which case this section will be updated accordingly at the next available opportunity.

## **INVESTMENT AND RISK CONSIDERATIONS**

### **General risk considerations applicable to the Target Fund**

#### **General Investment Risk**

Past performance may not be a reliable guide to future performance. The value of Shares, and the return derived from them, can fluctuate and can go down as well as up. No assurance can be given that the Target Fund will achieve its investment objectives.

In certain circumstances Shareholders' rights to redeem Shares may be deferred or suspended (see the Section 'Possible Deferral or Suspension of Redemptions' of the Target Fund's prospectus\*).

#### **\*Possible Deferral or Suspension of Redemptions:**

If total requests for redemptions (including switches) on any dealing day of the Target Fund, when aggregated with redemption requests received on the earlier dealing days of the Target Fund in the same week, are received in respect of a number of Shares which exceed 10% of the total number of Shares outstanding at the start of that week, the Directors are entitled to defer any redemption request in whole or in part, so that the 10% level is not exceeded. Any redemption requests in respect of the relevant dealing day of the Target Fund so reduced will be effected in priority to subsequent redemption requests received on the succeeding dealing days of the Target Fund, subject always to the 10% limit. The limitation will be applied pro rata to all Shareholders who have requested redemptions to be effected on or as at such dealing day of the Target Fund so that the proportion redeemed of each holding so requested is the same for all such Shareholders. These limits will be used only at times when realising assets of the Target Fund to meet unusually heavy redemption requirements would create a liquidity constraint to the detriment of Shareholders remaining within the Target Fund.

The Company may, under the Articles, suspend the determination of the net asset value of the Shares of the Target Fund and the issue, redemption and switch of such Shares during:

- i) any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the investments of the Company attributable to the Target Fund are quoted is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- ii) the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Company attributable to the Target Fund would be impracticable;
- iii) any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to the Target Fund or the current price or values on any stock exchange;
- iv) any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange;
- v) any period when the net asset value per Share of the Target Fund or any subsidiary of the Target Fund may not be determined accurately; or
- vi) except in respect of redemptions or switches, any period when notice of winding up of the Company as a whole has been given or;
- vii) following a decision to merge the Target Fund or the Company, if justified with a view to protecting the interest of Shareholders; or
- viii) in case the Target Fund is a Feeder of another UCITS (or a sub-fund thereof), if the net asset value calculation of the Master UCITS (or the sub-fund thereof) is suspended.

Any suspension shall be notified to Shareholders requesting the issue, redemption or switch of Shares.

Investments on an international basis involve certain risks, including:

- The value of an investment in the Target Fund may be affected by fluctuations in the value of the currency of denomination of the Shares against the value of the currency of denomination of Target Fund's underlying investments. It may also be affected by any changes in exchange control regulations, government policies, tax laws, natural disasters, political, economic or monetary policies and other applicable laws and regulations of the countries in which the Target Fund may invest. Adverse fluctuations in currency exchange rates can result in a decrease in return and in a loss of capital.
- Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to some countries in which the Target Fund may invest may differ from those applicable in Luxembourg in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to assess properly.

Investors should note that in certain market conditions, any security could become hard to value or sell at a desired time and price, which increases the risk of investment losses. In addition, certain securities may, by their nature, be hard to value or sell at a desired time and price, especially in any quantity. This includes securities that are labelled as illiquid, as well as a security of any type that represents a small issue, trades infrequently, or is traded on markets that are comparatively small or that have long settlement times. It may therefore not be possible or economically feasible to initiate a transaction or liquidate a position at an advantageous price.

#### **Risk Management Process**

The Management Company employs a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio, and a process for accurate and independent assessment of the value of OTC derivative instruments. It shall communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of financial derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in financial derivative instruments.

The Management Company will ensure that the Target Fund's global exposure shall not exceed the total net value of the Target Fund. The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The Target Fund may invest within the limits laid down in section above entitled "Investment Restrictions of the Target Fund", in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down under paragraphs 5 (a) to (d) of the "Investment Restrictions of the Target Fund" section above. The underlying assets of index based financial derivative instruments are not combined to the investment limits laid down under paragraphs 5 (a) to (d) of the "Investment Restrictions of the Target Fund" section above.

When a transferrable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.

### **Liquidity Risk Management**

The Company operates a liquidity risk management policy which identifies, monitors, and manages liquidity risks. It takes into account the investment strategy; the liquidity profile; the redemption policy and the dealing frequency to ensure that the liquidity profile of the underlying assets of the Target Fund will facilitate compliance with the Target Fund's obligation to meet redemption requests under normal and exceptional market conditions, and to seek to achieve fair treatment and transparency for all investors.

In summary, the Company's liquidity risk management policy includes the following aspects:

- Review of how liquid the Target Fund's portfolio is on an ongoing basis and regular assessment of its ongoing liquidity needs including an assessment of whether the subscription and redemption arrangement are appropriate to the Target Fund's strategy;
- Regular and ongoing scenario modelling and stress testing to ensure that the Target Fund's position can withstand changes in market conditions and inform investment decisions. This includes extreme scenario testing. Normally the stress testing is performed on a quarterly basis but in times of adverse market conditions or during the period where there are large redemption requests, the stress tests will be performed more frequently, if necessary;
- Target Fund liquidity is systematically modelled making prudent, but realistic, assumptions of how much of each security could be sold in any one time period. For the Target Fund, regardless of its underlying assets, this information is then aggregated up to give a broad picture of the liquidity path a portfolio would take were it to be sold as fast as possible, but with minimal market impact. This allows the Target Fund to be broken up by liquidity exposure, and illiquid positions to be highlighted; and
- Liquidity oversight is carried out by the independent risk team, who are functionally independent of the portfolio management function. The team provides liquidity oversight, and escalates to the liquidity committee of the Target Fund. The liquidity committee of the Target Fund has representatives from the risk function, from distribution and from the front office. The committee generally meets on a quarterly basis, and is responsible for identifying and either escalating or resolving liquidity concerns with the Target Fund.

The Company uses the following tools to manage liquidity, ensure a fair treatment of investors and to safeguard the interests of remaining investors however investors should note that there is a risk that these tools may be ineffective to manage liquidity and redemption risk:

#### **Fair Value Pricing**

When there is no reliable price for an asset (e.g. where the underlying markets are closed for trading at the Target Fund's valuation point) or the available price does not accurately reflect the fair value of the Target Fund's holdings, the Company may utilise fair value techniques to make a best estimate of the value of the assets. Please refer to 'Valuation Principles' under the Section 'Buying, Redeeming and Switching Shares' of the Target Fund's prospectus for further information.

For the purposes of clarification, any fair value adjustment will not be taken into account in the net asset value of the Target Fund when calculating a performance fee for the Target Fund that has a performance fee.

#### **Deferred Redemption**

If total requests for redemptions (including switches) exceed 10% of the total number of Shares, the Directors are entitled to defer any redemption request in whole or in part, so that the 10% level is not exceeded. Please refer to the 'Possible Deferral or Suspension of Redemptions' paragraph under the Section 'Buying, Redeeming and Switching Shares' of the Target Fund's prospectus.

#### **Dilution Adjustment**

Also known as swing pricing. The Directors may, where the level of subscriptions and redemptions meet a predetermined threshold, or where the Directors consider that it is in the best interests of existing investors make an adjustment to the price of Shares to account for the estimated costs and expenses which may be incurred by the Target Fund, in order to protect the interests of remaining investors. Please refer to the "Swing Pricing" paragraph under the Section 'Buying, Redeeming and Switching Shares' of the Target Fund's prospectus.

#### **Suspension of Dealing**

In exceptional circumstances, and in the interests of investors, all subscriptions and redemptions in the Target Fund may be suspended. Investors will not be able to deal in their Shares when this procedure is in place. Please refer to the 'Possible Deferral or Suspension of Redemptions' paragraph under the Section 'Buying, Redeeming and Switching Shares' of the Target Fund's prospectus.

#### **Market Timing and Excessive Trading**

The Janus Henderson Investors Europe S.A. or Janus Henderson Investors UK Limited ("Principal Distributor"), in favour of the Company, may impose a trading fee where the Principal Distributor believes that excessive trading which is to the detriment of other

investors has occurred (e.g. if Shares are redeemed or switched within 90 calendar days of purchase). Please refer to the 'Market Timing and Excessive Trading' paragraph under the Section 'Buying, Redeeming and Switching Shares' of the Target Fund's prospectus.

## **PRICING POLICY OF THE TARGET FUND**

The Fund intends to invest into Class A3q\* (Distribution) Shares of the Target Fund.

The price per Share for each class of the Target Fund will be based on the net asset value of the Target Fund expressed in the base currency of the Target Fund, calculated by the administrator on each valuation point. Despite being within the same legal structure, the liabilities of the Target Fund shall be segregated from the liabilities of other sub-funds of the Company, with third party creditors having recourse only to the assets of the Target Fund concerned.

Note: "q" means "quarterly" and suffix denotes that distributions for the Target Fund are expected to be on a quarterly basis.

## **FEES CHARGEABLE BY THE TARGET FUND**

### **Direct Fees charged by the Target Fund**

#### **Initial Charge:**

No sales charge will be imposed by the Target Fund on TADIF.

#### **Trading Fee (Early Redemption Fee):**

TADIF may be charged up to 1 % of the gross amount being redeemed if the redemption of Shares is made within 90 days of the date of purchase of such Shares.

### **Indirect Fees charged by the Target Fund**

#### **\*Annual Management Fee:**

Class A Shares – 1.20% per annum of the total net assets of the Target Fund.

Under the Fund Management Company Agreement, the management fee for Class A Shares of the Target Fund may be increased with the consent of the Directors, to a maximum rate of 1.50% in respect of the Target Fund. If the management fee actually charged in respect of the Target Fund is increased within the limit of the aforesaid maximum, Shareholders will be notified of the increase three months before the increase becomes effective and may redeem or switch their Shares during this period free of charges.

#### **\* Note:**

**There will be no double charging of annual management fee. Any annual management fee charged by the Target Fund in relation to the Fund's investments in the Target Fund will be payable from the annual management fee of the Fund.**

## **Performance Fees**

### **Technical Terms**

"Current Day Net Asset Value per Share" or "Current Day NAV" means the net asset value of the Target Fund before any change to performance fee of the Target Fund accrual on that day.

"Gross Net Asset Value per Share" or "Gross NAV" means the net asset value of the Target Fund before any deduction is made for any performance fee accrual but after the deduction of all other fees, charges and expenses included in the net asset value of the Target Fund.

"Crystallisation" or "Crystallise" means the point at which any performance fee becomes payable to the Investment Manager.

"High Water Mark" or "HWM" means the initial launch price of Class A Shares of the Target Fund for the first Crystallisation Period or, in subsequent Crystallisation Periods, the net asset value of the Target Fund at the end of the last Crystallisation Period where Crystallisation occurs and a performance fee is paid. The High Water Mark is adjusted for any distribution paid.

"Crystallisation Period" for the Target Fund is the 12 month period starting 1 July and ending 30 June the following year.

"Hurdle Rate" means a rate of return that the Target Fund must achieve before it can charge a performance fee. It may be a set percentage or it may be referenced to a financial rate or index.

"Hurdle NAV" is calculated by applying the Target Fund Hurdle Rate to the High Water Mark and is used in combination with the High Water Mark to determine whether a performance fee can be accrued.

At the start of the Crystallisation Period the Hurdle NAV will equal the High Water Mark. Thereafter, the Hurdle NAV will be calculated by multiplying the prior day Hurdle NAV by the daily hurdle rate of return.

### **Overview of Performance Fee Features**

A performance fee is payable out of the assets of the Target Fund.

On a daily basis, as at each valuation point of the Target Fund, Class A Shares of the Target Fund may accrue a performance fee of 10% of the outperformance of the Target Fund relative to the Hurdle NAV (subject to the High Water Mark).

The performance reference period for the Target Fund is the whole life of the Target Fund (i.e. from launch until termination).

The net asset value of the Target Fund differs between Share classes of a sub-fund of the Company, therefore separate performance fee calculations will be carried out at the Share class level of the Target Fund, leading to different amounts of performance fees payable. The performance fee accrues daily on the Target Fund and any accrued performance fee is included in the daily calculation of the net asset value of the Target Fund.

The performance fee may Crystallise at the end of each Crystallisation Period and also on net redemption on a dealing day of the Target Fund. Any accrued performance fee in respect of a net redemption on a dealing day of the Target Fund will no longer form part of the performance fee accrual within the Target Fund and will be paid to the Investment Manager as soon as practicable, as opposed to payment of all aggregate accrued performance fee at the end of the relevant Crystallisation Period.

For all base currency and unhedged Share classes of the Target Fund, the performance fee will be calculated with reference to the returns of the net asset value of the Target Fund and the Hurdle NAV in the base currency of the Target Fund.

Unhedged Share classes of the Target Fund may be subject to exchange rate movements which may lead to differences in performance between the relevant unhedged Share class of the Target Fund and the relevant base currency Share class of the Target Fund. In certain circumstances, the relevant unhedged Share classes of the Target Fund may incur a performance fee even if the relevant unhedged Share class of the Target Fund did not receive a positive return.

For the purposes of clarification, where a dilution adjustment or a fair value adjustment has been applied to the net asset value of the Target Fund, this will be excluded for the purposes of the performance fee calculation.

### **Performance Fee Calculation Methodology**

#### **Daily Accrual**

At each valuation point of the Target Fund, the performance fee accrual adjustment is calculated by comparing the difference between the prior day's net asset value of the Target Fund and the Current Day NAV, with the change in the relevant Hurdle NAV, multiplied by the number of Shares in issue at that valuation point of the Target Fund.

A performance fee is accrued where the net asset value of the Target Fund outperforms the relevant Hurdle NAV (subject to the High Water Mark).

The performance fee accrual will never fall below zero.

The cumulative performance fee accrual adjustments from the beginning of the Crystallisation Period will be included in the calculation of the net asset value of the Target Fund on that day. Accrual adjustments will also be made to reflect the impact of net cashflows.

The maximum performance fee accrual at each valuation point of the Target Fund is capped at the performance fee percentage rate multiplied by (i) the difference between the Gross NAV and the higher of the High Water Mark and the Hurdle NAV and (ii) the number of Shares in issue at that valuation point of the Target Fund.

#### **Crystallisation Period End**

If at the end of a Crystallisation Period, the Gross NAV is above the High Water Mark and the Hurdle NAV, a performance fee may be accrued and Crystallised.

If at the end of a Crystallisation Period, the Gross NAV is below the Hurdle NAV or the High Water Mark, no performance fee will be accrued until the Gross NAV rises above both the High Water Mark and the Hurdle NAV.

Should a performance fee not Crystallise at the end of a Crystallisation Period, any underperformance is carried into the new Crystallisation Period. The High Water Mark for the purpose of calculating the performance fee in the new Crystallisation Period will be the relevant High Water Mark as at the date when a performance fee was last paid.

#### **Payment/Crystallisation**

Crystallisation of the performance fee may occur on any net redemption on a dealing day of the Target Fund in respect of the redeemed Shares and on the last dealing day of the Target Fund of each Crystallisation Period, in both cases provided that the relevant conditions have been met as described in the "Performance Fee Calculation Methodology" sub-section of the Target Fund's prospectus. Any performance fee accrued within the Target Fund at that point is due to the Investment Manager and is paid as soon as practicable.

The performance fee Crystallised on net redemptions in respect of the redeemed Shares will be calculated on a pro rata basis with reference to the total performance fee accrued as at the redemption date. Once the performance fee has Crystallised, no refund will be made in respect of any performance fee paid out at that point even if the net asset value of the Target Fund subsequently falls below the High Water Mark and/or the Hurdle NAV.

#### **High Water Mark**

The High Water Mark represents the highest net asset value achieved in respect of the Target Fund and is designed to ensure that investors will not be charged a performance fee in respect of any dealing day of the Target Fund on which the net asset value of the Target Fund is below the highest level achieved. A Hurdle Rate (which may be a set percentage or reference to a financial rate or index) will be applied to the High Water Mark in determining the Hurdle NAV. A performance fee is only charged where the net asset value of the Target Fund has increased above both the High Water Mark and the Hurdle NAV.



A High Water Mark cannot be reset downwards except to reflect any distribution that is paid.

So if, at the end of the Crystallisation Period, the net asset value of the Target Fund has fallen below the High Water Mark, then the High Water Mark will remain unchanged until the Target Fund is no longer underperforming (i.e. the High Water Mark for the purpose of calculating the performance fee in the new Crystallisation Period will be the relevant High Water Mark as at the date when a performance fee was last paid).

#### **Other Expenses:**

Other fees and expenses include:

- Shareholder Servicing Fee - 0.50% per annum of the average total net assets of the Target Fund.
- Depositary and Custody Fees - Depositary fee: 0.006% (per annum on the total net assets of the Target Fund) subject to a minimum fee of £1,200  
- Custody fees: Up to 0.65% (per annum of the value of the assets of the Target Fund) and £120 per transaction
- Registrar and Transfer Agent Fees - up to 0.12% per annum of the total net assets of the Target Fund.
- Administration Fees and Expenses - up to 0.18% per annum of the total net assets of the Target Fund.

#### **Distribution Policy for the Target Fund**

The Target Fund may distribute investment income, net realised and unrealised capital gains, and/or, for a limited number of Share classes, distribute capital, subject to the minimum capital requirement imposed by Luxembourg law.

Investors may obtain the information in relation to the Law from the Manager upon request.

**INVESTORS WILL BE SUBJECTED TO HIGHER FEES DUE TO THE LAYERED INVESTMENT STRUCTURE OF THE FUND.**

### **3.13 TA DANA FOKUS**

TA Dana Fokus (TADF) is a form of investment which provides a simple way to invest in Shariah-compliant securities and other approved investments that meet Shariah requirements.

#### **Category of Fund**

Equity (Islamic)

#### **Investment Objective**

The Fund aims to achieve total return over the medium to long-term period by investing in a focused portfolio, mainly equities that comply with Shariah requirements.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

*Note: Total return = dividend income + capital appreciation*

#### **Investment Policy, Strategy and Asset Allocation**

The Fund's strategy is to invest into a focused portfolio of local Shariah-compliant securities available locally that are undervalued but offer good growth potential. It also serves to satisfy the needs of those who appreciate investments that comply with Shariah requirements. The selection of such Shariah-compliant securities shall subscribe to the list of Shariah-compliant securities issued by the SACSC and/or as approved by the Shariah Adviser.

Depending on the investment condition, the Shariah-compliant equity exposure will typically range from 70% to 95% of the Fund's NAV with the balance in sukuk and Islamic liquid assets. The Shariah-compliant equity portion of the portfolio will comprise up to 28 Shariah-compliant securities. The Manager intends to adopt an active and frequent trading strategy in meeting the Fund's investment objective.

Investments in unlisted Shariah-compliant securities and Islamic derivatives (for hedging purposes) are on the condition that they comply with Shariah requirements. Placements under the Mudharabah principles and investments in other Islamic collective investment schemes will always observe Shariah requirements. Risks associated with such investment instruments that the investment managers propose to invest in are provided in section 3.18 – section 3.21 of this Master Prospectus.

The investment managers may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse market conditions, economic, political or any other conditions. During this temporary period, the investment managers may reduce the Shariah-compliant equity exposure below the normal range while having higher exposure in Islamic money market instruments and Islamic liquid assets.

### **Risk Management Strategy**

The asset allocation, liquidity management, diversification and hedging strategies employed are therefore central to the efforts to manage the risks posed to the Fund. Hence, there may be situations such as when a severe downturn in the equity markets is expected and liquidity risks are high, that the Shariah-compliant equity exposures are reduced to below that levels indicated. Investments in sukuk may be adversely affected if interest rates were to move up sharply. As such, the Fund's exposure to sukuk will be managed accordingly to mitigate these risks.

Participation in Islamic futures contracts and Islamic options may help to reduce the overall risk in the Fund's portfolio by providing a useful hedging tool against short-term market volatility. However, like other investments, it is subject to judgement and execution errors that may adversely impact the performance of the Fund.

The Fund's investments in these Shariah-compliant instruments will be assessed on an ongoing basis to ensure that their potential returns commensurate with the additional risk incurred as a result of investing in these Shariah-compliant investments. The Fund's exposure to these Shariah-compliant instruments will also be managed accordingly to mitigate these risks.

### **Distribution Policy**

Annual/interim distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide total return to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

The performance benchmark for the Fund is the FTSE Bursa Malaysia EMAS Shariah Index (FBM EMAS Shariah).

Information on the benchmark of the Fund may obtain from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Shariah-compliant securities of Malaysian companies listed on the Bursa Malaysia which are approved by the SACSC and/or the Shariah Adviser;
- (b) Units of Islamic REITs listed on the Bursa Malaysia;
- (c) Unlisted Shariah-compliant securities that have been approved by the relevant regulatory authority for listing and quotation on the Bursa Malaysia, which are offered directly by the issuer;
- (d) Government Investment Issues;
- (e) Malaysian currency balances in hand, Islamic deposits (Malaysian currency) with licensed Islamic financial institutions including Islamic Investment Certificates and placement of moneys at call with Islamic investment banks;
- (f) Islamic Accepted Bills, Cagamas Mudharabah Bonds, sukuk carrying at least BBB rating by RAM or MARC;
- (g) Units/shares of other Islamic collective investment schemes;
- (h) Islamic futures contracts and Islamic options traded in the futures and options market of an exchange approved under the CMSA and comply with Shariah requirements;
- (i) Lending of Shariah-compliant securities within the meaning of the Securities Borrowing and Lending Guidelines and Islamic Securities Selling and Buying – Negotiated Transactions framework; and
- (j) Any other form of Shariah-compliant investment as may be agreed upon by the Manager and Trustee from time to time.

To ensure compliance with Shariah requirements, the Fund shall not invest in companies whose principal activities involve gaming, alcoholic beverages, conventional banking, conventional insurance and financial services, non-halal food production and processing, interest bearing instruments or other activities as determined by the SACSC and/or the Shariah Adviser from time to time.

The above investments are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

### **3.14 TA ASIA PACIFIC REITS INCOME FUND**

TA Asia Pacific REITs Income Fund is an equity fund which invests a minimum of 70% of the Fund's NAV in an Asia Pacific and Pacific rim portfolio of real estate investment trusts (REITs).

#### **Category of Fund**

Real Estate (REITs)

#### **Investment Objective**

The Fund aims to maximise total investment return consisting of regular income\* and capital appreciation over the medium to long-term by investing in Asia Pacific REITs and a portfolio of high dividend yield equity securities.

Any material changes to the objective of the Fund requires the Unit Holders' approval.

\* The regular income could be in the form of units or cash. Please refer to the mode of distribution on page 81.

#### **Investment Policy, Strategy and Asset Allocation**

The Manager employs an active allocation investment process, combining a bottom-up investment process that involves company research with top-down process to review the asset allocation at country level. Asset allocation is derived after analyzing macro economic trends of the countries. This is to ensure the Fund from being over-exposed to certain countries.

To achieve the investment objective of the Fund, a minimum of 70% of the Fund's NAV will be invested in an Asia Pacific and Pacific rim portfolio of REITs listed in China, Japan, Australia, Indonesia, Taiwan, Thailand, Malaysia, Hong Kong, Singapore, Philippines, New Zealand, Vietnam and Brunei. The Fund may seek to invest up to 28% of its NAV in Asia Pacific equity securities listed in China, Japan, Australia, Indonesia, Taiwan, Thailand, Malaysia, Hong Kong, Singapore, Philippines, New Zealand, Vietnam and Brunei which in view of the investment manager of the Fund offer prospects for above average dividends\*\* or reflect such prospects.

The Fund aims to generate regular income through dividends received. The Fund is also allowed to invest in equity securities to enhance total return of the Fund when the investment manager sees such opportunity arises.

The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

The Manager may adopt a temporary defensive strategy by maintaining a sufficient level of liquid assets that may be inconsistent with the Fund's principal investment and asset allocation strategy. The defensive strategy may be necessary to protect the Fund's investment in response to adverse market, economic, political, or any other conditions.

\*\* "above average dividends" refers to higher dividend yield as compared to the FBMKLCI's average dividend yield.

#### **Risk Management Strategies**

The risk management strategy undertaken by the Fund encompasses asset allocation, liquidity management and diversification. These strategies employed are central to the efforts to manage the risks posed to the Fund. Hence, there may be situations where a severe downturn in REITs in certain countries is expected and liquidity risk is high. Sufficient diversification i.e. spreading risks across various markets and diversified sub-sectors (residential, hotel, commercial, industrial within the REITs sector), is essential to the Fund to reduce the specific risks associated with the Fund.

During adverse market conditions, the investment manager may adopt a temporary defensive strategy by maintaining a sufficient level of liquid assets that may be inconsistent with the Fund's principal investment and asset allocation strategy to safeguard the investment portfolio provided that such investments are within the permitted investments of the Fund. When deemed appropriate, the investment manager may also utilise derivative instruments, subject to the Guidelines for the purposes of hedging.

Furthermore, the above investments are subject to the limits and restrictions that are spelled out in the Fund's permitted investments and investment restrictions and limits.

#### **Distribution Policy**

TAREITs intends to distribute income on a biannual basis.

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide a consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

Malaysia Government Securities (MGS) BNM 5 Year.

Investors may obtain information on the benchmark from Bank Negara Malaysia website at <https://www.bnm.gov.my/government-securities-yield> or from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

Note:

The performance benchmark above is used as a reference for performance comparison purposes only. The benchmark is not used to define the portfolio composition of the Fund or as a performance target.

### **Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) Securities listed on Bursa Malaysia or any other market considered as an Eligible Market;
- (b) Unlisted securities traded under the rules of an Eligible Market;
- (c) Liquid assets which include money market instruments and deposits with any financial institutions;
- (d) Derivatives including but not limited to options, future contracts, forward contracts and swaps; and
- (e) Any other form of investments as may be permitted by the relevant regulatory authorities from time to time subject to Guidelines and in accordance to the Fund's objective.

## **3.15 TA DANA AFIF**

TA Dana Afif is a sukuk fund which invests a minimum of 70% of its NAV in sukuk.

### **Category of Fund**

Sukuk

### **Investment Objective**

The Fund aims to provide regular income\* while maintaining capital stability\*\* over the medium to long-term by investing in sukuk portfolio.

\* Income could be in the form of Units or cash. Please refer to the mode of distribution on page 81.

\*\*This is not a capital protected/guaranteed fund and the returns are not guaranteed.

Note: Any material changes to the Fund's investment objective would require Unit Holders' approval.

### **Investment Policy, Strategy and Asset Allocation**

The Fund seeks to achieve its objective by investing in a diversified portfolio of sukuk and Islamic liquid assets. Its sukuk investments varied from sovereign to quasi-sovereign and corporate (listed and unlisted). The Fund may maintain its sukuk exposure with minimum 70% of the NAV and the balance of the Fund's NAV will be maintained in Islamic liquid assets.

The Fund may invest in sukuk of differing maturity without any portfolio maturity limitation. The portfolio is subject to the External Investment Manager's active duration management in consideration of the movement of the yield curve and credit spread curve. The foreign markets which the Fund may invest in comprise but not limited to ASEAN countries, United Arab Emirates, Saudi Arabia, Bahrain,

United Kingdom, India, China, Australia, New Zealand, Japan, Hong Kong, US and Germany. In addition, foreign investments by the Fund shall not exceed 30% of the Fund's NAV.

In response to volatile markets, the Fund's exposure to potential risks and returns need to be managed actively to achieve its risk-return trade-off. In doing so, the Fund may adopt a defensive strategy temporarily by reallocating up to 100% of the Fund's Shariah-compliant investments into Islamic liquid assets which may be inconsistent with the Fund's objective and asset allocation strategy. The defensive strategy may be necessary to protect the Fund's investment in response to adverse market, economic, political, or any other conditions. The Manager intends to adopt an active and frequent trading strategy depending upon market opportunities in meeting the Fund's investment objective.

### **Sukuk Investment Strategy**

The Fund's investment portfolio includes listed and unlisted sukuk with Islamic liquid assets that will be limited to a maximum of 30% of the Fund's NAV. The Fund will invest in domestic sukuk with a minimum of "A3" or "P3" rating by RAM or equivalent rating by MARC at the point of purchase. For foreign sukuk, the Fund will invest in sukuk with a minimum rating of "Ba3" by Moody's or equivalent rating by Standard & Poor's or Fitch Ratings at the point of purchase. In the occurrence of sukuk rating falls below the minimum rating, the External Investment Manager will on a best effort attempt to sell the sukuk in the market. However, the Fund may also invest in unrated sukuk issued or guaranteed by government, any other sovereign or quasi-sovereign bodies and corporates which their parent company carries a minimum "Ba3" by Moody's or equivalent rating by Standard & Poor's or Fitch Ratings.

The sukuk portfolio's construction process is research driven and based on macroeconomic analysis, local economic conditions, profit rate analysis, credit analysis and yield spread analysis. The process of portfolio's construction will be made via active management to capitalize on changes in interest rates, improving credit outlook, inter-sector yield spreads and yield spreads of specific sukuk.

As part of the risk management strategy, the Fund may utilise Islamic derivatives as a hedge against price volatility and currency movement, subject to the Guidelines. However, leveraging is strictly not permitted for the Fund.

### **Risk Management Strategies**

Risk management is one of the core processes in managing the Fund. It is essential to identify possible risks arising due to uncertainty and manage it accordingly with risk management strategies.

As part of the risk management strategy, to mitigate any short-term market volatility and currency risks, Islamic derivatives may help to reduce the overall risk in the Fund's portfolio by providing a useful hedging tool. However, like other investments, it is still subject to judgement and execution errors of the External Investment Manager that may adversely impact the performance of the Fund.

In addition, the Manager and/or the External Investment Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Manager and/or the External Investment Manager may reallocate up to 100% of the Fund's Shariah-compliant investments into Islamic liquid assets which may be inconsistent with the Fund's objective and asset allocation strategy with any financial institutions, which are defensive in nature.

### **Distribution Policy**

Semi-annual distribution, subject to availability of income.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

### **Performance Benchmark**

Maybank General Investment Account-i 1month rate.

Investors may obtain information on the benchmark from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

\*Please note that the risk profile of the Fund does not reflect that of the performance benchmark.

### **Permitted Investments**

This Fund will invest in any of the following investments:

- (a) sukuk traded in Eligible Markets;
- (b) Islamic liquid assets;
- (c) sovereign or quasi-sovereign sukuk issued or guaranteed by Malaysian or foreign governments or supranational agencies;
- (d) Islamic derivatives including but not limited to Islamic options, Islamic futures contracts, Islamic profit rate swaps, Islamic currency forwards and Islamic swaps with Islamic financial institutions;
- (e) Islamic collective investment schemes; and

- (f) Any other form of Shariah-compliant investments as may be permitted by the relevant regulatory authorities from time to time and in accordance to the Fund's objective.

### 3.16 TA DANA GLOBAL

TA Dana Global is an Islamic fixed income fund which entered into Islamic Derivative where performance is based on an Underlying Asset.

#### Category of Fund

Fixed Income (Islamic)\*

*\*The Fund will also enter into Islamic Derivative where performance is based on an Underlying Asset.*

#### Investment Objective

The Fund aims to provide income and capital appreciation.

Any material changes to the objective of the Fund requires the Unit Holders' approval.

#### Investment Policy, Strategy and Asset Allocation

The Fund seeks to achieve the investment objective by investing primarily in Malaysian Islamic fixed income instruments and Islamic money market instruments. Remainder of the Fund's NAV will be invested in Islamic liquid assets.

The Fund will also invest in Islamic Derivative instrument which is issued by the Bank carrying a minimum rating by a domestic or global rating agency that indicates strong capacity for timely payment of financial obligation. The purpose of the Islamic Derivative is to enable the Fund's performance to be exposed to the return of the underlying asset ("Underlying Asset") based on each party's undertaking (Wa'd).

The Fund will be managed on a semi-active basis by the Manager. Semi-active management of the portfolio refers to the possibility that the investments may be traded / rebalanced if needed based on default risk and/or from uptrend interest rate concerns. Please refer to risk management strategies of the Fund for information on how the risk is mitigated.

The base currency of the Fund is in RM but the Fund's exposure to the Islamic Derivative may be denominated in foreign currency.

**Note:** If and when required due to market conditions, the Manager has the discretion to unwind its positions in the Islamic Derivative and the Fund will not be exposed to the return of the Underlying Asset. Upon unwinding, the Manager may enter into new Islamic Derivative transaction with other counterparty. The Manager will notify Unit Holders in writing the information relating to the issuer/Underlying Asset of the Islamic Derivative. Please refer to risk management strategies of the Fund for information on the temporary defensive positions of the Manager.

The Fund's exposure into the Islamic Derivative could potentially result in higher volatility for the Fund's NAV.

#### Fund Structure

- **Islamic fixed income instruments and Islamic money market instruments**

The Fund will invest a minimum of 95% of the Fund's NAV in Islamic fixed income instruments including Islamic money market instruments.

The Fund intends to invest in Islamic money market instruments which have a maturity period of up to 365 days. The Islamic money market instruments comprise Islamic deposits (Malaysian currency) with financial institutions and Islamic Negotiable Instruments (INIs). The Fund may also invest in Islamic fixed income securities such as Long Term sukuk to provide higher returns than short term Islamic money market instruments. The Long Term sukuk must be rated at least "AA" by RAM or its equivalent. The allocation of the portfolio will be determined based on the Manager's assessment of economic conditions. The Manager will seek investment opportunities by investing in investments of various tenures, investment grade listed and unlisted sukuk issued by reputable companies.

If the ascribed credit rating falls below the minimum rating, the Manager will dispose of the investments within reasonable time frame. However, the Manager reserves the right to retain the investment should it be a temporary downgrade.

In any case, the Manager will adopt a strict selection process to ensure only appropriate instruments are invested in accordance with the investment objective. The selection process is in essence a screening process that selects instruments with risk-return profiles that match the Fund's requirements. The Manager's selection of Islamic fixed income instruments and Islamic money market instruments depends largely on credit rating to assure principal repayment.

\*Long Term means investment horizon of more than one (1) year.

- **Islamic Derivative**

The Islamic Derivative transaction is a contractual agreement between the Bank and the Fund to exchange cash flows whereby each party grants Wa'd (undertakings) to the other party to purchase Shariah-compliant commodity from such other party on one or more specified future dates to enter into Commodity Murabahah Transactions upon exercise of such undertaking by the other party on the occurrence on the conditions of the Wa'd.

The Fund does not invest directly into the Underlying Asset. Instead, the Fund will enter into an Islamic Derivative transaction with the Bank for a notional sum of up to 100% of the Fund's NAV as part of the hedging strategy. By entering into the Islamic Derivative, this will increase the cost efficiency to the Fund and enable the Fund to obtain exposure to the performance of the Underlying Asset. Hence, the exposure of the foreign currency risk to the Fund is limited to the performance of the Underlying Asset to mitigate the foreign currency risk. However, this may result in an increase in the counterparty risk to the Fund. The Islamic Derivative will be denominated in USD or any other foreign currency from time to time.

The value of the Islamic Derivative will impact the NAV due to the market factors, including but not limited to those specified below:

1. the value of the investment of the Underlying Asset;
2. the expected price volatility of the Underlying Asset;
3. the level of prevailing return;
4. the depth of the market or liquidity of the Underlying Asset;
5. any change in currency exchange rates; or
6. any related transaction costs.

The Fund must pay a fee ("fee percentage") to the Bank in exchange for receiving exposure to the Underlying Asset based on accrued basis. No upfront yearly payment shall be made to the Bank. The notional principal amount and profit of each future Murabahah trade will reflect the Islamic Derivative's position on the Quarterly Observation Date. The profit will be calculated as follows:

$$Profit(i) = ABS [Performance\ of\ Underlying\ Asset(i) - Fee\ Percentage] \times Notional\ Amount(i)$$

Performance of the Underlying Asset will be observed by the Bank acting as calculation agent and the Underlying Asset's performance to exercise of each party's undertaking will be determined based on the performance of the Underlying Asset. If the performance of the Underlying Asset is more than fee percentage, a payment will be paid from the Bank within seven (7) Business Days after the Quarterly Observation Date to the Fund under the Bank's undertaking. Hence, profit will be paid to the Fund. However, if the performance of the Underlying Asset is less than fee percentage, a payment will be paid from the Fund within seven (7) Business Days after the Quarterly Observation Date to the Bank under the Fund's undertaking which may result in a decrease in the NAV of the Fund.

Below are the illustrations on how the quarterly profit of the Islamic Derivative is computed:

Assuming that:

Inception level	100
Quoted Fee <sup>1</sup>	1.50% p.a.
Currency	USD
number of days	90 days

**Table 1:**

	Price Level of Underlying Asset (USD)	Notional Amount (USD)	Quarterly Performance (%)	Quarterly Performance (USD)	Quarterly Fee (USD)	Quarterly Profit (USD)
Inception	100.00	10,000,000				
Month 1	107.45					
Month 2	106.41					
Month 3	103.27	10,327,000	3.27%	327,000.00	(37,500.00)	289,500.00
Month 4	105.90					-
Month 5	108.11					-
Month 6	109.63	10,963,000	6.16%	636,143.20	(38,726.25)	597,416.95
Month 7	113.48					-
Month 8	110.53					-
Month 9	100.44	10,044,000	-8.38%	(918,699.40)	(41,111.25)	(959,810.65)

<sup>1</sup> A fee quoted by the Bank. The Manager has the sole discretion to decide either to enter into the Islamic Derivative with a fixed rate or floating rate, and subject to change from time to time based on market conditions.

Month 10	88.74					-
Month 11	97.71					-
Month 12	101.35	10,135,000	0.91%	91,400.40	(37,665.00)	53,735.40

Based on Table 1, the price level of the Underlying Asset on month 3 is 103.27, which is higher than the inception level of 100. The quarterly performance of the Underlying Asset is 3.27%. In this scenario, the Bank's undertaking will take effect since the quarterly performance of the Underlying Asset is more than quarterly fee. Under the Islamic Derivative, the Bank pays the Fund USD289,500.00.

$$\begin{aligned}
 \text{Quarterly fee} &= \frac{USD10,000,000 \times 1.5\% \times 90}{360} \\
 &= USD37,500.00 \\
 \text{Quarterly profit} &= \text{previous quarter's notional} \times \text{quarterly performance} - \text{quarterly fee} \\
 &= (USD10,000,000 \times 3.27\%) - USD37,500.00 \\
 &= USD289,500.00
 \end{aligned}$$

The price level of the Underlying Asset on month 6 is 109.63, which is higher than the previous price level of 103.27 on month 3. The quarterly performance of the Underlying Asset is 6.16%. In this scenario, the Bank's undertaking will take effect since the quarterly performance of the Underlying Asset is more than quarterly fee. Under the Islamic Derivative, the Bank pays the Fund USD597,416.95.

$$\begin{aligned}
 \text{Quarterly fee} &= \frac{USD10,327,000 \times 1.5\% \times 90}{360} \\
 &= USD38,726.25 \\
 \text{Quarterly profit} &= \text{previous quarter's notional} \times \text{quarterly performance} - \text{quarterly fee} \\
 &= (USD10,327,000 \times 6.16\%) - USD38,726.25 \\
 &= USD597,416.95
 \end{aligned}$$

The price level of the Underlying Asset on month 9 is 100.44, which is lower than the previous price level of 109.63 on month 6. The quarterly performance of the Underlying Asset is -8.38%. In this scenario, the Fund's undertaking will take effect since the quarterly performance of the Underlying Asset is less than quarterly fee. Under the Islamic Derivative, the Fund pays the Bank USD959,810.65.

$$\begin{aligned}
 \text{Quarterly fee} &= \frac{USD10,963,000 \times 1.5\% \times 90}{360} \\
 &= USD41,111.25 \\
 \text{Quarterly profit} &= \text{previous quarter's notional} \times \text{quarterly performance} - \text{quarterly fee} \\
 &= (USD10,963,000 \times -8.38\%) - USD41,111.25 \\
 &= (USD959,810.65)
 \end{aligned}$$

The price level of the Underlying Asset on month 12 is 101.35, which is higher than the previous price level of 100.44 on month 9. The quarterly performance of the Underlying Asset is 0.91%. In this scenario, the Bank's undertaking will take effect since the quarterly performance of the Underlying Asset is more than quarterly fee. Under the Islamic Derivative, the Bank pays the Fund USD53,735.40.

$$\begin{aligned}
 \text{Quarterly fee} &= \frac{USD10,044,000 \times 1.5\% \times 90}{360} \\
 &= USD37,665.00 \\
 \text{Quarterly profit} &= \text{previous quarter's notional} \times \text{quarterly performance} - \text{quarterly fee} \\
 &= (USD10,044,000 \times 0.91\%) - USD37,665.00
 \end{aligned}$$



= USD53,735.40

Please note that the calculation set out above is for illustration purposes only and such outcome is dependent on the price level of the Underlying Asset on the Quarterly Observation Date.

**Note:** If and when required due to market conditions, the Manager has the discretion to unwind its investment in the Islamic Derivative.

**a) Underlying Asset**

The Fund will have exposure to a Shariah-compliant equity related ETF i.e: iShares MSCI World Islamic UCITS ETF (the "Underlying Asset") via the Islamic Derivative.

The Underlying Asset will invest, in a manner consistent with Shariah, in a portfolio of securities that so far as practicable and possible consists of the component securities of the MSCI World Islamic Index, the Underlying Asset's benchmark index ("Benchmark Index"). The Underlying Asset intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Underlying Asset will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Underlying Asset may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Underlying Asset may hold all constituents of the Benchmark Index.

For the sole purpose of gaining exposure to the component securities of the Benchmark Index, the Underlying Asset may from time to time invest in convertible investment grade sukuk, ADRs, GDRs, global depository notes and open-ended collective investment undertakings, provided that such action is done in a manner believed to be consistent with Shariah. Subject to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended by EU (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 as may be amended or replaced and the conditions imposed by the Central Bank of Ireland, the Underlying Asset may invest in other funds of the company of the Underlying Asset, provided the other funds have been deemed compliant with Shariah.

The Shariah panel appointed by the investment manager of the Underlying Asset will be responsible for ascertaining the compliance of the Underlying Asset's operations with Shariah. Information relating to the specific services provided by the Shariah panel can be found under "Shariah Panel" of the Underlying Asset's prospectus.

The Underlying Asset may hold ancillary liquid assets (provided the investment in such assets complies with Shariah) subject to the limits set out in Schedule III of the Underlying Asset's prospectus.

The base currency of the Underlying Asset is USD.

**Important Note:**

1. The Fund is neither a capital protected nor capital guaranteed fund.
2. Due to the exposure in the Islamic Derivative, the NAV of the Fund may decrease due to the Fund's exposure to the Underlying Asset.

**Risk Management Strategies**

Risk management is one of the core processes in managing the Fund. It is essential to identify possible risks arising due to uncertainty and manage it accordingly with risk management strategies. The risk management strategies undertaken by the Fund for Islamic fixed income instruments, Islamic money market instruments and the Islamic Derivative encompass the following:-

**i. Islamic fixed income instruments and Islamic money market investments**

- a) Ensure sufficient diversification within the portfolio of the Islamic fixed income instruments and/or Islamic money market instruments in terms of (but not limited to) issuers and sectors, tenures and credit rating for a sufficient dilution of portfolio concentration risk as provided under the Guidelines and the investment restrictions and limits of the Fund;
- b) Adhere to the investment restrictions and limits to ensure that the Fund's investment objective is achieved;
- c) Constant monitoring of portfolio duration and cash flows to ensure the Fund consistently meets its required liquidity; and
- d) Constant monitoring of respective markets to determine the effective asset allocations and rebalance the portfolio should the need arises.

**ii. Islamic Derivative**

- a) Should the Bank fall below minimum rating requirement, the Fund is able to exit the Islamic Derivative's agreement with the Bank and enter into a new agreement with other financial institution with a minimum long term rating provided by any domestic or global rating agency that indicates strong capability for timely payment of financial obligations.
- b) The Manager will conduct an in-house verification of the prices furnished by the Counterparty.
- c) Should the performance of the Underlying Asset falls below 20% or any level that the Manager may decide to take defensive positions in response to adverse market conditions, in such circumstances, the Manager may terminate the agreement with the Bank and not enter into any Islamic Derivative which may be inconsistent with the Fund's objective. The Manager may

also request to replace the existing Underlying Asset with other similar underlying asset after negotiation with the Bank and new agreement shall be executed prior to that.

The overall risk management strategies for the Fund are as follows:

1. monitoring market and economic conditions;
2. monitoring adherence to the Fund's objective and investment restrictions and limits;
3. monitoring the performance of the Fund;
4. monitoring the counterparty's rating and taking precautionary steps if the counterparty is downgraded to a lower rating; and
5. escalating and reporting investment matters to the investment committee, senior management team, audit and compliance committee and board of directors.

#### **Distribution Policy**

Annual distribution (if any).

The distribution may be made from (1) realised income, (2) realised gains, (3) unrealised income, (4) unrealised gains, (5) capital or (6) a combination of any of the above to provide a consistent level of distribution to Unit Holders.

In order for the Manager to generate the distributable income, all or parts of the fees and expenses incurred by the Fund may be charged to the capital of the Fund.

The effects of distributing income out of capital would include but are not limited to the following:

- the value of the investments in the Fund may be reduced; and
- the capital of the Fund may be eroded.

The distribution is achieved by forgoing the potential for future capital growth. As a result, the value of future returns would be diminished and there would be an impact on the future growth potential of the Fund as the available assets to grow in the future is the net of the expenses charged to the Fund.

Please note that if distribution is made, such distribution is not a forecast, indication or projection of the future performance of the Fund. The Manager has the right to make provisions for reserves in respect of distribution of the Fund. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make distribution on an ad-hoc basis, taking into consideration the performance of the Fund.

#### **Performance Benchmark**

MSCI World Islamic Index.

Please note that investors may also obtain information on the benchmark from the Manager upon request. Any change of the Fund's benchmark will be updated on our website and/or the Fund's product highlights sheet.

The risk profile of the Fund is different from the risk profile of the performance benchmark. There is no guarantee that the Fund will outperform the benchmark.

#### **Permitted Investments**

The Fund will invest in any of the following investments:

- a) Zero coupon Islamic negotiable instruments of deposits;
- b) Islamic deposits and Islamic money market instruments;
- c) Islamic Accepted Bills, Cagamas Sukuk and sukuk that are traded in the Islamic money market and either bank guaranteed or carrying at least BBB rating by the RAM or MARC and sukuk that have an equivalent rating by RAM or MARC;
- d) Government Investment Issues, Bank Negara Monetary Notes-i and any other government Islamic paper;
- e) Islamic Derivative;
- f) Islamic collective investment schemes including unlisted and listed Islamic unit trusts;
- g) Any other form of investment as may be permitted by the SACSC and/or the Shariah Adviser and in accordance with Shariah requirements from time to time.

The above requirements are subject to the limitations and restrictions under the Guidelines which must be complied with at all times based on the most up to date value of the Fund and value of investments while adhering to Shariah requirements.

### **3.17 INVESTMENT RESTRICTIONS AND LIMITS**

Subject to the Guidelines, the Funds (except for TADA, TADG, TAICP, TAGAAF, TAEURO and TADIF) will be managed in accordance with the following list of investment restrictions and limits:

- (a) The aggregate value of the Fund's investments in-
  - i. transferable securities/Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market;
  - ii. collective investment schemes/Islamic collective investment schemes that do not comply with paragraph (g); and

- iii. other securities/other Shariah-compliant securities, must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single collective investment scheme, as the case may be.
- (b) The value of the Fund's investments in ordinary shares/Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV.
- (c) The value of the Fund's investments in transferable securities/Shariah-compliant transferable securities and money market instruments/Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (d) The value of the Fund's placement in deposits/Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (e) The Fund's exposure from derivatives/Islamic derivatives positions should not exceed the Fund's NAV. Further, the maximum exposure of the Fund to the counterparty, calculated based on the method prescribed in the Guidelines, must not exceed 10% of the Fund's NAV.
- (f) The value of the Fund's investments in transferable securities/Shariah-compliant transferable securities and money market instruments/Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in paragraph (a) issued by the issuers within the same group of companies must be included in the calculation.
- (g) The value of the Fund's investments in units or shares of a collective investment scheme/Islamic collective investment scheme must not exceed 20% of the Fund's NAV, provided that the collective investment scheme/Islamic collective investment scheme complies with the following categories;
  - i. the collective investment scheme/Islamic collective investment scheme is authorised or recognised by the SC; or
  - ii. the collective investment scheme/Islamic collective investment scheme meets the following criteria:
    - 1. the collective investment scheme/Islamic collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
    - 2. the rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
    - 3. the assets of the collective investment scheme/Islamic collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
    - 4. the business of the collective investment scheme/Islamic collective investment scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
  - iii. the collective investment scheme/Islamic collective investment scheme meets the following criteria (excluding collective investment scheme/Islamic collective investment scheme that invests in real estate):
    - 1. the collective investment scheme/Islamic collective investment scheme invests in permissible investments prescribed under the Guidelines, physically-backed metal ETFs that comply with the Guidelines, or real estate;
    - 2. the collective investment scheme/Islamic collective investment scheme meets the criteria imposed on transferable securities/Shariah-compliant transferable securities as prescribed under the Guidelines;
    - 3. the units or shares in the collective investment scheme/Islamic collective investment scheme are listed for quotation and traded on a stock exchange that is an Eligible Market; and
    - 4. the collective investment scheme/Islamic collective investment scheme is not an inverse or leveraged product.
- (h) The value of the Fund's investments in units or shares of a collective investment scheme/Islamic collective investment scheme that invests in real estate pursuant to paragraph g(iii) must not exceed 15% of the Fund's NAV.
- (i) The single issuer limit may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- (j) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit may be raised, subject to the group limit not exceeding 35% of the Fund's NAV.
- (k) The single financial institution limit in paragraph (d) does not apply to placements of deposits/Islamic deposits arising from:
  - i. subscription monies received prior to the commencement of investment by the Fund;
  - ii. liquidation of investments prior to the termination or maturity of the Fund, where the placement of deposits/Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - iii. monies held for the settlement of redemption or other payment obligations, where the placement of deposits/Islamic deposits with various financial institutions would not be in the best interest of Unit Holders.
- (l) The aggregate value of the Fund's investments in, or exposure to, a single issuer through-
  - i. transferable securities/Shariah-compliant transferable securities;
  - ii. money market instruments/Islamic money market instruments;
  - iii. deposits/Islamic deposits;
  - iv. underlying assets of derivatives/Islamic derivatives; and
  - v. counterparty exposure arising from the use of OTC derivatives/Islamic derivatives,
 must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (m) The Fund's investments in shares or securities/Shariah-compliant shares or Shariah-compliant securities equivalent to shares/Shariah-compliant shares must not exceed 10% of the shares or securities/Shariah-compliant shares or Shariah-compliant securities equivalent to shares/Shariah-compliant shares, as the case may be, issued by a single issuer.
- (n) The Fund's investments in debt securities/sukuk must not exceed 20% of the debt securities/sukuk issued by a single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of debt securities/sukuk in issue cannot be determined.

- (o) The Fund's investments in money market instruments/Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments/Islamic money market instruments that do not have a pre-determined issue size.
- (p) There will be no restrictions or limits for securities/Shariah-compliant securities issued or guaranteed by the Malaysian Government or Bank Negara Malaysia;
- (q) The Fund's investments in collective investment scheme/Islamic collective investment scheme must not exceed 25% of the units or shares/Shariah-compliant shares in the collective investment scheme/Islamic collective investment scheme.

As for **TAGF, TACF, TAIF, TIF, TASF and TADO**, these Funds may invest up to 30% of the respective Fund's NAV in foreign markets, or any other limits as determined by relevant authorities.

As for **TAICP**, this Fund will be managed in accordance with the following list of investment restrictions and limits:

- (a) The Fund's assets must only consist of the following:
  - i. sukuk;
  - ii. Islamic money market instruments;
  - iii. placement in Islamic deposits; and
  - iv. units or shares in other Islamic money market collective investment schemes.
- (b) The Fund must invest at least 90% of its NAV in:
  - i. short-term sukuk and short-term Islamic money market instruments; and
  - ii. placement in short-term Islamic deposits.
- (c) For the purpose of paragraph (b)(i), a "short-term" sukuk or Islamic money market instrument must meet the following criteria:
  - i. it must meet either one of the following requirements:
    - 1. it has a legal maturity at issuance of 397 calendar days or less;
    - 2. it has a remaining term of maturity of not more than 397 calendar days; or
    - 3. where a sukuk or an Islamic money market instrument is issued by, or the issue is guaranteed by, either a government, government agency, central bank or supranational, the remaining maturity period must not be more than 2 years;
  - ii. it must be traded or dealt in under the rules of an Eligible Market; and
  - iii. it must not contain an Islamic embedded derivative.
- (d) For the purpose of paragraph (b)(ii), a "short-term Islamic deposit" means an Islamic deposit with a tenure of not more than 12 months.
- (e) The Fund may only invest up to 10% of its NAV in:
  - i. high quality sukuk which have a remaining maturity period of more than 397 days but fewer than 732 days; and
  - ii. units or shares in other Islamic money market collective investment schemes.
- (f) A "high quality" sukuk is one with an issuer credit rating that has:
  - i. minimum top two short-term rating (including gradation and subcategories); or
  - ii. minimum top three long-term rating (including gradation and subcategories), as rated by any Malaysian or global rating agency.
- (g) The value of the Fund's investments in sukuk and Islamic money market instruments issued by a single issuer must not exceed 20% of the Fund's NAV ("single issuer limit").
- (h) The single issuer limit may be increased to 30% of the Fund's NAV if the sukuk are rated by any Malaysian or global rating agency to have highest long-term credit rating.
- (i) The value of the Fund's investments in sukuk and Islamic money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV ("group limit").
- (j) The Fund's investments in Islamic money market instruments must not exceed 20% of the instruments issued by any single issuer.
- (k) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (l) The aggregate value of the Fund's investments in, or exposure to, a single issuer through:
  - i. sukuk;
  - ii. Islamic money market instruments; and
  - iii. Islamic deposits,
 must not exceed 25% of the Fund's NAV ("single issuer aggregate limit").
- (m) The value of the Fund's investments in units or shares of an Islamic money market collective investment scheme must not exceed 20% of the Fund's NAV, provided that the Islamic money market collective investment schemes is authorised or recognised by the SC.
- (n) The single issuer limit may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- (o) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit may be raised, subject to the group limit not exceeding 35% of the Fund's NAV.
- (p) The single financial institution limit in paragraph (k) does not apply to placements of Islamic deposits arising from:
  - i. subscription monies received prior to the commencement of investment by the Fund;
  - ii. liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - iii. monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of Unit Holders.
- (q) The Fund's investments in sukuk must not exceed 20% of the sukuk issued by a single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be determined.
- (r) The Fund's investments in Islamic money market collective investment schemes must not exceed 25% of the units/shares in the Islamic money market collective investment scheme.
- (s) There will be no restriction or limits for Shariah-compliant securities issued or guaranteed by the Malaysian Government or Bank Negara Malaysia.

Islamic liquid assets must be held in the form of cash and/or Islamic deposits with financial institutions and/or other institutions licensed or approved to accept cash and/or Islamic deposits, or any highly liquid instrument that is capable of being converted into cash within seven (7) Business Days (as may be approved by the Trustee).

As for **TAGAAF and TAEURO**, these Funds will be managed in accordance with the following list of investment restrictions and limits:

- (a) The Fund must invest at least 85% of its NAV in other collective investment schemes.
- (b) The Fund may invest up to 15% of its NAV in the following:
  - i. money market instruments that are dealt in or under the rules of an Eligible Market and whose residual maturity does not exceed 12 months;
  - ii. placement in short-term deposits; and
  - iii. derivatives for the sole purpose of hedging arrangements.
- (c) The Fund must not invest in
  - i. a fund-of funds;
  - ii. a feeder fund; and
  - iii. any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
- (d) The Fund must invest in at least five (5) collective investment schemes at all times;
- (e) The value of the Fund's investments in units or shares of a collective investment scheme must not exceed 30% of the Fund's NAV, provided that the collective investment scheme complies with the following categories:
  - i. the collective investment scheme is authorised or recognised by the SC; or
  - ii. the collective investment scheme meets the following criteria:
    1. The collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
    2. The rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
    3. The assets of the collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
    4. The business of the collective investment scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
  - iii. the collective investment scheme meets the following criteria (excluding collective investment scheme that invests in real estate):
    1. The collective investment scheme invests in permissible investments under the Guidelines, physically-backed metal ETFs that comply with the Guidelines, or real estate;
    2. The collective investment scheme meets the criteria imposed on transferable securities as prescribed under the Guidelines;
    3. The units or shares in the collective investment scheme are listed for quotation and traded on a stock exchange that is an Eligible Market; and
    4. The collective investment scheme is not an inverse or leveraged product.
- (f) The aggregate value of the Fund's investments in-
  - i. collective investment schemes that do not comply with paragraph (e); and
  - ii. other securities,
 must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single collective investment scheme, as the case may be.
- (g) The value of the Fund's investments in units or shares of a collective investment scheme that invests in real estate pursuant to paragraph (e)(iii) must not exceed 15% of the Fund's NAV.
- (h) The Fund's investments in collective investment scheme must not exceed 25% of the units or shares in the collective investment scheme.
- (i) The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size.
- (j) The value of the Fund's investments in money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (f) issued by the same issuer must be included in the calculation.
- (k) The value of the Fund's placement in deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (l) The aggregate value of the Fund's investments in, or exposure to, a single issuer through-
  - i. money market instruments;
  - ii. deposits;
  - iii. underlying assets of derivatives; and
  - iv. counterparty exposure arising from the use of OTC derivatives,
 must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph (f) issued by the same issuer must be included in the calculation.
- (m) The value of the Fund's investments in money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in paragraph (f) issued by the issuers within the same group of companies must be included in the calculation.
- (n) The single financial institution limit in paragraph (k) does not apply to placements of deposits arising from:
  - i. subscription monies received prior to the commencement of investment by the Fund;
  - ii. liquidation of investments prior to the termination or maturity of the Fund, where the placement of deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - iii. monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various financial institutions would not be in the best interest of Unit Holders.

As for **TADIF**, this Fund will be managed in accordance with the following list of investment restrictions and limits:

- (a) The Fund must invest at least 85% of its NAV in units or shares of a single collective investment scheme, provided that the collective investment scheme meets the following criteria-
  - i. the collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
  - ii. the rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
  - iii. the assets of the collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
  - iv. the business of the collective investment scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.
- (b) The Fund may invest up to 15% of its NAV in the following permitted investments:
  - i. money market instruments that are dealt in or under the rules of an Eligible Market, and whose residual maturity does not exceed 12 months;
  - ii. placement in short-term deposits; and
  - iii. derivatives for the sole purpose of hedging arrangement.
- (c) The Fund must not invest in:
  - i. a fund-of-funds;
  - ii. a feeder fund; and
  - iii. any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
- (d) The value of the Fund's investments in money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit").
- (e) The value of the Fund's placement in deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (f) The aggregate value of the Fund's investments in, or exposure to, a single issuer through-
  - i. money market instruments;
  - ii. deposits;
  - iii. underlying assets of derivatives; and
  - iv. counterparty exposure arising from the use of OTC derivatives, must not exceed 25% of the Fund's NAV ("single issuer aggregate limit").
- (g) The value of the Fund's investments in money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit").
- (h) The single financial institution limit in paragraph (e) does not apply to placements of deposits arising from:
  - i. subscription monies received prior to the commencement of investment by the Fund;
  - ii. liquidation of investments prior to the termination or maturity of the Fund, where the placement of deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - iii. monies held for the settlement of redemption or other payment obligations, where the placement of deposits with various financial institutions would not be in the best interest of Unit Holders.
- (i) The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size.
- (j) The Fund's exposure from derivatives positions for hedging purposes should not exceed the Fund's NAV. Further, the maximum exposure of the Fund to the counterparty, calculated based on the method prescribed in the Guidelines, must not exceed 10% of the Fund's NAV. For the exposure to the underlying assets of the derivative must not exceed the investment restrictions or limitations applicable to such underlying assets and investments stipulated in the Guidelines.

As for **TADA** and **TADG**, these Funds will be managed in accordance with the following list of investment restrictions and limits:

- (a) The aggregate value of the Fund's investments in-
  - i. sukuk that are not traded or dealt in or under the rules of an Eligible Market;
  - ii. Islamic collective investment schemes that do not comply with paragraph (d); and
  - iii. other Shariah-compliant securities, must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single Islamic collective investment scheme, as the case may be.
- (b) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (c) The Fund's exposure from Islamic derivatives positions should not exceed the Fund's NAV. Further, the maximum exposure of the Fund to the counterparty, calculated based on the method prescribed in the Guidelines, must not exceed 10% of the Fund's NAV.
- (d) The value of the Fund's investments in units or shares of an Islamic collective investment scheme must not exceed 20% of the Fund's NAV, provided that the Islamic collective investment scheme complies with the following categories:
  - i. the Islamic collective investment scheme is authorised or recognised by the SC; or
  - ii. the Islamic collective investment scheme meets the following criteria:
    1. the Islamic collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
    2. the rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
    3. the assets of the Islamic collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
    4. the business of the Islamic collective investment scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
  - iii. the Islamic collective investment scheme meets the following criteria (excluding collective investment scheme that invests in real estate):
    1. the Islamic collective investment scheme invests in permissible investments prescribed under the Guidelines, physically-backed metal ETFs that comply with the Guidelines, or real estate;

2. the Islamic collective investment scheme meets the criteria imposed on transferable securities as prescribed under the Guidelines;
  3. the units or shares in the Islamic collective investment scheme are listed for quotation and traded on a stock exchange that is an Eligible Market; and
  4. the Islamic collective investment scheme is not an inverse or leveraged product.
- (e) The value of the Fund's investments in units or shares of an Islamic collective investment scheme that invests in real estate pursuant to paragraph d(iii) must not exceed 15% of the Fund's NAV.
- (f) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 20% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (g) The aggregate value of the Fund's investments in, or exposure to, a single issuer through-
- i. Shariah-compliant transferable securities;
  - ii. Islamic money market instruments;
  - iii. Islamic deposits;
  - iv. underlying assets of Islamic derivatives; and
  - v. counterparty exposure arising from the use of OTC Islamic derivatives,
- must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investment in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (h) The single issuer limit may be increased to 30%, if the sukuk is rated by any Malaysian or global rating agency to have the highest long-term credit rating.
- (i) Where the single issuer limit is increased to 30%, the single issuer aggregate limit of 25% may be raised to 30% of the Fund's NAV.
- (j) The value of the Fund's investments Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in paragraph (a) issued by the issuers within the same group of companies must be included in the calculation.
- (k) Where the sukuk or Islamic money market instruments are issued, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency, the limits in paragraphs (l) and (m) may apply.
- (l) The single issuer limit may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- (m) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit may be raised, subject to the group limit not exceeding 35% of the Fund's NAV.
- (n) The single financial institution limit in paragraph (b) does not apply to placements of Islamic deposits arising from:
- i. subscription monies received prior to the commencement of investment by the Fund;
  - ii. liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
  - iii. monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of Unit Holders.
- (o) The Fund's investments in sukuk must not exceed 20% of the sukuk issued by a single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be determined.
- (p) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size;
- (q) The Fund's investments in Islamic collective investment scheme must not exceed 25% of the units or shares in the Islamic collective investment scheme.

For **TADA**, this Fund may invest up to 30% of the respective Fund's NAV in foreign markets, or any other limits as determined by relevant authorities.

The abovementioned limits and restrictions however, do not apply to securities that are issued or guaranteed by the Government or Bank Negara Malaysia.

The above stated restrictions and limits shall be complied with at all times based on the most up-to-date value of the Fund's investments. The Manager shall notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions stated above with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of any-

- (a) appreciation or depreciation in value of the Fund's investments;
- (b) repurchase of Units or payment made out of the Fund;
- (c) change in capital of a corporation in which the Fund has invested in; or
- (d) downgrade in or cessation of a credit rating,

need not be reported to the SC but shall be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines. The three (3) months period may be extended if it is in the best interest of Unit Holders and Trustee's consent is obtained. Such extension shall be subject to at least a monthly review by the Trustee.

#### **Policy On Gearing**

The Fund may borrow cash/obtain cash financing for the purpose of meeting repurchase requests for Units and for short-term bridging requirements. However, we shall ensure that:-

- (i) The Fund's cash borrowing/financing is only on a temporary basis and that borrowings/financing are not persistent;
- (ii) The borrowing/financing period should not exceed one month;
- (iii) The aggregate borrowings/financing of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing/financing is incurred; and
- (iv) The Fund may only borrow/obtain financing from financial institutions/Islamic financial institutions.

Except as otherwise provided under the Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. For Islamic unit trust funds, the Funds must seek for an Islamic financing facility to satisfy the above conditions.

#### ***Securities Lending and Repurchase Transaction***

The Funds do not engage in the securities lending and repurchase transactions.

### **3.18 GENERAL RISKS**

Any investment carries with it an element of risk. With unit trust funds, the potential risks can be analysed as follows:

- **Market Risk**

This is the risk when the value/demand of a stock/Shariah-compliant stock, share/Shariah-compliant share, bonds/sukuk or any other security may be reduced due to market activity. The volatility of the market activity can be caused by factors such as inflation, changes in government policies, interest rates and exchange rates, therefore, as market conditions change, the performance of units may fall as well as rise, and income produced by a fund may also fluctuate. Accordingly, the Manager cannot guarantee any distribution or investment returns to the Unit Holders. However, by investing in a wide range of securities/Shariah-compliant securities, the Manager attempts to balance this risk with the investment rewards that can be made.

In assessing market risk, the Manager will keep a close watch on the financial markets to pick up potential adverse movements in these markets.

- **Particular Stock Risk**

Any irregular fluctuation of a particular stock/Shariah-compliant stock may affect the unit price as the price of units may also fluctuate. This impact is reduced if a fund invests in a wide portfolio of investments.

- **Country Risk**

The prices of securities/Shariah-compliant securities may also be affected by the political and economic conditions of the country in which the securities/Shariah-compliant securities are issued. However, investment can be diversified across markets/countries which will assist in mitigating the risk that may arise.

- **Currency Risk**

This risk is associated with investments denominated in foreign currencies. The net asset value of a unit trust fund will be lower if the foreign currency in which the securities/Shariah-compliant securities are denominated moves unfavourably against RM. The management company can hedge the currency in mitigation of adverse currency movements.

- **Loan/Financing Risk**

If you obtain a loan/financing to finance your purchase of units, you need to understand that:

- (a) Borrowing/financing increases the possibility for gains as well as losses; and
- (b) If the value of your investment falls below a certain level, you may be asked by the financial institution to top up the collateral or reduce the outstanding loan/financing amount to the required level. Investors are encouraged to invest money from their savings rather than borrowing money/seek financing from the financial institutions. Islamic unit trust funds' investors are encouraged to seek Islamic financing to purchase the units.

- **Interest Rate Risk**

This risk refers to the effect of interest rate changes on the market value of a bond portfolio and the valuation for a sukuk portfolio. In the event of rising interest rates, prices of fixed income securities/valuation for sukuk will decrease and vice versa, which will then have an impact on the net asset value or unit prices of the fund. Meanwhile, debt securities/sukuk with longer maturity and lower coupon/profit rate are more sensitive to interest rate changes. This will be mitigated via the management of the duration structure of the fixed income/sukuk portfolio.

As for Islamic unit trust fund, the interest rate is a general economic indicator that will have an impact on the management of fund regardless of whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the fund will invest in conventional financial instruments. All the investments carried out for Islamic unit trust fund are in accordance with Shariah requirements.

- **Credit/Default Risk**

This risk refers to the possibility that the issuer or financial institution of a securities/Shariah-compliant securities, instruments/Shariah-compliant instruments or deposit/Islamic deposits placements will not be able to make timely payments of interest/profit or principal repayment/payment on the maturity date. This may lead to a default in the payment of principal and interest/profit and ultimately a reduction in the value of unit trust funds. This risk is managed by the internal policy of setting a ceiling or limit to the exposure and also the constant process of credit evaluation to mitigate such risk to an acceptable level.



- **Non-Compliance Risk**

There is a risk that the management company may not adhere to the investment mandate of the fund, the deed and prospectus of the fund, the Guidelines, the internal policies and the relevant laws. As a result, the fund may not be able to achieve its investment objectives. The aforesaid may result in the management company being penalised by the relevant authority, for example, a suspension of the management company's license. In order to mitigate this risk, the management company must have stringent internal controls and ensures that compliance monitoring processes are undertaken.

- **Issuer Risk**

Any large fluctuations in the prices of fixed income securities/Islamic fixed income securities of any of the companies that the fund owns may cause the net asset value or prices of units to change too. Such fluctuations can be caused by changes in government laws in the industry in which the company belongs, entry of new competitors or changes in business directions/strategies/operations. It must be noted that it is not possible to anticipate such risk all the time.

- **Management Company Risk**

There is a risk that the management company may not adhere to the investment mandate of the fund. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to mitigate such risk. The trustee will also have an oversight on the management company pursuant to the Guidelines. Poor management of the fund may also jeopardise the investment of unit holders through the loss of their capital invested in the fund.

- **Inflation Risk**

Purchasing power is reduced by inflation and if the rate of inflation is constantly higher than the rate of returns on investments, the real rate of your investment return (i.e. the returns after adjusting for inflation) could be negative despite the fund showing a positive return. Hence, investors should consider the potential real rate of returns prior to investing.

- **Liquidity Risk**

Liquidity refers to the ease of liquidating an investment of a security/Shariah-compliant security at or near its fair value depending on the investment's volume traded in the market. A unit trust fund holding many securities/Shariah-compliant securities that are illiquid, or difficult to dispose of, will have its value depressed when it has to sell these securities/Shariah-compliant securities at a discount to their fair value. Hence, this will negatively impact the NAV of the Funds and the investments of the Unit Holders. This risk is mitigated through a systematic security selection process and portfolio diversification.

- **Operational Risk**

The performance of a unit trust fund's investment depends upon the proper functioning of both internal and external systems and processes. A market disruption event or system interruption can also impact processes when there is an interruption in the flow of information needed for making qualified decisions in managing the unit trust fund. These disruptions may impact the performance of the unit trust fund, the settlement of trades in the unit trust fund and may also affect the investor's transactions with the unit trust fund. The Manager has to put in place internal controls to manage some of these disruptions such as business continuity plans. However, investors should note that not all circumstances can be prepared for nor anticipated. In such circumstances, the Manager will take appropriate measures to safeguard the Unit Holders' interests.

- **Possibility of Loss**

The prices of units in a unit trust fund and the income from the fund may go down as well as up due to price fluctuations of the securities/Shariah-compliant securities that the fund invests in. A possible loss of all or part of the principal invested cannot be ruled out. No guarantee is given, express or implied, that investors will receive any distribution or returns on their investments, or that investors will get back their initial amount invested in full. The Manager endeavours to mitigate this risk by employing a systemic investment process that is incorporated with a risk management process.

- **Investment Manager Risk**

The performance of any unit trust fund depends on the experience, knowledge and expertise of the investment manager. The risk of the fund underperforming the benchmark may be a result of wrong forecasts or human negligence. Any error in the investment techniques and processes adopted by the manager may have an adverse impact on the fund's performance. The investment manager seeks to mitigate this risk by implementing a structured investment process based on the investment policy and strategy of the unit trust fund and systematic operational procedures along with stringent internal controls.

### 3.19 SPECIFIC RISKS OF THE FUNDS

Risk means the chance of your investment falling in value. In terms of time frame, the risk of a short-term investment is normally higher than that of a long-term investment. A short-term time frame is often below three (3) years while a long-term horizon takes five (5) years or more. Medium-term falls in between.

The specific risks associated with investing in the Funds are as stated below:

- **Liquidity Risk**

*(Applicable only to TIF, TADF and TADA)*

Some securities/Shariah-compliant securities may not be as liquid as term deposits/Islamic deposits. Hence, there is no guarantee that such securities/Shariah-compliant securities can be disposed of at a desired price and receive the sale proceeds immediately. If the Funds have a large portfolio of stocks/Shariah-compliant stocks issued by smaller companies, the relatively less liquid nature of those stocks could cause the value of the Funds to drop; this is because there are generally less ready buyers of such stocks/Shariah-compliant stocks as compared with the stocks/Shariah-compliant stocks of larger and more established companies. This would mean much care is needed when selecting a mix of securities/Shariah-compliant securities to mitigate this risk.

*(Applicable only to TADG)*

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices. The Fund is also subject to liquidity risk for Islamic Derivative which traded in a secondary market where there is no assurance that the secondary market prices will reflect fair market value or what Unit Holders deem to be fair value. Dealing in OTC instruments may involve greater risks than dealing in exchange-traded instruments. The price at which the Islamic Derivative will trade will be dependent on market conditions, which are beyond the Manager's control.

- **Emerging Market Risk**

*(Applicable only to TASEA, TAGAAF, TAIB, TAEURO, TADIF, TAREITs and TADA)*

Some of the Funds may be invested in certain smaller and emerging markets, which exhibits lower levels of economic and/or capital market development, limitations due to foreign investment restrictions, wide dealing spreads, restricted opening hours of stock exchanges and a narrow range of investors. Trading volume and market capitalisation may be lower than in more developed stock markets. This may result in a lower degree of liquidity for the Fund's investments.

This risk however may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the relevant Funds.

- **Credit/Default Risk**

*(Applicable only to TAGF, TACF, TAIF, TIF, TASF, TADO, TAICP, TAEURO and TADA)*

This risk is a concern for investments in fixed income securities/sukuk and refers to the ability of the issuer or counterpart to honour its obligations to make timely payments of principal and interest/profit. In the event that the issuer is faced with financial difficulties, its credit worthiness may also decrease. This in turn may lead to default in the payments thus would affect the value of the Funds' investment. This risk is managed by the internal policy of setting a ceiling or limit to the exposure and also the constant process of credit evaluation to mitigate such risk to an acceptable level.

*(Applicable only to TADG)*

Credit risk relates to the creditworthiness of the issuers of the Islamic fixed income instruments/Islamic money market instruments and their expected ability to make timely payment of potential profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the Islamic fixed income instruments/Islamic money market instruments. In the case of rated sukuk, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of the Islamic fixed income instruments/Islamic money market instruments either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Islamic fixed income instruments/Islamic money market instruments. This could adversely affect the value of the Fund.

- **Specific Stock/Issuer Risk**

*(Applicable only to TAGF, TACF, TAIF, TIF, TASF, TADO, TAICP and TADF)*

Any large fluctuations in the prices of shares/Shariah-compliant shares or fixed income securities/sukuk of any of the companies that the Funds own may cause the NAV or prices of Units to change too. Such fluctuations can be caused by changes in government laws in the industry in which the company belongs, entry of new competitors or changes in business directions / strategies / operations. It must be noted that it is not possible to anticipate such risk all the time.

Nevertheless, the investment managers will endeavour to detect any negative price movements by the constant and detailed research that they will conduct on each company concerned. Upon detection, they will make the necessary decisions to alter the mix of securities/Shariah-compliant securities accordingly.

Furthermore, the individual price change will usually have little impact because the Funds will have either a diversified portfolio of investments which spread the overall risk and thus, reduce overall volatility; or an asset allocation which includes cash & liquid assets/Islamic liquid assets, which returns are less volatile in nature.

- **Interest Rate Risk**

*(Applicable only to TAGF, TACF, TAIF, TIF, TASF, TADO, TAICP, TAIB, TAEURO and TADG)*

This risk refers to the effect of interest rate changes on the market value of a bond portfolio and valuation for a sukuk portfolio. In the event of rising interest rates, prices of fixed income securities/valuation for sukuk will decrease and vice versa. Meanwhile, debt securities/sukuk with longer maturity and lower coupon/profit rate are more sensitive to interest rate changes. This will be mitigated via the management of the duration structure of the fixed income/sukuk portfolio.

As for TAIF, TADO, TAICP, TAIB, TADF and TADA, the interest rate is a general economic indicator that will have an impact on the management of Fund. It does not in any way suggest that these Funds will invest in conventional financial instruments. All the investments carried out for these Funds are in accordance with Shariah requirements.

- **Regulatory Risk**

*(Applicable only to TADIF)*

Trading and settlement practices of some of the markets in which the Fund may invest may not be the same as those in more developed markets, and this may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Trustee may also be instructed by the Manager to settle transactions on a delivery free of payment basis where the Manager believes that this form of settlement is common market practice. Investors should be aware that this may result in a loss to the Fund if a transaction fails to settle, and the Trustee will not be liable to the Fund for such loss.

- **Business Risk of Emerging Companies**

*(Applicable only to TASF)*

This risk is associated with investments in small cap companies. Emerging companies may be more volatile and risky compared with mature and well-established companies. Any irregular fluctuation of the stocks of these companies may affect the Unit price as the price of Units may also fluctuate.

- **Risks Associated with Underlying Funds**

*(Applicable to TAEURO and TAGAAF)*

As the collective investment schemes invest in equities, fixed income instruments, property related securities and commodity related securities, prices of the schemes may rise and fall. The schemes invest in various currencies, USD, Euro, Sterling, Yen and Australian Dollar. Hence the values of these currencies fluctuate over time and can affect the value of the Fund.

To mitigate these currencies fluctuation, the investment manager may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Fund and/or for purpose of efficient portfolio management. While risk associated to the Fund can be reduced by diversifying the investment into more funds of different asset classes that fits into the Fund's objectives.

- **External Fund Manager's Risk**

*(Applicable only to TASEA, TADIF and TADA)*

In the case that the investments of Fund are managed by another fund house and/or are invested in a Target Fund, the Manager has no control over the fund house's and/or management company of the Target Fund's investment technique, knowledge or management expertise. In the event of mismanagement of the investments by the fund house and/or management company of the Target Fund, the NAV of the Fund would be affected negatively. The Fund would also be affected should there be any unresolved dispute between the Manager and the fund house and/or the management company of the Target Fund. Although the probability of such occurrences is minor, should the situation arise TAIM reserves the right to seek an alternative external fund manager and/or other collective investment scheme/Islamic collective investment scheme that is consistent with the objective of the Fund.

- **Shariah Status Reclassification Risk**

*(Applicable only to TAIF, TADO, TAIB, TADF, TAICP and TADA)*

- (a) **Shariah-compliant equity securities**

The risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of the Funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Funds to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Funds are required:

- (i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SACSC or date of review ("Review") by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. The Funds are allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser;
- (ii) to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser; or
- (iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Funds' value.

- (b) **Islamic fixed income instruments or Islamic money market instruments or Islamic deposits or Islamic collective investment schemes**

This risk refers to the risk of a possibility that the currently held Islamic fixed income instruments or Islamic money market instruments or Islamic deposits or Islamic collective investment schemes invested by the Funds may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such fixed income instruments or money market instruments or deposits or collective investment schemes.

Note: Please refer to cleansing process for the Funds for details.

- **Economic Risk**

*(Applicable only to TASEA)*

Prospective investors should be aware that the price of Units and the income from their investments may go down or up in response to changes in interest rates, foreign exchange, economic and political condition and the earnings of corporations making up in the portfolio of the Fund. Economic risk is managed through portfolio diversification and asset allocation and monitoring of investment portfolio by professional fund manager and the investment committee, with the aim to minimise securities exposure in the event of anticipated market weaknesses.

- **Currency Risk**

*(Applicable only to TASEA, TAGAAF, TAIB, TAEURO, TADIF, TAREITs and TADA)*

The NAV of the Fund may be affected favorably or unfavorably by exchange control regulations or changes in exchange rates between RM and the relevant foreign currencies if the Fund invests in foreign currencies or assets denominated in foreign currencies, the Fund is exposed to foreign currencies risks. Fluctuations in exchange rates will affect the value of the Fund's foreign investments when converted into the local currency and subsequently the value of Unit Holders' investments.

*(Applicable only to TAGD)*

As the investments of the Fund in the Islamic Derivative may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the Fund, this will have an adverse effect on the NAV of the Fund in the base currency of the Fund and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

- **Country Risk**

*(Applicable only to TAGAAF, TAIB, TAEURO and TADIF)*

The value of the assets of the Fund may be affected by uncertainties such as currency repatriation restrictions, other developments in the law or regulations, and the political and economic conditions of the countries in which the Fund is invested in. Careful consideration shall be given to risk factors such as liquidity risk, political and economic environment of the countries before any investments are made.

*(Applicable only to TAGD)*

Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of Units to fall.

- **Sectoral Risk**

*(Applicable only to TAREITs)*

The Fund invests mainly in the real estate sector. As a result, the Fund may be more vulnerable to factors associated with the sector it is invested in. Any material changes associated with the real estate sector may have an adverse impact on the NAV of the Fund which in turn will affect the performance of the Fund.

- **Taxation Risk**

*(Applicable only to TAREITs)*

The local authorities may impose withholding tax, levies, duties or other charges on property and REITs. Hence, any changes in property taxation law may affect the property taxes, proceeds from the sale of property, receipts of dividends and other income. These changes may in turn have an adverse impact on the performance of the Fund.

- **Foreign Market Settlement Risk**

*(Applicable only to TAREITs)*

Trading and settlement practices of some of the markets in which the Fund may invest may not be the same as those in more developed markets, and this may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Trustee will be instructed by the Manager to settle the trade (buy or sell transactions) where the Manager believes and the Trustee agrees that this form of settlement is regulated under the Eligible Markets. Investors should be aware that this may result in a loss to the Fund if the trade fails to settle, and the Trustee will not be liable to the Fund for such loss. The Trustee considers that in order to discharge its responsibility under the regulations of the Eligible Markets, the Trustee must exercise care and diligence in the selection of settlement practices. The Trustee must maintain an adequate level of supervision and make appropriate enquiries, periodically to confirm that such practices continue to be competently reliable.

- **Reinvestment Risk**

*(Applicable only to TADA)*

This refers to the risk that the proceeds from investment in sukuk may have to be reinvested at lower rate of returns from the initial investment. In a declining interest rate environment, the proceeds from profit payments and principal payments of the sukuk may have to be reinvested in another sukuk with lower rate of returns. Conversely, in a rising interest rate environment, it is not certain that the proceeds can be reinvested at similar or higher rate of returns due to factor such as non-availability of suitable sukuk.

- **Counterparty Risk**

*(Applicable only to TAGD)*

Any default by the Counterparty of the Islamic Derivative would affect the NAV of the Fund. In mitigating this risk, the Islamic Derivative will be obtained from the Bank with a minimum long-term credit rating of investment grade (including gradation and subcategories) by any domestic or global rating agency. Where the Counterparty is not rated, the Counterparty must be guaranteed by the parent company of the Counterparty which has an investment grade credit rating (including gradation and subcategories). In the event where the rating of the Counterparty falls below the minimum required, or the Counterparty ceases to be rated, analysis will be conducted to assess the impact of unwinding the affected trades and replacement cost. We shall, within six (6) months or sooner, if the Trustee considers it to be in the best interests of the Unit Holders, take the necessary action to ensure that the requirements are complied with.

- **Islamic Derivative Risk**

*(Applicable only to TAGD)*

The performance of the Underlying Asset will be reflected in the NAV of the Fund as any marked-to-market fluctuations may result in a loss that amounts to a significant percentage of the NAV of the Fund which would impact on the Fund if the market moves against the investment positions. In such circumstances, the Fund may be liquidated at a loss for the Islamic fixed income instruments including Islamic money market instruments and amount of capital invested may be affected. Therefore, it is essential that the Fund's investment in the Islamic Derivative is monitored closely. The Manager will actively monitor the investment portfolio and take temporary defensive position should the need arises. Please refer to section 3.21, Risk Management Strategies for information on how the risk is mitigated.

The risk of loss to the Fund for the Islamic Derivative will depend on the performance of the Underlying Asset. If the Counterparty is obliged to pay the net differences of the profit amount based on the performance of the Underlying Asset to the Fund, the risk of loss to

the Fund is the loss of the entire amount that the Fund is entitled to receive. If the Fund is obliged to pay the net differences of the loss amount based on the performance of the Underlying Asset, the Fund's risk of loss is limited to the net amount due.

The Fund's exposure into the Islamic Derivative could also potentially result in higher volatility for the Fund's NAV.

- **Collective Investment Scheme Risk / Islamic Collective Investment Scheme Risk**

*(Applicable only to TAICP, TAIB, TADF and TASEA)*

The Fund's NAV may be affected by its investments in collective investment schemes/Islamic collective investment schemes. For example, the performance of the respective collective investment schemes/Islamic collective investment schemes may be adversely affected due to various factors such as poor market conditions as well as the respective fund manager's capabilities. As a result, the performance of the Fund may be adversely impacted.

- **Temporary Suspension of the Collective Investment Scheme Risk**

*(Applicable only to TADIF)*

The Management Company has the right to suspend dealing of the Target Fund. Please refer to section 3.12 of the Master Prospectus for the possible deferral or suspension of redemptions of the Target Fund.

If the right of the Fund to redeem its Shares of the Target Fund is temporarily suspended, the Fund may also be affected if the Fund does not have sufficient liquidity to meet redemption request from Unit Holder.

To avoid suspension of the Fund, the Fund will hold adequate Liquid Assets and if the Liquid Assets are insufficient to meet redemption requests, the Manager may seek temporary financing if this is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to market value or fair value of the investment in the Target Fund cannot be determined.

Please note that during the suspension period, there will be no NAV per Unit available and hence, any application for subscription, redemption or switching of Units request received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension. Unit Holders will be notified of the suspension and when the suspension is lifted.

*(Applicable only to TAEURO and TAGAAF)*

If the right of the Fund to redeem its shares of the collective investment schemes is temporarily suspended, the Fund may also be affected if the Fund does not have sufficient liquidity to meet redemption request from Unit Holder.

To avoid suspension of the Fund as a result of the temporarily suspension from the collective investment schemes, the Fund will hold adequate Liquid Assets and if the Liquid Assets are insufficient to meet redemption requests, the Manager will either liquidate the investments of the Fund in other collective investment schemes or seek temporary financing, considering which is in the best interests of Unit Holders. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units where it is impractical for the Manager to calculate the NAV of the Fund due to market value or fair value of the substantial portion of the Fund's investment in collective investment schemes cannot be determined.

Please note that during the suspension period, there will be no NAV per Unit available and hence, any application for purchase, redemption or switching of Units received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension. Unit Holders will be notified of the suspension and when the suspension is lifted.

- **Distribution Out of Capital Risk**

*(Applicable only to TAGF, TACF, TAIF, TIF, TADO, TASEA, TAIB, TAEURO, TADIF, TADF, TAREITs and TADG)*

Distribution may be paid out of capital when the realised gains or realised income of the Fund is insufficient to pay a distribution. Unit Holders should note that the payment of distribution out of capital represents a return or withdrawal of part of the amount from any capital gains attributable to the original investment. Such distribution may result in an immediate decrease in the NAV per Unit of the Fund and the capital of the Fund which is available for investment in the future. As a result, capital growth may be reduced and a high distribution yield from distribution out of capital does not imply a positive or high return on Unit Holders' total investments.

### **3.20 SPECIFIC RISKS ASSOCIATED WITH THE TARGET FUND**

As TADIF is a Feeder Fund, there are certain risks relating to the Target Fund, the risks associated are explained below:

- **Target Fund investing in emerging markets (TADIF)**

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well-developed regulatory systems and disclosure standards may be less stringent than those of developed markets.

The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets.

The following is a brief summary of some of the more common risks associated with emerging markets investment:

#### *Fraudulent Securities*

Given the lack of an adequate regulatory structure it is possible that securities in which investments are made may be found to be fraudulent. As a result, it is possible that loss may be suffered.

#### *Lack of Liquidity*

The accumulation and disposal of holdings may be more expensive, time-consuming and generally more difficult than in more developed markets. Also, due to the lack of liquidity, volatility may be higher. Many emerging markets are small, have low trading volumes, low liquidity and significant price volatility increasing the risk of investment losses. It may therefore not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

#### *Currency Fluctuations*

Significant changes in the currencies of the countries in which investments are made vis-à-vis the currency of denomination of the Target Fund may occur following investment by the Target Fund in these currencies. These changes may impact the total return of the Target Fund to a significant degree. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques.

#### *Settlement and Custody Risks*

Settlement and custody systems in emerging markets are not as well-developed as those in developed markets. Standards may not be as high and supervisory and regulatory authorities not as sophisticated. As a result, there may be risks that settlement may be delayed and that cash or securities could be disadvantaged.

#### *Investment and Remittance Restrictions*

In some cases, emerging markets may restrict the access of foreign investors to securities. As a result, certain equity securities may not always be available to the Target Fund because the maximum permitted number of or aggregate investment by foreign shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval. The Target Fund will only invest in markets in which it believes these restrictions to be acceptable. However, there can be no guarantee that additional restrictions will not be imposed.

#### *Accounting*

Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to companies in emerging countries differ from those applicable in more developed countries in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to assess properly.

- **Target Fund investing in smaller companies (TADIF)**

Securities of smaller companies may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources. Trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.

- **Equities Risk (TADIF)**

The Target Fund invests primarily in equity securities. The possibility exists that these securities will decline in value over short or even extended periods of time as well as rise. Equities can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

The Target Fund may, on an ancillary basis, invest in equity warrants and Shareholders should be aware that the holding of warrants may result in increased volatility of the Target Fund's net asset value per Share.

- **Securities Lending (TADIF)**

Securities lending is a form of efficient portfolio management that is intended to enhance the returns for the Target Fund in a risk controlled manner. The lender will receive a fee from the borrowing counterparty and, although giving-up voting rights on lent positions, retains the right to dividends.

The Target Fund may engage in securities lending transactions on a continuous basis. Under such arrangements, the Target Fund will have a credit risk exposure to the counterparties to any securities lending. The extent of this credit risk can be reduced by receipt of adequate collateral of a sufficiently high quality.

In the event of a counterparty default or operational difficulty, securities that are loaned out may not be returned or returned in a timely manner. Should the borrower of securities fail to return the securities lent by the Target Fund, there is a risk that the collateral received on such transactions may have a market value lower than that of the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Delays in the return of securities on loan might restrict the Target Fund's ability to complete the sale of securities or to meet redemption requests. A default by the counterparty combined with a fall in the market value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Target Fund.

The fee arrangements in relation to securities lending can give rise to conflicts of interest where the risks are borne by the lender, but the fees are shared by the lender and its agent and where the agent may compromise on the quality of the collateral and the counterparty.

- **Target Fund Offering Distribution Share Classes - Risk to Capital Growth (TADIF)**

In respect of distribution Shares, where the generation of income has a higher priority than growth of capital, the Target Fund may distribute not only gross income, but also net realised and unrealised capital gains, and, in the case of a number of limited Share classes only, capital, subject to the minimum capital requirement imposed by law. Investors should note that the distribution of income in this

manner may result in capital erosion and a reduction in the potential for long-term capital growth. Investors should also note that distributions of this nature may be treated (and taxable) as income, depending on local tax legislation. Investors should seek professional tax advice in this respect.

- **Geopolitical Risk (TADIF)**

Geopolitical risk may arise as a result of political changes or instability in a country. Any change in the laws, regulations, government policies, political or economic climate of that country may cause increased volatility, liquidity, price and foreign exchange risk associated with investments within the country or region where the geopolitical situation arises. The impact of geopolitical risk is considered to be long-term, as the risk rises over time, given the greater potential for events and changes over time. The effect of any future political change is difficult to predict.

- **Pandemic Risk (TADIF)**

A pandemic is defined as a health epidemic/outbreak of contagious disease occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting vast numbers of the global population. Pandemics potentially represent a significant shock to the global financial markets, where the financial impact is multifaceted, ambiguous and could lead to economic recession. For example, outbreaks may result in restrictions on travel and public transport and prolonged closures of workplaces which may have a material adverse effect on the regional or national economies which have imposed such restrictions and which, in turn, may have a wider impact on the global economy. Accordingly, a significant outbreak of a health epidemic/pandemic or contagious disease could result in a widespread health crisis and restrict the level of business activity in affected areas, which may in turn give rise to significant costs to the Target Fund and adversely affect the Target Fund's business and financial results.

Pandemics may result in severe repercussions for the global economy, such as increased volatility, significant spikes and sharp falls in asset prices, market disruption, increased geopolitical risk, resource constraints, and illiquidity. It is also impossible to predict with certainty what additional interim or permanent governmental policies or restrictions may be imposed on the markets and/or the effect of such policies or restrictions on the ability of the Target Fund to implement its investment objective/investment policy. As such, the Target Fund may incur major losses as a result.

- **Target Fund Investing in China Securities (TADIF)**

Where the Target Fund may invest in China securities, including China A-Shares, other than risks involved in emerging market investments set out above, investors should note the additional disclosures and specific risks below.

*Political risk*

Any significant change in the People's Republic of China (the "PRC") political, social or economic policies may have a negative impact on investments in China securities, including China A-Shares.

*Currency risk*

The Renminbi is subject to foreign exchange restrictions and is not a freely convertible currency. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the Target Fund's assets are invested in the PRC, it will be subject to the risk of the PRC government's imposition of restrictions on the repatriation of funds or other assets out of the country.

*Taxation risk*

The tax laws and regulations in the PRC are often subject to change in light of shifts in social, economic conditions and government policy. The application and enforcement of PRC tax laws and regulations could have a significant adverse effect on the Target Fund, particularly in relation to withholding tax on dividends and capital gains imposed upon foreign investors. As PRC tax laws and regulations are continually evolving, any particular interpretation of PRC tax laws and regulations (including related enforcement measures) applicable to the Target Fund may not be definitive. Further, the specific manner in which the Corporate Income Tax ("CIT") law will apply is clarified by the Detailed Implementation Rules and supplementary tax circulars which may be issued in the future. Given this, there are currently uncertainties as to how specific provisions of the CIT law will be interpreted and enforced on the Target Fund going forward. As such, the Company reserves the right to provide for withholding tax on dividends and capital gains tax derived from the Target Fund investing in China securities, including in particular, China A-Shares, to the extent that the existing tax laws and regulations require at the time when the income are realised.

As the provision made by the Company is based on current market expectations and the Company's understanding of the PRC tax laws and regulations, any changes to market practice or interpretation of PRC tax rules may impact this provision and may result in this provision being higher or lower than required. The Company does not currently intend to make any accounting provisions for these tax uncertainties. It is possible that any new PRC tax laws and regulations may be applied retroactively.

Where the Target Fund may invest directly in China A-Shares, in addition to the above risks, it is also subject to the following additional risks:

- **Risks Relating to China A-Shares Market (TADIF)**

*Foreign ownership limits*

Hong Kong and overseas investors (including the Target Fund) directly investing into China A-Shares through permissible means pursuant to the relevant laws and regulations are subject to the following shareholding restrictions:

- Single foreign investors' shareholding in a China A-Share must not exceed 10% of the total issued shares; and
- Aggregate foreign investors' shareholding by all Hong Kong and overseas investors (including the Target Fund) in a China A-Share must not exceed 30% of the total issue shares.

Such limits are subject to change from time to time.

Should the shareholding of a single foreign investor in a China A-Share listed company exceed the above restriction, the investor would be required to unwind its position on the excessive shareholding according to a last-in-first-out basis within a specific period. According to the PRC Securities Law, a shareholder of 5% or more of the total issued shares of a PRC listed company (a "Major Shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the event of the Target Fund becoming a Major Shareholder of a PRC listed company, the profits that the Target Fund may derive from such investments may be limited, and the performance may be adversely affected.

Where the Target Fund may invest directly in China A-Shares through the Stock Connect Program, in addition to the above risks, it is also subject to the following additional risks:

- **Risks Relating to the Stock Connect Programs (TADIF)**

The Shanghai Stock Connect and the Shenzhen Stock Connect are operated independently from each other, but are similar in respect to the fundamental principles, operational mechanism and regulatory framework.

Such trading is subject to the laws and regulations of PRC and Hong Kong and the relevant rules, policies or guidelines issued from time to time.

*Segregation and beneficial ownership of securities under the Stock Connect Programs*

The China A-Shares are held in 'Special Segregated Accounts' ("SPSAs") in the name of each investor (Target Fund), in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the Hong Kong Securities Clearing Company Limited ("HKSCC") as the central securities depository in Hong Kong. Each SPSA is assigned a unique Investor ID that links the account to the underlying investor.

The China A-Shares are beneficially owned by the investors (Target Fund) and are segregated from the own assets of HKSCC.

PRC laws suggest that the Target Fund would have beneficial ownership of China A-Shares. It is expressly stipulated in the Several Provisions on the Pilot Programme of Stock Connect Programs (as published by the China Securities Regulatory Commission to prescribe the launch and operation of the Stock Connect Programs) that HKSCC acts as the nominee holder and the Target Fund would own the rights and interests with respect to the China A-Shares. The same nominee holder arrangement applies to Shenzhen Stock Connect. The HKEx has also stated that it is the Target Fund who is the beneficial owner of the China A-Shares.

However, it should be noted that the exact nature and methods of enforcement of the rights and interests of the Target Fund under PRC law is not certain and there have been few cases involving a nominee account structure in the PRC courts.

It should also be noted that as with other clearing systems or central securities depositories, the HKSCC is not obliged to enforce the rights of the Target Fund in the PRC courts. If the Target Fund wishes to enforce its beneficial ownership rights in the PRC courts, it will need to consider the legal and procedural issues at the relevant time.

*Quota limitations*

The Stock Connect Programs are subject to a daily quota. The Northbound Shanghai Trading Link under the Shanghai Stock Connect, Northbound Shenzhen Trading Link under the Shenzhen Stock Connect, Southbound Hong Kong Trading Link under the Shanghai Stock Connect Scheme and Southbound Hong Kong Trading Link under the Shenzhen Stock Connect Scheme will be respectively subject to a separate set of daily quota, which does not belong to the Target Fund and can only be utilised on a first-come-first-served basis. In particular, once the remaining balance of the Northbound daily quota drops to zero or the Northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Target Fund's ability to invest in China A-Shares through the Stock Connect Programs on a timely basis, and the Target Fund may not be able to effectively pursue its investment strategies.

*Settlement*

The Target Fund will set up arrangements with its Hong Kong brokers and sub-custodian to ensure that cash payment is received against delivery of securities for the trades of the China A-Shares (delivery versus payment settlement). To this end, for the trades of the China A-Shares by the Target Fund, Hong Kong brokers will credit or debit the cash account of the Target Fund on the same day for the settlement of securities, for an amount equal to the funds relating to such trading.

*Clearing and settlement risk*

HKSCC and China Securities Depository and Clearing Corporation Limited ("ChinaClear") have established the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should a ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

*Suspension risk*

Each of the HKEx, Shanghai Stock Exchange ("SSE") and Shenzhen Stock Exchange ("SZSE") reserves the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and risks are managed prudently. Consent



from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through the Stock Connect Programs is effected, the Target Fund's ability to access the PRC market will be adversely affected.

In addition, trading band limits are imposed by the stock exchanges in the PRC and Hong Kong on China A-Shares, where trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Target Fund to liquidate positions and could thereby expose the Target Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Target Fund to liquidate positions at a favourable price, which could thereby expose the Target Fund to significant losses.

#### *Differences in trading day*

The Stock Connect Programs will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but not for the Hong Kong market in which case the Target Fund will not be able to access the PRC market via the Stock Connect Programs. The Target Fund may be subject to a risk of price fluctuations in China A-Shares during the time when the Stock Connect Programs is not trading as a result.

#### *Operational risk*

The Stock Connect Programs provide a new channel for investors from Hong Kong and overseas to access the China stock market directly. The Stock Connect Programs are premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect Programs requires routing of orders across the PRC-Hong Kong border. This requires the development of new information technology systems on the part of the HKEx and exchange participants (i.e. a new order routing system ("China Stock Connect System") set up by HKEx to which exchange participants need to connect). There is no assurance that the systems of the HKEx and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. The Target Fund's ability to access the China A-Shares market (and hence to pursue its investment objective) will be adversely affected.

#### *Restrictions on selling imposed by front-end monitoring*

PRC regulations require that before an investor sells any China A-Shares, there should be sufficient China A-Shares in the account.

Investors are subject to pre trade checks whereby the China Stock Connect System will verify with exchange participants that an underlying Investor has sufficient China A-Shares in their SPSA prior to the submission of a sell order to the exchange for execution. The unique Investor ID assigned to an SPSA is used to identify the underlying investor and to facilitate this check. Only once this check has been satisfied will a sell order be executed.

#### *Regulatory risk*

The Stock Connect Programs are novel in nature, and will be subject to regulations circulated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be circulated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect Programs.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect Programs will not be abolished. The Target Fund, which may invest in the PRC markets through the Stock Connect Programs, may be adversely affected as a result of such changes.

#### *Taxation risk*

For the China A-Shares traded by the Target Fund under the Stock Connect Programs, any capital gains derived from the transfer of such China A-Shares would be temporarily exempt from PRC corporate income tax. Any capital gains derived from the transfer of such China A-Shares through the Stock Connect Program by the Target Fund would also be temporarily exempted from PRC Value Added Tax ("VAT") during the VAT reform period, which starts from 1 May 2016 for the financial services sector and is currently valid. Dividends from China A-Shares paid to the Target Fund would be subject to 10% withholding tax and which is to be withheld at source. If the Target Fund is entitled to a lower tax treaty rate as regards capital gains and dividends, application can be made to the in-charge tax bureau of the payer for a tax refund. It is possible that any new tax laws and regulations and any new interpretations may be applied retroactively in China. Dividends from China A-Shares would not be subject to PRC VAT.

#### • **Target Fund Investing in Collective Investment Schemes (TADIF)**

Where the Target Fund may invest all or substantially all of their assets in collective investment schemes, unless otherwise disclosed, the investment risks identified in this section will apply whether the Target Fund invests directly, or indirectly through collective investment schemes, in the assets concerned. The investments of the Target Fund in collective investment schemes may result in an increase of the Total Expense Ratio ("TER") and/or ongoing charges. However, the Investment Manager will seek to negotiate a reduction in management fees and any such reduction will be for the sole benefit of the Target Fund.

Where the Target Fund invests in the units of other collective investment schemes that are managed, directly or by delegation, by the same Investment Manager or by the same management company or by any other company with which the Investment Manager or by the management company is linked by common management or control, or by a substantial direct or indirect holding (i.e. more than 10%

of the capital or voting rights), no subscription, redemption and/or management fees may be charged to the Company on its investment in the units of such other collective investment schemes.

- **Leverage (TADIF)**

The use of leverage creates special risks and may significantly increase the Target Fund's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will increase the Target Fund's exposure to capital risk. Any investment income and gains earned on investments made through the use of leverage that are in excess of the costs associated therewith may cause the net asset value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated costs are greater than such income and gains, the net asset value of the Shares may decrease more rapidly than would otherwise be the case.

- **Target Fund Investing in Derivatives (TADIF)**

A derivative is a financial instrument which provides a return linked to any of the transferable securities that the Target Fund is permitted to invest in. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Target Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, following the Target Fund's investment objective increasing the risk of investment losses.

If so provided in its investment policy, the Target Fund may engage various strategies in view of reducing certain of its risks and for attempting to enhance return. These strategies may include the use of exchange traded or OTC derivatives instruments such as forward contracts, futures, options, warrants and swaps. Such strategies may be unsuccessful and incur losses for the Target Fund, due to market conditions. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in the Target Fund.

*Market risk*

Investors should be aware that certain underlying assets of the derivative can be subject to significant volatility and can lose value rapidly, particularly in extreme market conditions. The value of a particular derivative may change in a way which may be detrimental to the Target Fund's interests. As a result, as well as holding assets that may rise or fall with market values, it will also hold derivatives that may rise as the market value falls and fall as the market value rises.

*Control and monitoring*

Derivative products are highly specialised instruments that require investment techniques and risk analysis which are different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Target Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

*Liquidity risk*

Liquidity risk exists when a particular instrument is difficult to purchase or sell at a desired time and price, especially in any quantity, which increases the risk of investment losses. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC derivatives if it is allowed to liquidate such transactions, at any time, at fair value).

*Counterparty risk*

The Janus Henderson Horizon Fund – Asian Dividend Income Fund ("Target Fund") may enter into transactions in OTC markets, which will expose the Target Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However, this risk is limited in view of the investment restrictions laid down in Section 'Financial Techniques and Instruments' of the Target Fund's prospectus.

*Other risks*

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Target Fund. However, this risk is limited as the valuation method used to value OTC derivatives must be verifiable by an independent auditor.

- **Other Derivative Risks (TADIF)**

EU Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories, as amended from time to time ("EMIR"), which came into force on 16 August 2012, establishes certain requirements to be complied with by counterparties to derivatives contracts including in regard to OTC derivatives, mandatory clearing obligations and bilateral risk-mitigation management requirements and, in regard to OTC derivatives and exchange-traded derivatives ("ETDs"), reporting requirements. EMIR is complemented by a number of EU and local supplementing or implementing legal texts (altogether, the "EMIR Framework").

The EMIR Framework was amended as part of the European Commission's REFIT programme pursuant to Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 ("EMIR REFIT"), which entered into force on 28 May 2019 and applied from 17 June 2019. EMIR REFIT introduced or amended certain key obligations relating to clearing, reporting and risk mitigation requirements.

As a UCITS, the Target Fund qualifies as a "financial counterparty" ("FC") and is required to comply with the full set of obligations laid down by the EMIR Framework (to the extent in force), every time the Target Fund's counterparty to a OTC derivative contract is itself a non-financial counterparty established in the EU or outside the EU.

The EMIR Framework has extraterritorial effects, requiring counterparties established outside the EU (so-called "third country entities") to also comply with the EMIR Framework in a number of cases, and in particular when concluding OTC derivatives contracts with an EU established counterparty, as is the case of the Target Fund.

The EU regulatory framework and legal regime relating to derivatives is set not only by the EMIR Framework but also by Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended ("MiFID II") as supplemented by various delegated or implementing regulations related thereto. Parts of MiFID II and supplementing texts are implemented by Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended ("MiFIR" and, together with MiFID II and supplementing texts, the "MiFID II Framework"), which requires certain transactions in certain sufficiently liquid derivatives to be executed on specific organised trading venues and to be subject to clearing.

It is difficult to predict the full impact of the above regulatory requirements on the Target Fund. Prospective investors should be aware that the rules stemming from the EMIR Framework and the MiFID II Framework may in practice significantly raise the costs of entering into derivatives contracts and may adversely affect the Target Fund's ability to engage in transactions in derivatives. Moreover, while most of the obligations under EMIR, as amended by EMIR REFIT, have now come into force, certain margin posting requirements in relation to uncleared OTC derivatives contracts are still subject to a staggered implementation timeline. In addition, it is unclear whether the UCITS Directive will be amended to reflect the requirements of EMIR. Accordingly, the full impact of EMIR on uncleared OTC derivatives contracts concluded by the Target Fund is not yet known.

The potential implications of the EMIR and MiFID II Framework concluding derivatives transactions with financial counterparties include, in summary and without limitation, the following:

- clearing obligation: depending on the type of derivative contract concluded (OTC or ETD, and, in case of an OTC derivative, its category), the Target Fund will be mandatorily required to clear certain contracts directly or indirectly through a central clearing counterparty ("CCP"). Clearing derivatives through a CCP could result in additional costs and could be on less favourable terms than would be the case if such derivative was not required to be centrally cleared. In addition, as the Target Fund may not have a direct access to the CCP, the Target Fund may have to clear transactions via a participant to the CCP, usually a broker. Transactions cleared indirectly are exposed to the commingling of assets of clients of the broker (including the Target Fund) in an omnibus account with the CCP (and where the ability to identify assets attributable to a particular client of the broker will rely on the correct reporting of such clients' positions by the broker to the CCP). An indirect clearing also exposes the Target Fund to the risk of default and insolvency of the broker, which is in addition to that of the CCP;
- risk mitigation techniques: for those of its OTC derivatives which are not subject to central clearing, the Target Fund will be required to put in place certain risk mitigation requirements, which may also involve the exchange of regulated margin. These risk mitigation requirements could increase the cost of the Target Fund pursuing its investment strategy in OTC derivatives;
- reporting obligations: each of the Target Fund's derivatives transactions must be reported to a trade repository. These reporting obligations increase the costs to the Target Fund of utilising OTC derivatives; and
- sanctions: sanctions may be imposed by the CSSF on the Target Fund in case of non-compliance with the EMIR Framework obligations.

The Target Fund may also clear OTC derivatives transactions (directly or indirectly through a CCP) which are not mandatorily required to be cleared under the EMIR Framework, this is to take advantage of pricing and other potential benefits such as mitigation of bilateral counterparty credit risk. In order to do so, the CCP will require margin to be exchanged, which will be in addition to any regulated margin requirement as part of the risk mitigation requirements under the EMIR Framework, increasing the costs for the Target Fund. The indirect clearing of these derivatives transactions is also exposed to the risks identified above in relation to mandatory clearing.

- **Risks associated with reinvestment of cash collateral (TADIF)**

In case of collateral received in cash, this may be reinvested, under specific conditions. In case of reinvestment of cash collateral, such reinvestment may (a) introduce market exposures inconsistent with the objectives of the Target Fund, or (b) yield a sum less than the amount of collateral to be returned.

- **Risks associated with reverse repurchase transactions entered into by the securities lending agent on behalf of the Target Fund (TADIF)**

Reverse repurchase transactions is a form of efficient portfolio management that is intended to enhance the returns for the Target Fund in a risk controlled manner.

The counterparty of the reverse repurchase transaction may fail to meet its obligations which could result in losses to the Target Fund. A default by the counterparty combined with a fall in the market value of the collateral below that of the value of the cash lent may result in a reduction in the value of the Target Fund and may restrict the Target Fund ability to fund security purchases or to meet redemption requests.

- **Counterparty risk to the depositary (TADIF)**

The assets of the Target Fund are entrusted to the BNP Paribas Securities Services, Luxembourg Branch ("Depositary") for safekeeping. In accordance with the UCITS Directive, in safekeeping the assets of the Target Fund, the Depositary shall: (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verify the ownership of such assets and maintain a record accordingly. The assets of the Target Fund should be identified in the Depositary's books as belonging to the Target Fund.

Securities held by the Depositary should be segregated from other securities/assets of the Depositary in accordance with the applicable laws and regulations, which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the Depositary. The investors are therefore exposed to the risk of the Depositary not being able to fully meet its obligation to reconstitute all of the assets of the Company in the case of bankruptcy of the Depositary. In addition, the Target Fund's cash held with the Depositary may not be segregated from the Depositary's own cash / cash under custody for other clients of the Depositary, and the Target Fund may therefore rank as an unsecured creditor in relation thereto in the case of bankruptcy of the Depositary.

The Depositary may not hold all the assets of the Target Fund itself but may use a network of sub-custodians which are not always part of the same group of companies as the Depositary. Investors may be exposed to the risk of bankruptcy of the sub-custodians in circumstances in which the Depositary may have no liability.

The Target Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Target Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances in which the Depositary may have no liability.

**THE ABOVE SHOULD NOT BE CONSIDERED TO BE AN EXHAUSTIVE LIST OF THE RISKS WHICH POTENTIAL INVESTORS SHOULD CONSIDER BEFORE INVESTING INTO THE FUND. POTENTIAL INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN THE FUND MAY BE EXPOSED TO OTHER RISKS FROM TIME TO TIME.**

**Summary of Specific Risk of all Funds:**

Name of Funds	Specific Risks				
TAGF	▪ Specific Stock/Issuer Risk	▪ Interest Rate Risk	▪ Credit/Default Risk	▪ Distribution Out of Capital Risk	
TACF	▪ Specific Stock/Issuer Risk	▪ Interest Rate Risk	▪ Credit/Default Risk	▪ Distribution Out of Capital Risk	
TAIF	▪ Specific Stock/Issuer Risk	▪ Interest Rate Risk	▪ Credit/Default Risk	▪ Shariah Status Reclassification Risk ▪ Distribution Out of Capital Risk	
TIF	▪ Interest Rate Risk	▪ Credit / Default Risk	▪ Liquidity Risk	▪ Specific Stock / Issuer Risk ▪ Distribution Out of Capital Risk	
TASF	▪ Specific Stock/Issuer Risk	▪ Interest Rate Risk	▪ Credit/Default Risk	▪ Business Risk of Emerging Companies	
TADO	▪ Specific Stock/Issuer Risk	▪ Interest Rate Risk	▪ Credit/Default Risk	▪ Shariah Status Reclassification Risk ▪ Distribution Out of Capital Risk	
TAICP	▪ Interest Rate Risk	▪ Specific Stock / Issuer Risk	▪ Credit/Default Risk	▪ Shariah Status Reclassification Risk ▪ Islamic Collective Investment Scheme Risk	
TASEA	▪ Economic Risk	▪ Currency Risk	▪ Emerging Market Risk ▪ Collective Investment Scheme Risk	▪ External Fund Manager's Risk ▪ Distribution Out of Capital Risk	
TAGAAF	▪ Country Risk ▪ Temporary Suspension of the Collective Investment Scheme Risk	▪ Currency Risk	▪ Emerging Market Risk	▪ Risks Associated with Underlying Funds	
TAIB	▪ Shariah Status Reclassification Risk	▪ Country Risk	▪ Currency Risk ▪ Distribution Out of Capital Risk	▪ Interest Rate Risk ▪ Emerging Market Risk	

		<ul style="list-style-type: none"> <li>Islamic Collective Investment Scheme Risk</li> </ul>		
TAEURO	<ul style="list-style-type: none"> <li>Credit/Default Risk</li> <li>Temporary Suspension of the Collective Investment Scheme Risk</li> </ul>	<ul style="list-style-type: none"> <li>Country Risk</li> <li>Risks Associated with Underlying Funds</li> </ul>	<ul style="list-style-type: none"> <li>Currency Risk</li> <li>Distribution Out of Capital Risk</li> </ul>	<ul style="list-style-type: none"> <li>Interest Rate Risk</li> <li>Emerging Market Risk</li> </ul>
TADIF	<ul style="list-style-type: none"> <li>Country Risk</li> <li>Emerging Market Risk</li> </ul>	<ul style="list-style-type: none"> <li>Currency Risk</li> <li>Temporary Suspension of the Collective Investment Scheme Risk</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory Risk</li> <li>Distribution Out of Capital Risk</li> </ul>	<ul style="list-style-type: none"> <li>External Fund Manager's Risk</li> </ul>
TADF	<ul style="list-style-type: none"> <li>Specific Stock/Issuer Risk</li> </ul>	<ul style="list-style-type: none"> <li>Shariah Status Reclassification Risk</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity Risk</li> <li>Distribution Out of Capital Risk</li> </ul>	<ul style="list-style-type: none"> <li>Interest Rate Risk</li> <li>Islamic Collective Investment Scheme Risk</li> </ul>
TAREITs	<ul style="list-style-type: none"> <li>Currency Risk</li> </ul>	<ul style="list-style-type: none"> <li>Sectoral Risk</li> </ul>	<ul style="list-style-type: none"> <li>Taxation Risk</li> <li>Distribution Out of Capital Risk</li> </ul>	<ul style="list-style-type: none"> <li>Foreign Market Settlement Risk</li> <li>Emerging Market Risk</li> </ul>
TADA	<ul style="list-style-type: none"> <li>Credit/Default Risk</li> <li>Currency Risk</li> </ul>	<ul style="list-style-type: none"> <li>Interest Rate Risk</li> <li>Shariah Status Reclassification Risk</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity Risk</li> <li>Reinvestment Risk</li> </ul>	<ul style="list-style-type: none"> <li>Emerging Market Risk</li> <li>External Fund Manager's Risk</li> </ul>
TADG	<ul style="list-style-type: none"> <li>Credit/Default Risk</li> <li>Currency Risk</li> </ul>	<ul style="list-style-type: none"> <li>Country Risk</li> <li>Interest Rate Risk</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity Risk</li> <li>Distribution Out of Capital Risk</li> </ul>	<ul style="list-style-type: none"> <li>Counterparty Risk</li> <li>Islamic Derivative Risk</li> </ul>

### 3.21 RISK MANAGEMENT STRATEGIES

Our risk management strategy is to conduct fundamental analysis of economic, political and social factors, on a local and global basis, to evaluate their likely effects on the performance of equities, Shariah-compliant equities, fixed income instruments/sukuk, money market instruments/Islamic money market instruments and sectors.

Individual securities/Shariah-compliant securities and fixed income securities/sukuk are further screened by detailed analysis of each security and its underlying business and fundamentals. For TAICP, individual Islamic money market instruments and sukuk are further screened by detailed analysis of each security and its underlying business and fundamentals. For Islamic unit trust funds, further consideration is given to the nature of the investments to ensure that they are fully in compliance with Shariah requirements.

In terms of the Funds' portfolio, risk is controlled by strict diversification on both a sector and individual investment instrument basis. We also use active asset allocation to reduce or increase the Funds' exposure to various investment instruments depending on the risk reward potential for each investment. This may include the use of futures/Islamic futures for hedging purposes, as it can be a more efficient portfolio risk management strategy. For the purposes of the Funds' investment in derivatives for hedging purposes, the global exposure will be calculated using commitment approach to ensure it does not exceed the Funds' NAV. The global exposure of the Funds to derivatives is calculated as the sum of the:

- absolute value of the exposure of each individual derivative not involved in netting or hedging arrangements;
- absolute value of the net exposure of each individual derivative after netting or hedging arrangement; and
- the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC derivatives.

The Funds except TAICP will be guided by the following general principles to control company specific risk\*:

- Ensure that the risk taken for any specific security is not too large and a reasonable spread of active risk is maintained across different sectors. Investments that have low contributions to active risk will have larger position limits than investments which have high contributions to active risk. The limit per security will be within the limit set by the investment committee in compliance with the Guidelines.
- Ensure that the risk associated with the overall position taken for the group of companies or the same industries is not too large and within limit set by the SC.

In addition, the following investment procedures and internal controls are designed to control operational risk\*\* for all Funds including TAICP:

- There is strict division of duties between securities trading, confirmation and settlement.
- There are rules on trading and preventing employees to act on insider information. The compliance department will monitor compliance and enforce disciplinary actions on any employee who has breached the code of conduct and compliance.
- There is daily computation of the respective Fund's NAV and independent verification and reconciliation.
- There are procedures for senior management, Trustees, investment committee and the board of directors of TAIM to be informed promptly, to investigate and to ensure timely and appropriate rectification of any deviation and non-compliance that may arise.
- There are limits to the placement maintained at financial institutions to manage credit risk exposure.
- There are limits on shares traded with stock brokers to manage settlement risk exposure.

- There are limits and criteria set on credit rating of debt securities/sukuk.

\* Company specific risk refers to external risk associated with the listed company's share price movements.

\*\* Operational risk refers to the internal risk associated with inadequate systems and controls.

### Specific Risk Management for Foreign Investments

#### Country and Foreign Exchange Risks

Diversification of the foreign portion of the portfolio across several country markets and currencies will facilitate risk management of country risk (includes market, political and regulatory risks) and foreign exchange risk. This is further enhanced through the implementation of monitoring processes to identify changes in country specific risk premium arising from changes in market, political and/or regulatory environment of the countries to which the Funds have investment exposure.

#### Operational Risk

Operational risk arising from international settlement and custody risks are managed through the appointment of an international global custodian.

## 3.22 ADDITIONAL INFORMATION IN RELATION TO ISLAMIC UNIT TRUST FUND

### BIMB Securities Sdn Bhd (for TAIF, TADO, TAICP, TAIB, TADF and TADA)

#### 1. Shariah Investment Guidelines

The following guidelines are adopted by BIMB Securities Sdn Bhd in determining the Shariah status of investments of the Funds.

- The Funds must at all times and all stages of its operation comply with Shariah requirements as resolved by the SACSC or in cases where no specific rulings are made by the SACSC, the decisions of the Shariah Adviser or the approved Shariah Supervisory Boards of relevant Islamic indices.
- The Funds must be established and operated by the Manager, and finally redeemed by the investors on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term money market instruments used for the Funds have to be Shariah-compliant. Similarly, all the other investment instruments must be Shariah-compliant.
- For Shariah-compliant securities listed on Bursa Malaysia, the Funds' investments must be strictly confined to those Shariah-compliant securities on the list of Shariah-compliant securities by the SACSC.
- For Islamic money market instruments, sukuk and Islamic deposits, they shall be based on the data readily available on Bank Negara Malaysia, the SC and the financial institutions' websites respectively.
- The SACSC has adopted a standard methodology to determine the Shariah compliance for the securities of companies listed on Bursa Malaysia. This methodology takes into consideration both the quantitative and qualitative aspects of the listed companies.

#### (a) Quantitative Analysis

The quantitative part is a two-tier benchmark applied to the business activities of the companies and to the financial ratios of the companies. The business activity benchmarks consist of a 5% benchmark and a 20% benchmark.

##### (i) Business activity benchmarks

For the business activity benchmarks, the revenue or income contribution of Shariah non-compliant business activities to the group revenue or group profit before taxation of the listed companies will be computed and compared against the relevant business activity benchmarks, and must be less than the 5% or the 20% benchmarks.

The 5% benchmark would be applicable to the following business activities:

- Conventional banking and lending;
- Conventional insurance;
- Gambling;
- Liquor and liquor-related activities;
- Pork and pork-related activities;
- Non-halal food and beverages;
- Shariah non-compliant entertainment;
- Interest income<sup>1</sup> from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitration);
- Dividends<sup>1</sup> from Shariah non-compliant investments;
- Tobacco and tobacco-related activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

<sup>1</sup>Interest income and dividends from Shariah non-compliant investments will be compared against the group revenue. However, if the main activity of the company is holding of investment, the dividends from Shariah non-compliant investments will be compared against the group revenue and group profit before taxation.

The 20% benchmark would be applicable to the following activities:

- Share trading in Shariah non-compliant securities;
- Stockbroking business other than Islamic stockbroking company;
- Rental received from Shariah non-compliant activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

##### (ii) Financial Ratio Benchmarks

In addition, the financial ratios for cash in conventional accounts and instruments as well as interest bearing debts over the total assets of the listed companies are also considered in the analysis carried out by the SACSC to determine their

Shariah compliance status.

The financial ratios applied are as follows:

- Ratio of cash over total assets  
Cash will only include cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments will be excluded from the calculation.
- Ratio of debt over total assets  
Debt will only include interest-bearing debt whereas Islamic financing or sukuk will be excluded from the calculation.  
Both benchmark ratios, which are intended to measure *riba* and *riba*-based elements within a company's balance sheet, must be less than 33%.

**(b) Qualitative analysis:**

As for qualitative aspect of the Shariah compliance analysis, an additional criterion will be considered namely the public perception or image of the listed company which must be acceptable from the Shariah perspective.

- The SACSC had considered the following criteria for a Special Purpose Acquisition Company to be classified as Shariah-compliant:
  - ❖ The proposed business activity should be Shariah-compliant;
  - ❖ The entire proceeds raised from the initial public offering should be placed in Islamic accounts; and
  - ❖ In the event that the proceeds are invested, the entire investment should be Shariah-compliant.
- Shariah-compliant securities include Shariah-compliant ordinary shares and Shariah-compliant warrants (issued by the companies themselves). This means that warrants are classified as Shariah-compliant securities provided the underlying shares are also Shariah-compliant. On the other hand, loan stocks and bonds are Shariah non-compliant securities unless they are structured based on SACSC's approved Shariah rulings, concepts and principles.
- For investment in foreign equities, the Funds are only allowed to invest in Shariah-compliant equities which are on the approved list of Dow Jones Islamic Market Index (DJIM) or other approved lists by the Shariah Adviser. In the event of reclassification of foreign Shariah-compliant equities to be Shariah non-compliant, the Funds are to abide by the rules as laid down by the SACSC and by this Shariah Investment Guidelines. In the event that the Funds wish to invest in foreign Shariah-compliant equities not covered by DJIM or other approved lists by the Shariah Adviser, the Manager must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out Shariah screening. The Shariah Adviser applies the screening methodology of the SACSC in this Shariah screening.
- For investments in unlisted Shariah-compliant equities, the Shariah Adviser also applies the screening methodology of the SACSC in its Shariah screening. As such, the Manager must submit to the Shariah Adviser the latest information pertaining to the issuer's business activities, its complete financial statements and other related information to enable the Shariah Adviser to carry out the Shariah screening.
- For investments in Islamic collective investment schemes, the Manager must submit to the Shariah Adviser all pertinent information including the prospectuses, its structures, investment avenues, Shariah investment guidelines, Shariah contracts and Shariah pronouncements by the relevant Shariah advisers advising the Islamic collective investment schemes, for the Shariah Adviser to confirm the Shariah status of the said Islamic collective investment schemes.
- As for investment in foreign sukuk or any foreign investment instruments, the Manager must submit to the Shariah Adviser all pertinent information including the memoranda and prospectuses, its structures, utilisation of the proceeds, Shariah contracts and Shariah pronouncements by the relevant Shariah advisers advising the sukuk issuance or instruments, for the Shariah Adviser to confirm the Shariah status of the sukuk or instruments.
- The Funds may only use derivatives for hedging purposes. Such derivatives must be Islamic derivatives. However, if Islamic derivatives are not available or are not commercially viable, the Funds may use conventional derivatives subject to prior approval from the Shariah Adviser being obtained.
- The decision of the Shariah Adviser shall be final.
- To facilitate the purchase and sale of foreign Shariah-compliant securities and investment instruments, there may be a need to have cash placement in a conventional bank account outside Malaysia. In such circumstances, the conventional account should be non-interest bearing and the sole purpose is only to facilitate purchase and sale of foreign Shariah-compliant securities and investment instruments. In the event that such a non-interest bearing account is unavailable, all interests earned shall be cleansed and that shall be undertaken annually if not earlier.

**2. Cleansing Process for the Funds**

**a) Wrong Investment**

**i) Investment in Shariah non-compliant equity securities**

The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in any gain in the form of capital gain or dividend before or after the disposal of the investment, it has to be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. The Funds have the right to retain only the investment cost. If the disposal of the investment resulted in losses to the Funds, the losses are to be borne by the Manager.

**ii) Investment in other Shariah non-compliant instruments (namely, fixed income instruments or money market instruments or deposits or collective investment schemes)**

The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income, it has to be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or

charitable bodies as advised by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. The Funds have the right to retain only the investment cost. If the disposal of the investment resulted in losses to the Funds, the losses are to be borne by the Manager.

**b) Reclassification of Shariah Status of the Funds' Investments**

**i) Equity securities**

Reclassification of Shariah status refers to securities which were earlier classified as Shariah-compliant securities but due to failure to meet the set benchmark criteria, are subsequently reclassified as Shariah non-compliant by the SACSC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If on the reclassification effective date, the value of the Shariah non-compliant securities held exceeds or is equal to the investment cost, the Funds which hold such Shariah non-compliant securities must liquidate them. To determine the time frame to liquidate such securities, the Shariah Adviser advises that such securities should be disposed of within one (1) calendar month of reclassification.

Any dividends received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant securities made with respect to the closing price on the reclassification effective date can be kept by the Funds. However, any dividends received and excess capital gain derived from the disposal after the reclassification effective date at a market price that is higher than the closing price on the reclassification effective date shall be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

The Funds are allowed to hold the Shariah non-compliant securities if the market price of the said securities is below the investment cost. It is also permissible for the Funds to keep the dividends received during the holding period until such time when the total amount of the dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Funds are advised to dispose of their holdings. In addition, during the holding period, the Funds are allowed to subscribe to:

- any issue of new securities by a company whose Shariah non-compliant securities are held by the Funds such as rights issues, bonus issues, special issues and warrants [excluding securities whose nature is Shariah non-compliant such as irredeemable convertible unsecured loan stock (ICULS)]; and
- securities of other companies offered by the company whose Shariah non-compliant securities are held by the Funds,

on conditions that the Funds expedite the disposal of the Shariah non-compliant securities. For securities of other companies [as stated in the second bullet above], they must be Shariah-compliant securities.

**ii) Fixed income instruments or money market instruments or deposits or collective investment schemes**

This refers to the instruments which were earlier classified as Islamic fixed income instruments or Islamic money market instruments or Islamic deposits or Islamic collective investment schemes but due to certain factors such as changes in the issuers' business direction and policy or failure to carry out proper Shariah contracts' transactions, which render the instruments Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such fixed income instruments or money market instruments or deposits or collective investment schemes.

If on the reclassification effective date, the value of the Shariah non-compliant instruments held exceeds or is equal to the investment cost, the Funds which hold such Shariah non-compliant instruments must liquidate them. To determine the time frame to liquidate such instruments, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of within one (1) calendar month of reclassification.

Any income received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant instruments made on the reclassification effective date can be kept by the Funds.

However, any income received and excess capital gain derived from the disposal after the reclassification effective date at a price that is higher than the price on the reclassification effective date shall be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

**3. Zakat for the Funds**

The Funds do not pay zakat on behalf of both Muslim individuals and Islamic legal entities who are investors of the Funds. Thus, investors are advised to pay zakat on their own.

**Amanie Advisors Sdn. Bhd. (for TADG)**

**1. Shariah Investment Guidelines**

The following matters are adopted by the Fund as guided by the Shariah Adviser in determining the Shariah status of the investments and operations of the Fund.

**Sukuk and Islamic money market instruments:**

The Shariah Adviser will verify any Islamic money market instruments based on the information of the financial institutions. The Shariah Adviser will also verify any investment in sukuk based on the data available at Bond Info Hub ([www.bondinfo.bnm.gov.my](http://www.bondinfo.bnm.gov.my)) and Fully Automated System for Issuing or Tendering (<https://fast.bnm.gov.my>) which information is publicly accessible to Shariah Adviser.



## 2. Execution of Islamic Derivative Transactions

The Islamic Derivative transaction will be governed by the ISDA/IIFM Tahawwut Master Agreement ("the agreement") which will apply Commodity Murabahah executions between the Bank and the Fund from time to time based on pre-agreed Underlying Asset between the parties. The agreement shall be subjected to a clearance by the Fund's Shariah Adviser.

To ensure validity of Commodity Murabahah execution, the Manager and the Bank shall ensure the approved legal and transaction documents being perfected adhering to the correct sequence according to Shariah principles.

Failure to execute the Commodity Murabahah Transactions according to prescribed Shariah principles may lead to the transactions becoming null and void and thus any profits element arising from the transaction would need to be channeled to charity.

## 3. Cleansing Process for the Fund

### a. Wrong Investment

This refers to Shariah non-compliant investment made by the Manager. The said investment will be disposed of or withdrawn with immediate effect or within a month of knowing the status of the investment. In the event of the investment resulted in gain (through capital gain, dividend and/or profit) before or after the disposal of the investment, the gain is to be channeled to *baitulmal* and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has the right to retain only the investment cost. If the disposal of the investment results in losses to the Fund, the losses are to be borne by the Manager.

### b. Reclassification of Shariah Status of the Fund's Investment

Reclassification of Shariah status in the context of this Fund refers to the investments of the Fund in Islamic fixed income instruments or Islamic money market instruments which are later reclassified as Shariah non-compliant by the respective Islamic financial institutions. The reclassification may also happen if the Commodity Murabahah Transaction between the Bank and the Fund is later reclassified as non-compliant to Shariah principles by the Shariah Adviser.

Subject to the advice of the Shariah Adviser on a case to case basis, any gains arising from the reclassification status of the above investments may result in the investments to be Shariah non-compliant and cannot be recognised as the Fund's income and thus have to be channeled to *baitulmal* and/or any charitable bodies as advised by the Shariah Adviser.

### c. Zakat (tithe) for the Fund

The Fund does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund. Thus, investors are advised to pay zakat on their own.

**THE SHARIAH ADVISERS CONFIRM THAT THE INVESTMENT PORTFOLIO OF THE FUNDS COMPRISES INSTRUMENTS WHICH HAVE BEEN CLASSIFIED AS SHARIAH-COMPLIANT BY THE SACSC, AND WHERE APPLICABLE BY THE SHARIAH ADVISORY COUNCIL OF BANK NEGARA MALAYSIA OR BY THE SHARIAH SUPERVISORY BOARDS OF RELEVANT ISLAMIC INDICES. AS FOR THE INSTRUMENTS WHICH HAVE NOT BEEN CLASSIFIED AS SHARIAH-COMPLIANT BY THE SACSC, AND WHERE APPLICABLE BY THE SHARIAH ADVISORY COUNCIL OF BANK NEGARA MALAYSIA NOR BY THE SHARIAH SUPERVISORY BOARDS OF RELEVANT ISLAMIC INDICES, THE SHARIAH STATUS OF THE INSTRUMENTS HAS BEEN REVIEWED AND DETERMINED BY THE SHARIAH ADVISERS.**

## 4. FEES, CHARGES & EXPENSES

### 4.1 CHARGES DIRECTLY INCURRED ON SALE AND REPURCHASE OF UNITS

Name of Fund	Sales Charge per Unit imposed by IUTA/Unit Consultants/Manager Trust	Repurchase Charge per Unit
TA Growth Fund (TAGF)	A maximum of 7% of the NAV per Unit of/amount invested in the respective Funds (rounded to the nearest RM 0.01) is imposed.	The Manager has no intention to impose any Repurchase Charge.
TA Comet Fund (TACF)		
TA Islamic Fund (TAIF)		
TA Income Fund (TIF)		
TA Small Cap Fund (TASF)		
TA Dana OptiMix (TADO)		
TA South East Asia Equity Fund (TASEA)		
TA Global Asset Allocator Fund (TAGAAF)		
TA Asia Pacific Islamic Balanced Fund (TAIB)		
TA European Equity Fund (TAEURO)		
TA Asian Dividend Income Fund (TADIF)		
TA Dana Fokus (TADF)		
TA Asia Pacific REITs Income Fund (TAREITs)	A maximum of 5.50% of the NAV per Unit of/amount invested in the Fund (rounded to the nearest RM0.01) is imposed.	
TA Dana Global (TADG)	A maximum of 5.00% of the NAV per Unit of/amount invested in the Fund (rounded to the nearest RM0.01) is imposed.	
TA Islamic CashPLUS Fund (TAICP)	There is no Sales Charge.	
TA Dana Afif (TADA)	A maximum of 2.00% of the NAV per Unit of/amount invested in the Fund (rounded to the nearest RM0.01) is imposed.	

Please note that investors investing via EPF-MIS will only be charged a maximum Sales Charge of 3.00% of the NAV per unit. Funds approved under the EPF-MIS are subject to change. Investors may contact the Manager for the list of funds.

Notes:

1. All Sales Charge is to be rounded to two (2) decimal points. The Manager reserves the right to waive and/or reduce the Sales Charge from time to time at its absolute discretion.
2. Investors may negotiate with their preferred distribution channel for a lower Sales Charge. Investment through the distribution channel shall be subjected to their respective terms and conditions.
3. All charges disclosed are based on the prevailing NAV per Unit of the respective Funds.
4. Subject to changes, sales commission paid by the Manager to individual and institutional agents will not exceed 100% of the Sales Charge.

Illustration on how the Sales Charge is calculated		
Investment amount	RM	10,000.00
Add Sales Charge 5.50% of investment amount (5.50% x RM10,000)	RM	550.00
Total amount payable by investor	RM	10,550.00

All payments will be rounded to the nearest two decimal points.

### Switching Fee

The Manager does not impose any switching fee, however, if the amount of sales charge of the fund that the Unit Holder intends to switch into is more than the sales charge imposed by the fund being switched from, then the difference in the sales charge between the two (2) funds shall be borne by the Unit Holder.

Conversely, no sales charge by the fund that the Unit Holder intends to switch into will be imposed on the Unit Holder, should it be less than or equal to the sales charge paid by the Unit Holder when they invested in the Fund.

The Manager reserves the right to vary the terms of switching. Please refer to section 5.5 of this Master Prospectus for further details.

### Transfer Fee

There will be an administrative charge of RM5 or any other amount as the Manager may deem appropriate.

## 4.2 CHARGES INDIRECTLY INCURRED ON SALE OF UNITS

### Annual Management Fee

The annual management fee is paid to the Manager. At present, we charge up to 1.50% per annum of the NAV of the Funds except for TAGAAF, TAEURO and TADIF which we are charging up to 1.80% per annum of the NAV of the Fund(s). For TADG and TADA, we are charging up to 1.20% per annum of the Funds and for TAICP, we charge up to 0.50% per annum of the NAV of Class A and Class B.

You will be notified in writing if the annual management fee is to be increased and a supplementary/replacement master prospectus disclosing the new higher rate of fees will be issued.

### Annual Trustees Fees (actual rate excluding foreign custodian fee and charges)

Funds	Annual Trustee Fee
TAGF	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum of RM15,000 per annum).
TACF	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum of RM15,000 per annum).
TAIF	UTMB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis.
TIF	UTMB is entitled to an annual fee of 0.08% per annum of the NAV of the Fund calculated on a daily basis.
TASF	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum of RM15,000 per annum).
TADO	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum of RM15,000 per annum).
TAICP	CCTB is entitled to an annual fee of up to 0.02% per annum of the NAV of the Fund calculated on a daily basis.
TASEA	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM15,000 per annum).
TAGAAF	MTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM12,000 per annum).
TAIB	CCTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis subject to a minimum of RM15,000 per annum.
TAEURO	MTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM12,000 per annum).
TADIF	MTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM12,000 per annum).
TADF	UTMB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis (subject to a minimum RM12,000 per annum).
TAREITs	MTB is entitled to an annual fee of 0.055% per annum of the NAV of the Fund calculated on a daily basis subject to a minimum of RM12,000 per annum.
TADA	MTB is entitled to an annual fee of 0.05% per annum of the NAV of the Fund calculated on a daily basis subject to a minimum of RM12,000 per annum.
TADG	CITB is entitled to an annual fee of 0.05% per annum of the NAV of the Fund calculated on a daily basis subject to a minimum of RM12,000 per annum.

### Illustration on how annual management fee and trustee fee are calculated

Total assets of the Fund	RM	96,753,078.37
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Less: Total liabilities of the Fund	RM	2,279,486.96
	RM	94,473,591.41
Less:		
Management fee for the day (say 1.5% p.a.) $[(1.5\% \times \text{RM}94,473,591.41)/365 \text{ days}]$	RM	3,882.48
Trustee fee for the day (say 0.05% p.a.) $[(0.05\% \times \text{RM}94,473,591.41)/365 \text{ days}]$	RM	129.42
NAV	RM	94,469,579.51

**Note: Please note that the above illustration is exclusive of any payable tax.**

#### **Fund Expenses**

Other expenses indirectly incurred by investors when investing in the Fund will be expenses directly related to the management of the Fund such as commission paid to brokers, sub-custodian fee, Auditor fee, valuation fee for valuation by independent valuers for benefits of Fund, taxes, fund accounting and valuation fee (except for TAICP), subscription, renewal or licensing of the benchmark fee (except for TAICP), etc. For further details, investors are advised to refer to the Deed which is available at the offices of the Manager and Trustees.

#### **Soft Commission**

TAIM, the External Investment Managers and the Trustees will not retain any rebate from, or otherwise share in any commission with any broker or dealer in consideration for direct dealings in the investments of the Funds. Accordingly, the Manager or the External Investment Manager will credit any rebate and shared commission received in respect of investments, if any, to the Funds.

Notwithstanding the aforesaid, the Manager or the External Investment Manager may retain goods and services ("soft commissions") provided by any broker or dealer if the following conditions are met:

- (a) The soft commissions bring direct benefit or advantage to the management of the Funds and may include research and advisory related services;
- (b) Any dealing with the broker or dealer is executed on terms which are the most favourable for the Funds; and
- (c) The availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or the External Investment Manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

**THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUNDS.**

**WE MAY FOR ANY REASON AND AT ANY TIME, WAIVE OR REDUCE: (A) ANY FEES (EXCEPT THE TRUSTEES' FEE); (B) OTHER CHARGES PAYABLE BY YOU IN RESPECT OF THE FUNDS/CLASSES; AND/OR (C) TRANSACTIONAL VALUES INCLUDING BUT NOT LIMITED TO THE UNITS OR AMOUNTS, FOR ANY UNIT HOLDER AND/OR INVESTMENTS MADE VIA ANY DISTRIBUTION CHANNELS OR PLATFORM.**

## 5. TRANSACTION INFORMATION

### 5.1 VALUATIONS FOR ALL FUNDS

In undertaking any of its investments, the Manager will ensure that all the assets of the Funds are valued in accordance with their respective asset classes and will be valued at fair value in compliance with the SC's valuation guidelines at all times. The Funds will be valued on a daily basis, which is on the Valuation Day.

The bases of valuations of the securities/instruments are as follows:

#### *Securities/Shariah-compliant securities listed on any exchange*

The securities will be valued based on the official closing price or last known transacted price on the Eligible Market on which the investment is quoted.

However, if the price is not representative or not available to the market, including a suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the securities shall be valued at fair value.

#### *Unlisted securities/unlisted Shariah-compliant securities*

Fair value as determined in good faith by us, on methods or bases which will have to be approved by the Trustee.

#### *Listed bonds/sukuk*

Listed bonds/sukuk will be valued based on market price. However, if:

- (a) a valuation based on the market price does not represent the fair value of the bonds/sukuk, for example during abnormal market conditions; or
- (b) no market price is available, including a suspension in the quotation of the bonds/sukuk for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, then the bonds/sukuk would be valued at fair value, as determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.

#### *Unlisted bonds/sukuk*

Unlisted bonds/sukuk denominated in RM will be valued based on the price quoted by a bond pricing agency (BPA) registered with the SC.

Other unlisted bonds/sukuk will be valued based on fair value by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions.

In a case where we are of the view that the price quoted by BPA or the average indicative price quoted by three (3) independent and reputable financial institutions for a specific bond/sukuk differs from our view of the market price by more than twenty (20) basis points, we may use the market price of our view, provided that we record our basis for using such price, obtain the necessary internal approvals to use such price and keep an audit trail of all decisions and basis of adopting such price.

#### *Collective investment schemes/Islamic collective investment schemes*

Collective investment schemes/Islamic collective investment schemes which are quoted on an exchange shall be valued based on the official closing price or last known transacted price on the Eligible Market on which the collective investment schemes/Islamic collective investment schemes are quoted. However, if the price is not representative or not available to the market, including a suspension in the quotation of the collective investment schemes/Islamic collective investment schemes for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the investments shall be valued at fair value.

Investments in unlisted collective investment schemes/unlisted Islamic collective investment schemes will be valued based on the last published redemption price or fair value as determined in good faith by us on methods and bases that will have to be approved by the Trustee.

#### *Liquid assets/Islamic liquid assets*

Deposits/Islamic deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and the interest/profit accrued thereon, if any, for the relevant period.

#### *Money market instruments/Islamic money market instruments*

Investments in money market instruments/Islamic money market instruments (with remaining term to maturity of not more than 90 calendar days at the time of acquisition) are valued at book cost, meaning cost of acquisition plus accretion of discount on yield to maturity method.

For negotiable instruments of deposit/Islamic negotiable instruments, valuation will be done using the indicative price quoted by the financial institution that issues or provides such instruments.

Investments in money market instruments/Islamic money market instruments other than the above instruments will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions or in accordance to fair value as determined in good faith by us on methods and bases that will have to be approved by the Trustee.

#### *Derivative/Islamic derivative*

Listed or quoted derivatives/Islamic derivatives will be valued based on the official closing price or last known transacted price on the Eligible Market on which the derivatives/Islamic derivatives are quoted. However, if the price is not representative or not available to the market, including a suspension in the quotation of the derivatives for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, the derivatives/Islamic derivatives shall be valued at fair value.

If it is not listed or quoted on an exchange, the derivatives/Islamic derivatives will be valued based on fair value as determined in good faith by us on methods or bases which will have to be approved by the Trustee.

#### *Foreign exchange rate conversion*

Foreign exchange conversion of foreign investments for a particular Business Day is determined based on the bid exchange rate quoted by Bloomberg or Reuters at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by the Federation of Investment Managers Malaysia or any relevant laws.

#### *Any other instruments/Shariah-compliant instruments*

Fair value as determined in good faith by us, on methods or bases which will have to be approved by the Trustee.

#### **Note:**

For certain Funds with foreign investment exposure, the valuation point may be after the close of Bursa Malaysia but before 5.00 p.m. on the following day in which the Manager is open for business. As a result of having a valuation point on the following day (T+1 day), the NAV of those Funds with foreign investment will not be published on the next Business Day but instead will be published the next following Business Day i.e.: two (2) Business Days later (T+2 day).

*Illustration:* For the market close of 16 January 2023, the valuation will be done on the next day when the Manager is open for trading, that is, 17 January 2023. The publication date for the prices as at 16 January 2023 will be 18 January 2023.

Investors may obtain the latest prices of Units of the Funds by contacting the Manager directly. The Manager may declare certain business days to be a non-Business Day, although the Bursa Malaysia is open for business, if some of the foreign markets in which the Fund is invested therein are closed for business. This is to ensure that investors will be given a fair valuation of the Fund at all times, be it when buying or redeeming Units of the Fund.

#### **Incorrect Valuation/Pricing of Fund**

The Manager shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the relevant authorities of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance. An incorrect valuation and/or pricing of the Fund and/or the Units shall result in a reimbursement of moneys unless the Trustee considers that such incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee shall not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of zero point five per centum (0.5%) or more of the NAV per Unit unless the total impact on a Unit Holder's account of each Fund or Class is less than RM10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee shall result in reimbursement of moneys in the following manner:

- (i) if there is an over valuation and/or pricing in relation to the application for Units, the Fund shall reimburse the Unit Holder;
- (ii) if there is an over valuation and/or pricing in relation to the redemption of Units, the Manager shall reimburse the Fund;
- (iii) if there is an under valuation and/or pricing in relation to the application for Units, the Manager shall reimburse the Fund; and
- (iv) if there is an under valuation and/or pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

## **5.2 PRICING POLICY**

TAIM adopts the single pricing policy with entry fee method to price the Units in relation to investment and repurchase of Units. This means that selling of Units by TAIM (i.e. when you purchase Units and invest in the Fund) and repurchase of Units by TAIM (i.e. when you redeem your Units and liquidate your investment) will be carried out at NAV per Unit (the actual value of a Unit). The Sales Charge or Repurchase Charge (if any) would be computed separately based on your investment or repurchase amount. The single price for investment and repurchase of Units shall be the daily NAV per Unit at the next valuation point after TAIM receives the investment or repurchase application (i.e., forward prices are used).

The NAV of the Fund is calculated every Business Day. It is the sum of the value of all investments held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to Unit Holders, less all amounts owing or payable in respect of the Fund including any provisions that the Trustee or TAIM consider should be made at the same valuation point.

*(Applicable for all Funds except for TAICP)*

#### **Illustration on how NAV and NAV per Unit are calculated**

**(For the Fund where the annual management fee is 1.50% and annual trustee fee is 0.05%)**

Quoted investment of the Fund	RM	134,370,000.69
Money Market Instrument	RM	638,537.00
Other assets	RM	383,888.20

	RM	135,392,425.89
Less liabilities	RM	68,398.50
NAV before deducting management fee and trustee fee for the day	RM	135,324,027.39
Less management fee for the day (1.50% per annum) [(1.50% x RM135,324,027.39) ÷ 365 days]	RM	5,561.26
Less trustee fee for the day (0.05% per annum) [(0.05% x RM135,324,027.39) ÷ 365 days]	RM	185.38
NAV (after deducting management fee, trustee fee, and any payable tax)	RM	135,318,280.75
Units in circulation		270,000,000.00
NAV per Unit	RM	0.501178817
NAV per Unit (rounded up to four decimal places)	RM	0.5012

(Applicable for TAICP only)

Items	Fund (MYR)	Class A (MYR)	Class B (MYR)
Multi Class Ratio (MCR) %		39.90369473	60.09630527
Net Asset Value BF	138,943,724.94	55,443,679.84	83,500,045.10
Class gains	11,342.00	4,525.88	6,816.12
<b>Gross Asset Value Before Fee</b>	<b>138,955,066.94</b>	<b>55,448,205.72</b>	<b>83,506,861.22</b>
Management Fee	(1,903.49)	(759.56)	(1,143.93)
Trustee Fee	(76.14)	(30.38)	(45.76)
<b>Net Asset Value</b>	<b>138,953,087.31</b>	<b>55,447,415.78</b>	<b>83,505,671.53</b>
Units in Circulation		105,000,000.00	160,000,000.00
Exchange Rate		1.0000	1.0000
NAV Per Unit in Fund Currency		0.52807063	0.52191045
NAV Per Unit in Class Currency		0.52807063	0.52191045
NAV Per Unit in Class Currency (Rounded to four decimals)		0.5281	0.5219

**Note: Please note that the above illustration is exclusive of any payable tax.**

#### Making an investment

The Unit prices of the Funds are calculated every Business Day based on the NAV of the Fund and the number of Units in circulation.

Investors may invest in any of the Funds managed by TAIM on any Business Day. The number of Units allocated is determined by dividing the investment amount (excluding Sales Charge) with the NAV per Unit at the next valuation point after the Manager receives the investment application, rounded to the nearest four decimal places.

#### Illustration of computation:

Assuming the NAV per Unit is RM0.5000 and the amount of Sales Charge that is imposed by us is 5.50% of the NAV per Unit; if a Unit Holder intends to invest a sum of RM10,000.00 in the Fund, the amount payable by a Unit Holder will be as follows:

Unit issued = Investment amount / NAV per Unit  
= RM10,000.00 / RM0.5000  
= 20,000 Units

Total amount of Sales Charge incurred = Unit issued x Sales Charge  
= 20,000 Units x [5.50% x RM0.5000]  
= 20,000 Units x RM0.0275  
= RM550.00

Total amount payable = Investment amount + Sales Charge  
= RM10,000.00 + RM550.00  
= RM10,550.00

**Note: Please note that the above illustration is exclusive of any payable tax.**

#### Determining the Repurchase Amount

Investors may repurchase their investment on any Business Day by giving the repurchase notice to the Manager. The repurchase amount is calculated by multiplying the NAV per Unit at the next valuation point after TAIM receives the repurchase application, with the number of Units held.

<b>Example: Determining the Repurchase Amount (For a Fund where the Repurchase Charge is 0.00%)</b>		
Number of Units to be repurchased		20,000.00
If for example, the NAV per Unit calculated at the next valuation point was RM0.5000, the repurchase value, would be:		
Multiply by NAV per Unit	RM	0.5000
Repurchase value	RM	10,000.00
Less Repurchase Charge	RM	NIL
Net amount payable to investor	RM	10,000.00

### 5.3 WHAT DO I NEED TO CONSIDER BEFORE INVESTING?

Please note that TAIM may for any reason at any time, waive existing procedures, or introduce and implement new procedures in respect of the Fund. This may apply either generally (for all investors) or specifically (for any particular investor) at its discretion. Also note that different procedures may apply when an investor transacts Units via an IUTA.

**TAIM has the absolute right to reject any application and/or request without any obligation to provide reasons for its rejection.**

#### Am I Eligible to Invest in the Fund?

The following are eligible to invest in the Fund:

- any individual over 18 years of age, investing individually or as joint unit holders using joint names;
- any child (i.e. any individual under 18 years old) provided the moneys are held by an adult on his or her behalf; and
- any institution including a company, corporation, co-operative, trust or pension fund.

#### How Much do I Need to Invest?

There is no limit on how much you may invest but generally the minimum initial investment is RM1,000 for the Funds.

#### Where can Investment Applications be Made?

Applications can be made at TAIM's head office in Kuala Lumpur or at any of its business centres. Alternatively, you may approach the nearest branch of any of our IUTA throughout Malaysia. Also, for your convenience, the addresses and telephone numbers of TAIM offices are listed in Chapter 2, Corporate Directory of this Master Prospectus.

### 5.4 APPLICATION AND REDEMPTION

#### Purchase of Units

Application of Units must be submitted by completing the account opening form, which is available at our head office and business centres. Please refer to Chapter 2, Corporate Directory of this Master Prospectus for details.

The completed documents, together with proof of payment and a copy of bank statement must be attached. Bank charges, where relevant, will be borne by investors. The validity of the transaction is subject to clearance of the payment made to us.

Any application forms received through fax will only be deemed complete after we receive the original copy of the form together with the proof of payment. Receipt of fax copy should not be an indication of acceptance of application by us or completion of transaction. We shall not be responsible for applications not processed as a result of incomplete transmission of fax. Valid application received by our office on or before 4.00 p.m. on any Business Day be it via fax, send in by post or walk-in, will be processed based on NAV per Unit calculated at the end of the Business Day. Any application received by us after 4.00 p.m. will be deemed to have been received on the next Business Day. If an application received by us on non-Business Day, such application request will be processed based on the NAV per Unit calculated at the close of the next Business Day. We reserve the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents. Incomplete applications will not be processed until all the necessary information has been received.

#### For TAICP

	<b>Class A</b>	<b>Class B</b>
<b>Minimum Initial Investment</b>	RM1,000	RM500,000
<b>Minimum Additional Investment</b>	RM1,000	RM5,000

or such other lower amount as we may decide from time to time.

Allocation of Units of the Class is based on the NAV per Unit as illustrated in the table below:

<b>Payment Mode</b>	<b>NAV Price</b>
Telegraphic Transfer (TT) / Rentas Transfer / Interbank Giro (GIRO)	Payment received before 4.00 p.m. on the application date.
Cheque	Cheque clearance day before 4.00 p.m.

#### For TADIF, TAEURO and TAGAAF

We and the Trustee may temporarily suspend the purchase of Units of the Fund, subject to the requirements in the Guidelines and in the circumstance as set out under Temporary Suspension of the Collective Investment Scheme Risk of section 3.19 of the Master Prospectus.



**For EPF-MIS**

Units will be issued based on the NAV per Unit upon disbursement received by the Manager from KWSP.

**Redemption of Units**

Redemption of Units can be made by completing the transaction form available from any of our offices or by sending written instructions to any of our offices on any Business Day.

If you give us written instruction, your letter should include:

- a) your investment account number;
- b) the name of the Fund and its "Class" (if any) that you wish to redeem your Units from;
- c) the number of Units that you intend to redeem; and
- d) instruction on what we should do with the money (e.g. credit into your bank account).

Redemption requests sent via fax are accepted by us. Receipt of fax copy should not be an indication of acceptance of a redemption request by us or completion of transaction. We shall not be responsible of redemption requests that are not processed as a result of incomplete transmission of fax. We reserve the right to reject any redemption request that is unclear, incomplete and/or not accompanied by the required documents. Investors are strongly advised to contact our customer service to confirm the receipt of instruction given by fax.

The Fund will be valued on a daily basis and the daily prices of the Fund will be published on the next Business Day. The Fund's Unit prices are available on our website at [www.tainvest.com.my](http://www.tainvest.com.my), Federation of Investment Managers Malaysia (FIMM)'s website, our head office or any of our business centres listed in the Chapter 2, Corporate Directory.

Any valid redemption request received by our head office or any of our business centres on or before 4.00 p.m. on a Business Day will be processed based on the NAV per Unit calculated at the end of the Business Day. Any redemption request received by us after 4.00 p.m. will be deemed to have been received on the next Business Day. If the redemption request is received by us on non-Business Day, such redemption request will be processed based on the NAV per Unit calculated at the close of the next Business Day.

Except for TAICP, redemption proceeds will be paid to you within seven (7) Business Days from the date the transaction form is received. Payment of redemption proceeds shall be based on the selected payment method stated in the transaction form received by our head office. In case of joint holders, we will process the redemption request based on the operating instruction stated in the account opening form when you first invested in the Fund.

For avoidance of doubt, all redemption proceeds will be made payable to the principal applicant by default, unless there is a request by the principal applicant that the redemption proceeds be made payable to the joint applicant.

The NAV per Unit of the Fund will be forwarded to the FIMM. We shall ensure the accuracy of the NAV per Unit forwarded to the FIMM. We, however, shall not be held liable for any error or omission in the NAV per Unit published by any third party as this is beyond our control. In the event of any discrepancies between the NAV per Unit published by any third party and our NAV per Unit computation, our computed NAV per Unit shall prevail.

We reserve the right to vary the terms and conditions of redemption payment mode from time to time, which shall be communicated to you in writing.

**For TAICP**

NAV per Unit for redemption of Units as illustrated in the table below:

NAV Price	Payment of Redemption Proceeds
Based on redemption request received by TAIM before 4.00 p.m. on a Business Day.	Within three (3) Business Days from the date the transaction form is received.

**For TADIF, TAEURO and TAGAAF**

We and the Trustee may temporarily suspend the redemption or switching of Units of the Fund, subject to the requirements in the Guidelines and in the circumstance as set out under Temporary Suspension of the Collective Investment Scheme Risk of section 3.19 of the Master Prospectus.

**For EPF-MIS**

For redemption request received under EPF-MIS, we will transfer the redemption proceeds to KWSP for onward crediting to EPF Members Account.

**5.5 SWITCHING**

Switching of units can be made from one fund to another fund (or its class) managed by us provided that both funds are denominated in the same currency by completing the transaction form.

Switching will be made at the prevailing NAV per Unit of the Fund to be switched from on a Business Day when the switching request is received and accepted by us on or before the cut off time of 4.00 p.m., subject to any terms and conditions imposed by the intended

fund to be switched into, if any. If we receive your switching request after 4.00 p.m., we will process your request on the next Business Day.

Please note that the net asset value per unit of a fund (or its class) to be switched out and the net asset value per unit of the fund to be switched into may be of different Business Days. The table below sets out as a guide when the Unit Holder switches out of a fund into another fund managed by us. All switches will be transacted based on the net asset value per unit of the fund on the same day except for the following:

Switch Out	Switch In	Pricing Day (NAV)	
		Switch Out	Switch In
Non-money market fund*	Non-money market fund**	T Day	T+1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.
Money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund.

Note:

\* For certain funds with foreign investment exposure, the valuation point may be after the close of Bursa Malaysia but before 5.00 p.m. on the following day in which the Manager is open for business. As a result of having a valuation point on the following day (T+1 day), the net asset value of those funds with foreign investment will not be published on the next Business Day but instead will be published the next following Business Day i.e.: two (2) Business Days later (T+2 day).

\*\* for funds where the valuation point is on the same day, the net asset value of the funds will be published on the following Business Day (T+1 day).

The minimum Units for a switch is 500 Units or such other lower number of Units as determined by us from time to time and there is no restriction on the frequency of switching. However, you must meet the minimum number of Units per switch and the minimum holdings of Units (after the switch) of the fund that you intend to switch from unless you are redeeming all your investments from the fund.

Switching from Islamic funds to conventional funds is discouraged, especially to Muslim Unit Holders.

The Manager does not impose any switching fee, however, if the amount of sales charge of the fund that the Unit Holder intends to switch into is more than the sales charge imposed by the fund being switched from, then the difference in the sales charge between the two (2) funds shall be borne by the Unit Holder. Conversely, no sales charge by the fund that the Unit Holder intends to switch into will be imposed on the Unit Holder, should it be less than or equal to the sales charge paid by the Unit Holder when they invested in the Fund.

For TADG, switching out of the Fund is not allowed within thirty (30) days of the date of investments.

We reserve the right to vary the terms and conditions of switching from time to time and inform the Unit Holders accordingly.

## 5.6 TRANSFER OF UNITS

Transfer can be made by completing a transfer form. A transfer or partial transfer will be effected subject to the minimum balance and terms and conditions applicable for the respectively Fund(s). For partial transfer of Units, the minimum balance that must be retain in a Fund (except for Class B of TAICP) is 500 Units or such other number of Units as may be determined by the Manager from time to time. For Class B of TAICP, the minimum balance that must be retain in the Class is 5,000 Units or such other number of Units as may be determined by the Manager from time to time. TAIM has the right to impose an administrative charge of RM5.00 or any other amount, as the Manager may deem appropriate.

## 5.7 COOLING-OFF POLICY

There is a cooling-off period of six (6) Business Days from the day your application is accepted or deemed to be accepted by the Manager. Within these six (6) Business Days, you have a right to request for withdrawal of the investment. The refund for every Unit held by you pursuant to the exercise of your cooling-off right would be the sum of:

- if the NAV per Unit on the day the Units were first purchased ("original price") is higher than the price of a Unit at the point of exercise of the cooling-off right ("market price"), the market price at the point of cooling-off; or
- if the market price is higher than the original price, the original price at the point of cooling-off; and
- the sales charge per Unit originally imposed on the day the Units were purchased.

A cooling-off right is only given to an individual investor who is investing in any of the unit trust funds managed by TAIM for the first time but shall not include the following person:

- a staff of TAIM; and
- a person registered with a body approved by the SC to deal in unit trust funds.

All such requests must be received or be deemed to have been received by the Manager before 4.00 p.m. on a Business Day. Requests received or deemed to have been received after 4.00 p.m. will be treated as having been received on the following Business Day.

If you submit your payment by cheque, the cooling-off period will accrue from the date on which the Manager receives the cheque and payment for the cooling-off will be made after the cheque has been cleared. The proceeds would generally be refunded to Unit Holder within seven (7) Business Days of receiving the request for withdrawal.

In the case for EPF-MIS, the cooling-off right is subject to EPF's terms and conditions.

## 5.8 DISTRIBUTION CHANNELS

The Funds are distributed via the following channels:

- TAIM
- Unit trust consultants
- IUTA

However, for TAICP, the distribution channels are as follows:

TAICP	Distribution Channels
Class A	IUTA, unit trust consultants and EPF-MIS
Class B	TAIM

At our discretion, we may vary the distribution channels for the abovementioned Classes from time to time.

The addresses and contact numbers of the head office and business centres of TAIM are disclosed in Chapter 2, Corporate Directory of this Master Prospectus.

All transactions can be done at the above channels (except for IUTA channels, where Unit Holders are required to visit their servicing bank channels) and the forms are available at our head office and business centres.

For further details, you may refer to the table on "How to Buy, Sell, Switch and Transfer".

## 5.9 MODE OF DISTRIBUTION

Unit Holders may choose to receive any distributions declared by either of the following methods:

- (a) Reinvestment  
For reinvestment, the Units will be created based on the NAV per Unit on the Reinvestment Date. There will not be any cost for the reinvestment of those additional Units i.e: no Sales Charge is imposed.
- (b) Payout  
The distribution will be paid based on the selected payment mode stated in the transaction form received by our head office or business centres. The payout will be based on the latest information maintain in our record. All the cost and expenses incurred in facilitating such distribution payments shall be borne by Unit Holders.

Distributions will automatically be re-invested into additional Units of the Fund if:

- (a) No distribution choice is made on the account opening form or investment form.
- (b) The distribution cheque is returned as unclaimed through the post.
- (c) The distribution cheque is uncashed after six (6) months from date of issue.
- (d) The distribution amount is less than RM50.00 or such amount determined by the Manager from time to time, and
- (e) The investment is made under EPF Members Investment Scheme.

In the absence of instructions to the contrary, distribution income and/or capital from the Fund will be automatically reinvested, at no charge, into additional Units of the Fund based on the NAV per Unit of the Fund or the Class on the Reinvestment Date.

\* Any change in distribution instruction must be in writing. If this is done in the last 14 days before the distribution declaration date of the Fund, the change will only take effect from the next distribution point, if any.

### Unclaimed Distribution

Any distribution which payment cannot be effected for any reason whatsoever or in the form of cheques that are not presented for payment by the expiry of six (6) months from the date of issuance of such cheques will be automatically reinvested as additional Units of the Fund at the NAV per Unit at the end of the expiry date if the Unit Holder still has an account with the Manager. For the avoidance of doubt, there will not be any sales charge imposed for the reinvestment.

If the Unit Holder no longer has an account with the Manager, such payment of distribution will be dealt with in accordance with the requirement of the Unclaimed Moneys Act 1965.

### Unclaimed Moneys Policy

Any moneys (other than unclaimed distribution) payable to/by Unit Holders which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the Unclaimed Moneys Act 1965. Unit Holders will have to liaise directly with the Registrar of Unclaimed Moneys to reclaim their moneys.

**UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP.**

## 5.10 PAYMENT METHODS

Payment for the investment can be made by any of the following methods:

### (a) Cheque / Bank Cheque / Cashier's Cheque

Any of the above instruments drawn on a bank in Malaysia may be used to make payment for your investment. The name to which the payment to be made is:-

Fund (s)	Account Name
1. All Funds which are denominated in MYR except for TAICP	TAIM CLIENTS' TRUST A/C - COLLECTION
2. TA Islamic CashPlus Fund (TAICP)	TAIM CLIENTS' TRUST A/C - TAICPF

### (b) Telegraphic Transfer / Rentas Transfer / Interbank GIRO

Any of the payment mode via the above can be credited into our accounts according to the Funds as follows:

#### Maybank Account:

Fund (s)	Account Number	Account Name
1. All Funds which are denominated in MYR except for TAICP	5143 5640 0987	TAIM CLIENTS' TRUST A/C - COLLECTION
2. TA Islamic CashPLUS Fund (TAICP)	5643 5150 1744	TAIM CLIENTS' TRUST A/C - TAICPF

#### AmBank Islamic Berhad Account:

Fund (s)	Account Number	Account Name
1. TA Islamic CashPLUS Fund (TAICP)	8881048649007	TA INVESTMENT MANAGEMENT BERHAD - CLIENTS' TRUST ACCOUNT

All fees, charges and expenses incurred or to be incurred for payment shall be borne by Unit Holders.

**INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH WHEN PURCHASING UNITS OF A FUND VIA ANY IUTA/UNIT TRUST CONSULTANT.**

## 5.11 HOW TO BUY, SELL, SWITCH AND TRANSFER

Transaction	Documents Required*	Minimum Amounts	Documents to be Received by Investors
<b>Investment (Buy)</b>	<b><u>For New Investor(s):</u></b>	<b><u>Initial Investment</u></b>	<ul style="list-style-type: none"> <li>Successful applicants will be issued a transaction advice slip.</li> <li>Unsuccessful applicants will be notified &amp; application money will be refunded within thirty (30) days of receipt of the application.</li> </ul>
	<b><i>Individual Investor(s):</i></b> <ul style="list-style-type: none"> <li>Account opening form; and</li> <li>Copy of NRIC / passport.</li> <li>For applicants below 18 years of age (joint holder), copy of identity card or birth certificate is required.</li> <li>KWSP 9N (AHL) Form (for EPF-MIS).</li> </ul>	RM 1,000 or 1,000 Units for TAGF	
	<b><i>Non-Individual Investor(s):</i></b> <ul style="list-style-type: none"> <li>Account opening form;</li> <li>A certified true copy of the certificate of incorporation; memorandum and article of association or constitution; form 24 or return for the allotment of shares under section 78 of the Companies Act 2016, form 44 or notice under section 46 of the Companies Act 2016 and form 49 or notice under section 58 of the Companies Act 2016; board resolution with list of authorised signatories and company seal (if applicable);</li> <li>The latest audited financial statement; and</li> <li>Certified true copy of NRIC or passport or other form of identification of directors.</li> </ul>	RM1,000 for TACF, TAIF, TIF, TASF, TADO, TASEA, TAGAAF, TAIB, TAEURO, TADIF, TADF, TAREITS, TADA and TADG  RM1,000 for Class A and RM500,000 for Class B of TAICP  or RM100 (monthly investment for all Funds except for TAICP)	
	<b><u>For Existing Investor(s):</u></b>		
	<b><i>Individual Investor(s):</i></b> <ul style="list-style-type: none"> <li>Investment form; and</li> <li>Investor suitability assessment form, if any.</li> <li>KWSP 9N (AHL) Form (for EPF-MIS).</li> </ul>	<b><u>Additional Investment</u></b>	
	<b><i>Non-Individual Investor(s):</i></b> <ul style="list-style-type: none"> <li>Investment form; and</li> <li>A certified true copy of board resolution with list of authorised signatories and company seal (if applicable).</li> </ul>	RM100 or 100 Units for TAGF  RM100 for TACF, TAIF, TIF, TASF, TADO, TASEA, TAGAAF, TAIB, TAEURO, TADIF,	
	All application must be attached with:		

	<ul style="list-style-type: none"> <li>➤ Proof of payment; and</li> <li>➤ Copy of bank statement.</li> </ul>	TADF, TAREITs, TADA and TADG  RM1,000 for Class A and RM5,000 for Class B of TAICP	
<b>Redemption (Sell)</b>	<ul style="list-style-type: none"> <li>➤ Transaction form; or</li> <li>➤ Written instructions clearly stating account number, Fund's name and number of Units to be redeemed and payment instruction;</li> <li>➤ Copy of NRIC (if applicable); and</li> <li>➤ Copy of bank statement.</li> </ul>	500 Units (Except for TADG with 100 Units)	<u>Transfer payment via Interbank Giro (IBG)</u> <ul style="list-style-type: none"> <li>▪ Transaction advice slip.</li> </ul> <u>Cheque</u> <ul style="list-style-type: none"> <li>▪ Transaction advice slip; and</li> <li>▪ Redemption cheque or deposited cheque slip.</li> </ul>
<b>Switching</b>	<p><b>Individual Investor(s):</b></p> <ul style="list-style-type: none"> <li>➤ Transaction form; and</li> <li>➤ Investor suitability assessment form (for switching to new investment fund).</li> </ul> <p><b>Non-Individual Investor(s):</b></p> <ul style="list-style-type: none"> <li>➤ Transaction form; and</li> <li>➤ A certified true copy of board resolution with list of authorised signatories and company seal (if applicable); and/or</li> <li>➤ Investor suitability assessment form (for switching to new investment fund).</li> </ul>	500 Units	Transaction advice slip.
<b>Transfer</b>	<p><b>Individual Investor(s):</b></p> <ul style="list-style-type: none"> <li>➤ Transfer form; and</li> <li>➤ Copy of NRIC/passport.</li> <li>➤ If the transferee is new account holder:- <ul style="list-style-type: none"> <li>○ Account opening form; and</li> <li>○ Copy of NRIC/passport.</li> <li>○ For applicants below 18 years of age (joint holder), copy of identity card or birth certificate is required.</li> </ul> </li> </ul> <p><b>Non-Individual Investor(s):</b></p> <ul style="list-style-type: none"> <li>➤ Transfer form.</li> <li>➤ If the transferee is new account holder:- <ul style="list-style-type: none"> <li>○ Account opening form;</li> <li>○ A certified true copy of the certificate of incorporation; memorandum and article of association; form 24 or return for the allotment of shares under section 78 of the Companies Act 2016, form 44 or notice under section 46 of the Companies Act 2016 and form 49 or notice under section 58 of the Companies Act 2016; board resolution with list of authorised signatories and company seal (if applicable);</li> <li>○ The latest audited financial statement; and</li> <li>○ Certified true copy of NRIC or passport or other form of identification of directors.</li> </ul> </li> </ul>	500 Units	Transaction advice slip.
<b>Cooling-Off</b>	<ul style="list-style-type: none"> <li>➤ Cooling-off form; or</li> <li>➤ Written instructions clearly stating your intention to cool off the transaction, the value of investment, Fund's name and payment instruction.</li> </ul>	N/A	<ul style="list-style-type: none"> <li>▪ Transaction advice slip.</li> <li>▪ Payment for cooling-off.</li> </ul>

\* We reserve the right to request additional documents from you as we deemed appropriate from time to time.

There are no restrictions as to the frequency of redemption or switching to be made on any of the funds managed by TAIM.

**Notes:**

1. Successful applicants will be issued a transaction advice slip whereas unsuccessful applicants will be notified and application money will be refunded within thirty (30) days of receipt of the application.
2. TAIM reserve the right to request additional documents from applicants to support the application.
3. In the case of a partial redemption, switching or transfer of Units, the minimum balance that must be retained in a Fund is 500 Units (except for Class B of TAICP). For Class B of TAICP, the minimum balance that must be retain in the Class is 5,000 Units. If the number of Units drops below the minimum balance, due to redemption, switching or transfer of Units, further investments will be required within one (1) month until the balance of the investment is restored to at least the minimum balance. Failure to maintain the minimum balance empowers TAIM to withdraw your entire investment in the Fund and forward the proceeds to you.
4. EPF members may withdraw portion of their savings from Account 1, to be invested in a Fund that are allowed under the EPF-MIS (the minimum investment subject to requirements of the EPF-MIS). The latest list of Funds that are allowed under the EPF-MIS will be updated on the KWSP website at [www.kwsp.gov.my](http://www.kwsp.gov.my). Please note that investors investing via EPF-MIS is subject to EPF's terms and conditions.
5. We may, at our absolute and sole discretion at any time and without having to assign any reason, allow for a lower amount or number of Units in any purchasing of Units (or additional Units) or withdrawing of Units or switching of Units and/or transferring of Units, either generally (for all investors) or specifically (for any particular investor or a group of investors and/or for investments

*made via any digital platform) without prior notice to you. We may also, at our absolute and sole discretion at any time and without having to assign any reason, reduce the minimum holding of Units, either generally (for all investors) or specifically (for any particular investor or a group of investors and/or investments made via any digital platform) without prior notice to you.*

## 6. THE KEY PEOPLE BEHIND TAIM

### 6.1 THE MANAGER

The Manager of the Funds is TA Investment Management Berhad ("TAIM"). TAIM was incorporated on 17 April 1995 under the Companies Act 1965 (*now known as Companies Act 2016*) and commenced operations on 1 July 1996. TASH, a wholly owned subsidiary of TAE, is the holding company of TAIM. TAE, an investment holding company has years of exposure and experience in investing in the Malaysian securities markets.

The principal activities of TAIM are the establishment and management of unit trust funds and portfolio clients. TAIM has more than twenty (20) years' of experience in managing unit trust funds.

### 6.2 FUNCTIONS AND RESPONSIBILITIES OF THE MANAGER

TAIM is responsible for the day to day management of the Fund and for the development and implementation of appropriate investment strategies. The main tasks performed by TAIM include:

- managing investments portfolio;
- processing the sale and repurchase of Units;
- keeping proper records for the Fund;
- valuing investments of the Fund; and
- distributing income and/or capital to the Unit Holders.

### 6.3 BOARD OF DIRECTORS

The functions of the board of directors of the Manager are to elaborate, decide, endorse or resolve all matters pertaining to the Manager and the Funds at the board meetings that are held formally four (4) times yearly or as and when circumstances require.

The list of board of directors are available at our website at <https://www.tainvest.com.my/our-people/>.

### 6.4 INVESTMENT TEAM

The information on the investment team and the designated fund manager of the Funds can be obtained from our website at <https://www.tainvest.com.my/our-people/>.

### 6.5 MATERIAL LITIGATIONS AND ARBITRATIONS

The disclosure of the Manager's material litigation and arbitration can be obtained from our website at <http://www.tainvest.com.my/company-information/>.

### 6.6 SHARIAH ADVISERS

#### 6.6.1 BIMB SECURITIES SDN BHD

BIMB Securities Sdn Bhd ("BIMB Securities") has been appointed as the Shariah adviser for TAIF, TADO, TAICP, TAIB, TADF and TADA ("the Funds"). BIMB Securities will provide Shariah advisory services on the management and operations of the Funds to ensure the operations of the Funds comply with Shariah requirements.

#### ABOUT BIMB SECURITIES SDN BHD

BIMB Securities is a stockbroking subsidiary of Bank Islam Malaysia Berhad incorporated on 21 February 1994 and is licensed by the SC. The corporate mission of BIMB Securities is to be an active participant in a modern, innovative and dynamic Islamic capital market in Malaysia, catering for the needs of all investors Muslims or Non-Muslims, looking for Shariah-compliant investment products and services.

#### EXPERIENCE IN SHARIAH ADVISORY SERVICES

BIMB Securities is registered with the SC to act as a Shariah adviser for Islamic products and services regulated by the SC which include Islamic collective investment schemes. BIMB Securities is independent from the Manager and does not hold office as a member of the committee undertaking the oversight function of the Funds or any other funds managed and administered by the Manager.

#### ROLES AND RESPONSIBILITIES OF BIMB SECURITIES AS THE SHARIAH ADVISER

As the Shariah adviser for the Funds, the role of BIMB Securities is to ensure that the investment operations and processes of the Funds are in compliance with Shariah requirements. BIMB Securities will review the Funds' investments on a monthly basis to ensure Shariah compliance and it also reviews all the semi-annual and annual reports of the Funds.

Notwithstanding the role played by the Shariah Adviser, the ultimate responsibility for ensuring Shariah compliance of the Funds in all aspects of operations and processes rests solely with the Manager.

In line with the SC's Guidelines, the roles of BIMB Securities as the Shariah Adviser are:

1. to advise on all Shariah aspects of the Funds and Funds' operations and processes such that they are in accordance with Shariah requirements;
2. to provide Shariah expertise and guidance in all matters related to the Funds, particularly on the Deed and Master Prospectus, structure, investments and related operational matters;
3. to ensure that the Funds are managed and operated in accordance with Shariah as determined by the relevant SC's regulations and standards, particularly resolutions issued by the SACSC;
4. to review the Funds' compliance reports as provided by the Manager's compliance officer and investment transaction reports provided or duly approved by the Trustee, to ensure that the Funds' investments are in line with Shariah;
5. to issue a report for inclusion in the semi-annual and annual reports of the Funds stating the Shariah Adviser's opinion on the Funds' compliance with Shariah requirements in its investment, operations and processes for the financial period concerned;
6. to consult the SC where there is ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
7. to meet with the Manager on a quarterly basis (or as and when required by the Manager and/or the Shariah Adviser) for the review of the Funds' operations and processes; and
8. to apply *Ijtihad* (intellectual reasoning) to ensure all aspects relating to the Funds are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC.

#### PROFILES OF THE SHARIAH PERSONNEL

For the profiles of the Shariah personnel, please refer to our website at <https://www.tainvest.com.my/shariah-adviser/>.

##### 6.6.2 AMANIE ADVISORS SDN. BHD.

Amanie Advisors Sdn. Bhd. ("Amanie") has been appointed as the Shariah adviser for TADG ("the Fund"). Amanie will counsel the mechanism of the operations of the Fund's activities to ensure that the operations of the Fund comply with Shariah requirements.

#### BACKGROUD INFORMATION OF AMANIE

Amanie is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah principles. Amanie also focuses on organisational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

Amanie is led by Tan Sri Dr Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. Since 2005, Amanie has acquired over seventeen (17) years of experience in the advisory role of unit trusts with more than 100 active funds which Amanie acts as Shariah adviser.

Amanie meets every quarter to address Shariah advisory matters pertaining to its Shariah funds.

Amanie is independent from the Manager and none of its consultants are person(s) or members of a committee undertaking the oversight function of the Fund or any other funds managed by the Manager.

#### ROLES AND RESPONSIBILITIES OF AMANIE AS THE SHARIAH ADVISER

As the Shariah adviser, the role of Amanie is to ensure that the operations and investments of the Fund are in compliance with Shariah requirements. The Shariah Adviser reviews the Fund's investments on a monthly basis to ensure compliance with Shariah requirements at all times and advise on the Fund's compliance with Shariah requirements. Final responsibility for ensuring Shariah compliance of the Fund with Shariah requirements in all relevant aspects rests solely with the Manager.

In line with the Guidelines, the roles of Amanie as the Shariah Adviser are:

1. To ensure that the Fund is managed and administered in accordance with Shariah principles.
2. To provide expertise and guidance in all matters relating to Shariah principles, including on the Deed and Master Prospectus, its structure and investment process, and other operational and administrative matters.
3. To consult with the SC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process.
4. To act with due care, skill and diligence in carrying out its duties and responsibilities.
5. Responsible for scrutinizing the Fund's compliance report as provided by the compliance officer and investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund's investments are in line with Shariah principles.
6. To prepare a report to be included in the Fund's semi-annual and annual reports certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.
7. To apply *Ijtihad* (intellectual reasoning) to ensure all aspects relating to the Funds are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC.

#### PROFILE OF THE SHARIAH TEAM

For the profiles of the Shariah team, please refer to our website at <https://www.tainvest.com.my/shariah-adviser/>.



## 6.7 THE EXTERNAL INVESTMENT MANAGERS

### 6.7.1 LION GLOBAL INVESTORS LIMITED

TAIM has entered into an investment management agreement with Lion Global Investors Limited (formerly known as Lion Capital Management Limited), a company incorporated in Singapore on 22 August 1986 and licensed by the Monetary Authority of Singapore as a holder of Capital Markets Services License for Fund Management on 10 October 1990.

Lion Global Investors is responsible for managing in accordance with the investment objective of TASEA. Lion Global Investors has discretionary authority over the investment of the Fund subject to the Guidelines, the relevant securities laws, the internal procedures as well as the investment objective of the Fund and the direction of the investment committee of the Fund. Lion Global Investors reports to the investment committee of the Fund on a regular basis on the status of the Fund's portfolio, proposed investment strategy and to discuss matters relating to the portfolio.

For the External Investment Manager's experience in fund management and disclosure of its material litigation and arbitration, please refer to our website at <https://www.tainvest.com.my/external-investment-managers/>.

The designated person responsible for the management of TASEA is Soh Chih Kai.

**Soh Chih Kai**, *Senior Portfolio Manager*

Soh Chih Kai is the Head of ASEAN equities at Lion Global Investors, with 21 years of financial industry experience.

Prior to joining Lion Global Investors, Chih Kai was the Head of Public Equities with Wah Hin Pte Ltd, covering global equities. Before that, he was with Corston-Smith Asset Management as Associate Director, Metisq Capital as Executive Director and Geosphere Capital Management as a Hedge Fund Manager.

Chih Kai started his career with Goldman Sachs Asset Management (GSAM) in 2002, covering various equity markets and sectors, including TIPS, Asia, Industrials and Telcos before leaving the firm in 2008 as Vice President, Asia ex-Japan Equity Portfolio Management.

Chih Kai holds a Bachelor of Business (Honours), majoring in Financial Analysis, from Nanyang Technological University and is a Chartered Financial Analyst (CFA) charterholder.

### 6.7.2 OPUS ASSET MANAGEMENT SDN BHD

TAIM has entered into an investment management agreement with OpusAM, licensed by the SC to provide fund management services and to deal in securities restricted to unit trusts pursuant to the Act.

OpusAM is responsible for managing TADA in accordance with the investment objective of the Fund. OpusAM has discretionary authority over the investment of TADA subject to the Guidelines, the relevant securities laws, the internal procedures as well as the investment objective of the Fund and the direction of the investment committee of the Fund. OpusAM reports to the investment committee of the Fund on a regular basis on the status of the Fund's portfolio, proposed investment strategy and to discuss matters relating to the portfolio.

For the External Investment Manager's experience in fund management and disclosure of its material litigation and arbitration, please refer to our website at <https://www.tainvest.com.my/external-investment-managers/>.

The designated person responsible for the management of TADA is Mr. Siaw Wei Tang (Group Managing Director/Group Chief Investment Officer).

**Siaw Wei Tang**, *Group Managing Director/Group Chief Investment Officer*

Mr. Siaw is one of the founders of Opus Asset Management Sdn Bhd and is currently holding the position of Group Managing Director and Group Chief Investment Officer in the company. He is also a Non-independent Non-executive Director of Abbas Investment Management Sdn Bhd (formerly known as Abbas IM Sdn Bhd), a wholly-owned subsidiary of Opus Asset Management Sdn Bhd. He started his career as a Risk Manager and Actuarial Consultant at NMG Risk Managers & Actuaries Sdn Bhd. He then joined Gadek Asset Management (later renamed Phileo Asset Management) in 1996 as the Portfolio Manager in charge of fixed income where he grew the fixed income portfolio under management to RM430 million over a four year period.

Later, he joined HLG Asset Management in 2000 where he was responsible for over RM1 billion of funds under management and a team of seven investment professionals. He was later promoted to General Manager, Investment/Chief Investment Officer of Hong Leong Assurance Bhd ("HLA") in 2002 where he was responsible for approximately RM3 billion (of which approximately RM2 billion was in fixed income securities) of HLA's investment portfolio.

Mr. Siaw holds an MSc degree in International Banking & Financial Studies from the University of Southampton, UK; a BSc (Honours) degree in Actuarial Mathematics & Statistics from Heriot-Watt University, Edinburgh and holds a Capital Markets Services Representative's Licence.

**FURTHER INFORMATION AND/OR UPDATED INFORMATION ABOUT THE MANAGER, EXTERNAL INVESTMENT MANAGERS AND SHARIAH ADVISERS CAN BE OBTAINED FROM OUR WEBSITE AT [WWW.TAINVEST.COM.MY](http://WWW.TAINVEST.COM.MY).**

## 7. THE TRUSTEES

### 7.1 DUTIES AND RESPONSIBILITIES

The Trustees' role is to act as custodians of the Fund(s) under them and to exercise all due care and diligence in carrying out their functions and duties and to safeguard the rights and interests of all Unit Holders by ensuring that the Manager performs its duties and obligations in accordance with the Deed, the Guidelines and all relevant laws.

The Trustees appointed for the Funds are as below:

CIMB Commerce Trustee Berhad	for TAGF, TACF, TASF, TADO, TAICP, TASEA and TAIB
CIMB Islamic Trustee Berhad	TADG
Universal Trustee (Malaysia) Berhad	for TAIF, TIF and TADF
Maybank Trustees Berhad	for TADIF, TAGAAF, TAEURO, TAREITs and TADA

### 7.2 PROFILE OF THE TRUSTEES

#### 7.2.1 CIMB COMMERCE TRUSTEE BERHAD

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the CMSA.

#### Experience as Trustee to Unit Trust Funds

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as trustee to various unit trust funds, real estate investment trust fund, wholesale funds, private retirement schemes and ETFs.

#### Duties and Responsibilities of the Trustee

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to the following:

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, SC's guidelines and acceptable business practice within the unit trust industry;
- (c) As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, SC's guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unit Holders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, Master Prospectus, the SC's guidelines and securities law.; and
- (f) Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its roles, duties and responsibilities, and in safeguarding the rights and interests of Unit Holders.

#### Trustee's Delegate

CIMB Commerce Trustee Berhad has appointed CIMB Bank Berhad (CIMB Bank) as the custodian of the Fund's assets. CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Bank provides full fledged custodial services, typically clearing, settlement and safekeeping all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local RM assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-RM assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

#### Material Litigation and Arbitration

As at the Last Practicable Date, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

#### 7.2.2 CIMB ISLAMIC TRUSTEE BERHAD

CIMB Islamic Trustee Berhad was incorporated on 19 January 1988 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for Islamic collective investment schemes approved under the CMSA.

### **Experience as Trustee to Unit Trust Funds**

CIMB Islamic Trustee Berhad has been involved in unit trust industry as trustee since 1990. It acts as Trustee to various unit trust funds, real estate investment trust fund, wholesale funds private retirement schemes and ETFs.

### **Duties and Responsibilities of the Trustee**

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, SC's guidelines and acceptable business practice within the unit trust industry;
- (c) As soon as practicable, notify the SC of any irregularity or breach of the provisions of the Deed, SC's guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unit Holders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, Master Prospectus, the SC's guidelines and securities law.; and
- (f) Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

### **Trustee's Delegate**

CIMB Islamic Trustee Berhad has delegated its custodian function to CIMB Islamic Bank Berhad (CIMB Islamic Bank). CIMB Islamic Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Islamic Bank provides full fledged custodial services, typically clearing settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local RM assets, they are held through its wholly owned nominee subsidiary "CIMB Islamic Nominees (Tempatan) Sdn Bhd". For foreign non-RM assets, CIMB Islamic Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Islamic Bank acts only in accordance with instructions from the Trustee.

### **Material Litigation and Arbitration**

As at the Last Practicable Date, CIMB Islamic Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

## **7.2.3 UNIVERSAL TRUSTEE (MALAYSIA) BERHAD**

UTMB as the trustee of TAIF, TIF and TADF was incorporated in 1974 in Malaysia and is registered as a trust company under the Trust Companies Act 1949 having its registered office at Lot 5, Level 10, Menara Great Eastern 2, No. 50, Jalan Ampang, 50450 Kuala Lumpur. UTMB is qualified to act as a trustee for collective investment schemes approved pursuant to the CMSA and has more than 30 years of experience in handling unit trust matters.

### **Duties and Responsibilities of the Trustee**

The Trustee acts as the custodian of the Fund and its role is to safeguard the assets of the Fund. The Trustee is governed by the trust deed, CMSA and the SC's guidelines. In performing these functions, the Trustee has to exercise due care, skill, diligence and vigilance in carrying out its roles, duties and responsibilities, and also ensures that the Manager carries out its duties in accordance to the provisions of the Deed, CMSA and the SC's guidelines in order to safeguard the rights and interests of the Unit Holders.

### **Trustee's Disclosure of Material Litigation**

As at the Last Practicable Date, there is no material litigation and arbitration, including those pending or threatened, and any fact likely to give rise to any proceeding which might materially affect the business or financial position of UTMB.

### **Trustee's Delegate and Delegates' Roles and Duties**

Universal Trustee (Malaysia) Berhad has appointed United Overseas Bank (Malaysia) Bhd as the custodian for the foreign portfolio investment of TIF and Standard Chartered Bank Malaysia Berhad as the custodian for the foreign portfolio investment of TAIF. The custody services provided by the custodian include clearing and settlement, safekeeping, corporate events monitoring and processing, income collection, reporting on securities and cash transactions and positions. All investments are registered in the name of the custodian or its nominee for the account of the Fund. The custodian acts only in accordance with instruction from its principal, Universal Trustee (Malaysia) Berhad.

## 7.2.4 MAYBANK TRUSTEES BERHAD

### **Profile of Maybank Trustees Berhad**

Maybank Trustees Berhad ("MTB" or "the Trustee") is the trustee of the Fund with its registered office at 8<sup>th</sup> Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

MTB was incorporated on 12 April 1963 and registered as a trust company under the Trust Companies Act 1949 on 11 November 1963. It was one of the first local trust companies to provide trustee services with the objective of meeting the financial needs of both individual and corporate clients.

### **Experience in Trustee Business**

MTB has acquired experience in the administration of unit trust funds/schemes since 1991.

### **Duties and Responsibilities of the Trustee**

The Trustee's role is mainly to act as custodian of the Fund and to exercise all due diligence and vigilance in carrying out its functions and duties to safeguard the rights and interests of the Unit Holders. The Trustee is the legal owner of the assets in the Fund. The Trustee will exercise oversight functions over the operation and management of the Fund by the management company to safeguard the interests of the Unit Holders.

### **Delegates of the Trustee**

MTB has delegated its custodian function to Malayan Banking Berhad. The custodian function is run under Maybank Securities Services, a unit within Malayan Banking Berhad. Maybank Securities Services provides a comprehensive end to end clearing and custody services for global and domestic equities and fixed income securities. MSS provides a complete suite of corporate outsourcing solutions with a proven track record in servicing international institutional clients: Sub Custodian for major Foreign Banks and Global Custodians. MSS also provides global custody services in more than 100 different markets via a special arrangement with their reputable partners. They have also consistently been awarded in the Global Custodian Awards for Excellence as well as other major publications.

The roles and duties of the Trustee's delegate, MSS, are as follows:

- Safekeep, reconcile and maintain assets holdings records of funds against the Trustee's instructions;
- Act as settlement agent for shares and monies to counterparties against the Trustee's instructions;
- Act as agents for money market placement where applicable against the Trustee's instructions;
- Disseminate listed companies' announcements to and follow through for corporate actions instructions from the Trustee;
- Compile, prepare and submit holdings report to the Trustee and beneficial owners where relevant; and
- Other ad-hoc payments for work done for the funds against the Trustee's instructions, etc.

The custodian acts only in accordance with instructions from the Trustee.

### **Material Litigation and Arbitration**

As at the Last Practicable Date, save for the suit mentioned herein below, the Trustee is not engaged in any material litigation as plaintiff or defendant and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

Several holders of the bonds ("Bondholders") issued by Aldwich Berhad [In Receivership] ("Aldwich") had sued Aldwich for its failure to settle its indebtedness to the Bondholders following the default of the said bonds in 2010 and named the Trustee as one of the 6 co-defendants under Kuala Lumpur High Court Civil Suit No. D-22NCC-1622-11/2012 ("Aldwich Bondholders' Suit"). The claim against the Trustee was for the sum of RM177,248,747.31 or any other sum that the Court deems fit and proper. The other co-defendants are the holding company of Aldwich ("Holding Company"), the Chief Executive Officer of the holding company of Aldwich ("CEO"), the Security Agent and the Reporting Accountant. The Trustee denied all allegations and claimed trial.

The High Court had on 24 July 2017 delivered its judgement on the Aldwich Bondholders' Suit ("Judgement") that (a) all the defendants [i.e. Aldwich, Holding Company, CEO, Security Agent, Trustee and Reporting Accountant] are liable to the Bondholders for the sum of RM177,248,747.31 ("Judgement Sum"); (b) Aldwich, Holding Company and CEO are 100% liable for the Judgement Sum; and (c) among the Security Agent, Trustee and Reporting Accountant, liability is apportioned in the proportion of 50%, 30% and 20% of the Judgement Sum respectively.

The Trustee filed an appeal against the Judgement ("Appeal") at the Court of Appeal. On 18 September 2019, the Court of Appeal dismissed the Appeal and affirmed the decision of the High Court.

On 16 October 2019, the Trustee had filed its Leave Motion to the Federal Court. The Leave Motion was partially heard on 21 January 2021, 3 September 2021 and 16 February 2022. The Leave Motion was unanimously dismissed by the Federal Court on 16 February 2022.

## 8. SALIENT TERMS OF THE DEEDS

### 8.1 RIGHTS AND LIABILITIES AS A UNIT HOLDER

**For TAGF, TACF, TAICP, TADO, TASF, TASEA, TAIB, TADIF, TAIF, TIF, TAEURO, TAGAAF, TADF, TAREITs, TADA and TADG**

#### Rights of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, you have the right:

- 1) to receive distributions of income and/or capital, if any, of the Fund;
- 2) to participate in any increase in the NAV of Units of the Fund;
- 3) to call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- 4) to exercise the cooling-off right (only for individual investors);
- 5) to receive annual and semi-annual reports on the Fund; and
- 6) to exercise such other rights and privileges as provided for in the Deed.

However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments or assets of the Fund. Neither would a Unit Holder have the right to interfere with or to question the exercise by the Trustee (or the Manager on the Trustee's behalf) of the rights of the Trustee as the registered owner of such investments and assets.

#### Liabilities of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, your liabilities would be limited to the following:

- 1) A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Fund as set out in this Master Prospectus and the Deed.
- 2) A Unit Holder would not be liable to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager on behalf of the Fund exceed the NAV of the Fund.

#### **Note:**

*Please be advised that if an investor invests in Units through an IUTA which adopts the nominee system of ownership, the investor would not be considered to be a Unit Holder under the Deed and the investor may consequently not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holders' meeting and to vote thereat and the right to have the Unit Holder's particulars appearing in the register of Unit Holders of the Fund).*

### 8.2 MAXIMUM FEES AND CHARGES PERMITTED

The maximum rate of direct fees and charges allowable by the Deeds are as follows:

Funds Name	Maximum Rate of Sales Charge	Maximum Rate of Repurchase Charge
TAGF	10% of the NAV per Unit	5 sen of the NAV per Unit
TACF	10% of the NAV per Unit	5 sen of the NAV per Unit
TAIF	10% of the NAV per Unit	5 sen of the NAV per Unit
TIF	10% of the NAV per Unit	5 sen of the NAV per Unit
TASF	10% of the NAV per Unit	5% of the NAV per Unit
TADO	8% of the NAV per Unit	5 sen of the NAV per Unit
TAICP	5% of the NAV per Unit	5 sen of the NAV per Unit
TASEA	10% of the NAV per Unit	5% of the NAV per Unit
TAGAAF	10% of the NAV per Unit	5% of the NAV per Unit
TAIB	7% of the NAV per Unit	5% of the NAV per Unit
TAEURO	7% of the NAV per Unit	5% of the NAV per Unit
TADIF	7% of the NAV per Unit	5% of the NAV per Unit
TADF	7% of the NAV per Unit	5% of the NAV per Unit
TAREITs	10% of the NAV per Unit	5% of the NAV per Unit
TADA	10% of the NAV per Unit	5% of the NAV per Unit
TADG	5% of the NAV of the Fund	Nil

The maximum rate of indirect fees and charges allowable by the Deeds are as follows:

Funds Name	Maximum Rate of Annual Management Fee	Maximum Rate of Annual Trustee Fee (excluding foreign custodian fee and charges)
TAGF	1.5% per annum of the NAV of the Fund	0.06% per annum (first RM20million), 0.05% per annum (next RM20million), 0.04% per annum (next RM20million), 0.03% per annum (next RM20million), 0.02% per annum (next RM20million) and 0.01% per annum (any amount in excess of RM100million) of the

		NAV of the Fund subject to registration and custodian fees of RM18,000 per annum respectively.
TACF	1.5% per annum of the NAV of the Fund	0.10% per annum of the NAV of the Fund subject to a minimum of RM35,000 per annum calculated and accrued daily.
TAIF	1.5% per annum of the NAV of the Fund	0.08% per annum of the NAV of the Fund calculated and accrued daily.
TIF	1.5% per annum of the NAV of the Fund	0.08% per annum of the NAV of the Fund calculated and accrued daily.
TASF	1.5% per annum of the NAV of the Fund	0.07% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TADO	1.5% per annum of the NAV of the Fund	0.07% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TAICP	Class A: 0.75% per annum of the NAV of the Fund Class B: 0.65% per annum of the NAV of the Fund	0.07% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TASEA	2.0% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day.	0.2% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 per annum.
TAGAAF	2.0% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day.	0.2% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 per annum.
TAIB	2.0% per annum of the NAV of the Fund	0.2% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TAEURO	2.0% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day.	0.2% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 per annum calculated and accrued daily.
TADIF	2.0% per annum of the NAV of the Fund.	0.2% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TADF	2.0% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day.	0.2% per annum of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 per annum.
TAREITs	2.0% per annum of the NAV of the Fund.	0.2% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily (excluding foreign custodian fees and charges).
TADA	2.0% per annum of the NAV of the Fund.	0.2% per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued daily.
TADG	1.20% per annum of the NAV of the Fund	0.05% per annum of the NAV of the Fund, subject to a minimum fee of RM12,000 per annum, calculated and accrued on a daily basis (excluding foreign custodian fees and charges).

#### **Increase in Fees and Charges from the maximum rate provided in the Deed**

The maximum Sales Charge, Repurchase Charge, annual management fee or annual trustee fee set out in the Deed can only be increased if a Unit Holders' meeting has been held in accordance with the Deed. Thereafter, a supplemental deed proposing a modification to the Deed to increase the aforesaid maximum charges and fees is required to be submitted for registration with the SC accompanied by a resolution of not less than two-thirds (2/3) of all Unit Holders present and voting at the Unit Holders' meeting sanctioning the proposed modification to the Deed.

### **8.3 PROCEDURES TO INCREASE THE DIRECT AND INDIRECT FEES AND CHARGES**

#### **For TAGF, TACF, TAIF, TIF and TADO**

##### **Sales Charge**

The Manager shall not charge a higher Sales Charge than that disclosed in this Master Prospectus unless:

- the Manager has notified the Trustee in writing of the higher Sales Charge and its effective date;
- a supplementary prospectus or replacement prospectus stating the higher Sales Charge is registered, lodged and issued; and
- such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary prospectus or replacement prospectus.

##### **Repurchase Charge/Redemption Charge**

The Manager may not charge a higher Repurchase Charge than that disclosed in this Master Prospectus unless:

- the Manager has notified the Trustee of the higher Repurchase Charge and its effective date;

- (b) a supplementary prospectus or replacement prospectus stating the higher Repurchase Charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary prospectus or replacement prospectus.

#### **Annual Management Fee**

The Manager may not charge a higher rate for the annual management fee than that disclosed in this Master Prospectus unless:

- (a) the Manager and the Trustee has mutually agreed to the higher rate to be charged;
- (b) the Manager has notified the Unit Holders of the new higher rate and its effective date; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary prospectus or replacement prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary prospectus or replacement prospectus.

#### **Annual Trustee Fee**

The Trustee may not charge a higher rate for the annual trustee fee than that disclosed in this Master Prospectus unless:

- (a) the Manager and the Trustee has mutually agreed to the higher rate to be charged;
- (b) the Manager has notified the Unit Holders of the new higher rate and its effective date; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary prospectus or replacement prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary prospectus or replacement prospectus.

#### **For TAICP**

##### **Sales Charge**

The Manager shall not charge a higher Sales Charge than that disclosed in this Master Prospectus unless:

- (a) the Manager has notified the Trustee in writing of the higher Sales Charge and its effective date;
- (b) a supplementary master prospectus or replacement master prospectus stating the higher Sales Charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary master prospectus or replacement master prospectus.

##### **Repurchase Charge/Redemption Charge**

The Manager may not charge a higher Repurchase Charge than that disclosed in this Master Prospectus unless:

- (a) the Manager has notified the Trustee of the higher Repurchase Charge and its effective date;
- (b) a supplementary master prospectus or replacement master prospectus stating the higher Repurchase Charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary master prospectus or replacement master prospectus.

#### **Annual Management Fee**

The Manager may not charge a higher rate for the annual management fee than that disclosed in this Master Prospectus unless:

- (a) the Manager and the Trustee has mutually agreed to the higher rate to be charged;
- (b) the Manager has notified the Unit Holders of the new higher rate and its effective date; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary master prospectus or replacement master prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary master prospectus or replacement master prospectus.

#### **Annual Trustee Fee**

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Master Prospectus unless:

- (a) the Manager and the Trustee has mutually agreed to the higher rate to be charged;
- (b) the Manager has notified the Unit Holders of the new higher rate and its effective date; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary master prospectus or replacement master prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplementary master prospectus or replacement master prospectus.

#### **For TASF, TASEA, TAGAAF, TAIB, TAEURO, TADIF, TADF, TAREITs, TADA and TADG**

##### **Sales Charge**

A higher Sales Charge than that disclosed in this Master Prospectus may only be imposed if:

- (a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;
- (b) a supplementary prospectus or replacement prospectus in respect of the Fund setting out the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplementary prospectus or replacement prospectus.

### **Repurchase Charge/Redemption Charge**

A higher Repurchase Charge than that disclosed in this Master Prospectus may only be imposed if:

- (a) the Manager has notified the Trustee in writing of the higher charge and the effective date for the higher charge;
- (b) a supplementary prospectus or replacement prospectus in respect of the Fund setting out the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplementary prospectus or replacement prospectus.

### **Annual Management Fee**

The Manager may not charge an annual management fee at a rate higher than that disclosed in this Master Prospectus unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is become effective; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary prospectus or replacement prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law has elapsed since the date of the supplementary prospectus or replacement prospectus.

### **Annual Trustee Fee**

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Master Prospectus unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is become effective; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplementary prospectus or replacement prospectus stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by any relevant law has elapsed since the date of the supplementary prospectus or replacement prospectus.

## **8.4 PERMITTED EXPENSES**

### **For TAGF, TACF, TAIF, TIF and TADO**

The Trustee shall at the request of the Manager pay out of the income the following costs, charges and expenses or part thereof that are directly related and necessary to the business of the Fund:

- (a) all fees authorised by the deed to be paid out of the Fund to the Trustee and the Manager as stipulated;
- (b) all fees and disbursements of the Auditor and person(s) or members of a committee undertaking oversight function of the Fund, unless the Manager decided otherwise;
- (c) professional and accounting fees and disbursements approved by the Trustee;
- (d) the costs of printing and dispatching to Unit Holder the account of the Fund, tax certificates, dividend warrants, notices of meeting of Unit Holders, newspaper advertisements, expenses in convening meeting of Unit Holders and such other similar costs as may be approved by the Trustee;
- (e) valuation fees payable in respect of the Fund;
- (f) duties and taxes payable in respect of the Fund;
- (g) the initial/preliminary organisational expenses for the establishment of the Fund including preparation and printing of deed and any other related documents (including all legal costs and tax advisers fees) as well as lump sum reimbursement;
- (h) the commissions and/or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contact notes or confirmation notes;
- (i) fees in relation to fund accounting; and
- (j) costs, fees and expenses incurred for the subscription, renewal and/or licensing of the benchmark index.

### **For TAICP**

The Trustee shall at the request of the Manager pay out of the income the following costs, charges and expenses or part thereof that are directly related and necessary to the operation and administration of the Fund or each Class respectively:

- (a) all fees authorised by the Deed to be paid out of the Fund to the Trustee and the Manager as stipulated;
- (b) all fees and disbursements of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decided otherwise;
- (c) the fees and other expenses properly incurred by the Auditor;
- (d) the costs of printing and dispatching to Unit Holders the account of the Fund, tax certificates, distribution warrants, notices of meeting of Unit Holders, newspaper advertisements required by Clause 36 of the Deed, expenses in convening meeting of Unit Holders, costs incurred for the modification of the Deed where such purpose of the meeting and modification of the Deed are for the benefit of the Unit Holders and such other similar costs as may be approved by the Trustee;
- (e) valuation fees payable in respect of the Fund;
- (f) duties and taxes payable in respect of the Fund;
- (g) the initial/preliminary organisational expenses for the establishment of the Fund including preparation and printing of the Deed and any other related documents (including all legal costs and tax advisers' fees) as well as lump sum reimbursement; and
- (h) the commissions and/or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes.



**For TASF, TASEA, TAGAAF, TAIB, TAEURO, TADIF, TADF, TAREITs and TADA**

Only the expenses (or part thereof) which are directly related and necessary in operating and administering the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- (a) commissions/fees paid to brokers or dealers in effecting dealings in the investments/assets of the Fund, shown on the contract notes or confirmation notes (except for TADIF);  
For TADIF, commissions/fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) costs, fees and expenses properly incurred by the Auditor;
- (d) costs, fees and expenses incurred in the printing and despatching of Fund reports and statement of accounts to Unit Holders;
- (e) fees for the valuation of any investment/asset of the Fund;
- (f) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (g) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (h) costs, commissions, fees and expenses of the sale, purchase, insurance/takaful and any other dealing of any asset of the Fund;
- (i) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (j) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- (k) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (l) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (m) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- (n) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides to pay out of its own pockets;
- (o) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- (p) (where the custodial function is delegated by the Trustee) charges and fees paid to foreign sub-custodians/sub-custodians. (Not applicable to TASEA);
- (q) fees in relation to fund accounting; and
- (r) costs, fees and expenses incurred for the subscription, renewal and/or licensing of the benchmark index.

**For TADG**

Only the expenses (or part thereof) which are directly related and necessary in operating and administering the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- (a) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) costs, fees and expenses properly incurred by the Auditor;
- (d) fees for the valuation of any Shariah-compliant investment of the Fund;
- (e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (g) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed Shariah-compliant investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- (m) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
- (n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- (o) costs and expenses incurred in relation to the distribution of income (if any);
- (p) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- (q) fees, charges, costs and expenses relating to the preparation, printing, posting, registration and lodgment of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law;

- (r) fees in relation to fund accounting;
- (s) costs, fees and expenses incurred for the subscription, renewal and/or licensing of the benchmark index; and
- (t) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under subparagraphs (a) to (s) above.

## **8.5 THE MANAGER'S RIGHT TO RETIRE**

The Manager has the power to retire in favour of some other corporation by giving to the Trustee twelve (12) months' (except TASF, TAIB, TADIF, TAREITs, TADA and TADG which is three (3) months) notice in writing of the Manager's desire so to do, or such lesser time as the Manager and the Trustee may agree upon, and subject to the fulfillment of the following conditions:

- the retiring Manager shall appoint such corporation by writing under its seal as the manager of the Fund in its stead and vests to such appointees all its rights and duties as manager of the Fund;
- such corporation shall enter into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund;
- upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the retiring Manager's part prior to such retirement and the new manager may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations as fully as though such new manager had been originally a party to the Deed.

## **8.6 THE MANAGER'S POWERS TO REMOVE OR REPLACE THE TRUSTEE**

### **For TASF, TASEA, TAGAAF, TAIB, TAEURO TADIF TADF, TAREITs and TADA**

The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- the Trustee has ceased to exist;
- the Trustee has not been validly appointed;
- the Trustee was not eligible to be appointed or to act as a trustee under the any relevant law;
- the Trustee has failed or refused to act as Trustee in accordance with the provisions or covenants of the Deed or any relevant law;
- a receiver has been appointed over the whole or substantial part of the assets or undertaking of the Trustee and has not ceased to act under the appointment.
- a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent); or
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 (now known as Companies Act 2016) or any relevant law.

### **For TAGF, TACF, TAIF, TIF, TASF, TADO, TAICP, TASEA, TAGAAF, TAIB, TAEURO, TADIF and TADF**

The Trustee may be removed and another trustee may be appointed by Special Resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Unit Holders in accordance with the Deed.

### **For TADG**

The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- (a) the Trustee has ceased to exist;
- (b) the Trustee has not been validly appointed;
- (c) the Trustee was not eligible to be appointed or act as a trustee under any relevant law;
- (d) the Trustee has failed or refused to act as trustee in accordance with the provisions and covenants of the Deed and any relevant law;
- (e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under the appointment, or a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared to be insolvent);
- (f) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law;
- (g) The Trustee may be removed and such corporation may be appointed as trustee of the Fund by Special Resolution of the Unit Holders at a duly convened meeting.

## **8.7 THE TRUSTEE'S RIGHT TO RETIRE**

The Trustee may retire upon giving twelve (12) months (except for TASF, TAIB, TADIF, TADA and TADG which is three (3) months) notice to the Manager of its desire so to do, or such shorter period as the Manager and the Trustee shall agree and may by deed appoint in its stead or as an additional Trustee a new trustee approved by such authority as may be prescribed by or under any written law.

## 8.8 THE TRUSTEE'S POWER TO REMOVE OR REPLACE THE MANAGER

The Manager may be removed by the Trustee on the grounds that:

- if the Manager goes into liquidation (except voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or ceases to carry on business or if a receiver shall be appointed in respect of any undertaking or assets of the Manager or if any encumbrance shall take possession of any of the Manager's assets;
- if a Special Resolution is duly passed by the Unit Holders that the Manager be removed;
- if the Manager is in breach of its obligations;
- if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the Unit Holders' interest to do so after the Trustee has given notice to them of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders;

In any of the above occurs, the Manager shall upon receipt of a written notice from the Trustee ipso facto cease to be the management company of the Fund and the Trustee shall by writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; upon and subject to such corporation entering into such deed or deeds as the Trustee may consider to be necessary or desirable to be entered into by such corporation in order to secure the due performance of its duties as management company for the Fund.

### **For TADG**

The Manager may be removed by the Trustee on the grounds that:

- (a) the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interest of Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution;
- (b) unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or
- (c) the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;

If any of the above occurs, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund by the mere fact of the Manager's receipt of the notice. The Trustee shall, at the same time, by writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

## 8.9 TERMINATION OF THE FUND

The Fund may be terminated or wound up should the following events occur:

- The SC has withdrawn the authorisation of the Fund pursuant to section 256E of the Act;
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund, following occurrence of events stipulated under section 301(1) of the Act and the court has confirmed the resolution, as required under section 301(2) of the Act; and
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

Subject to the provisions of the relevant laws, the Manager may, without having to obtain the prior approval of the Unit Holders, terminate the Fund and wind up the Fund if such termination:

- (a) is required by the relevant authorities; or
- (b) is in the best interests of Unit Holders and the Manager in consultation with the Trustee deems it to be uneconomical for the Manager to continue managing the Fund.

Notwithstanding the aforesaid, if the Fund is left with no Unit Holder, the Manager shall be entitled to terminate the Fund.

### **For TAGF, TACF, TAIF, TIF and TADO**

Upon termination of the Fund, the following provisions shall have effect:

- (a) the Manager shall as soon as practicable after the termination of the Fund, give to each Unit Holder a notice of such termination in accordance with the relevant laws; the Manager shall notify the existing Unit Holders in writing of the following options:
  - (i) to receive the net cash proceeds derived from the sale of all the investments and assets of the Fund less any payment for liabilities of the Fund and any Cash Produce available for distribution in proportion to the number of Units held by them respectively;
  - (ii) to use the net cash proceeds to invest in any other unit trust scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
  - (iii) to choose any other alternative as may be proposed by the Manager in accordance with the relevant laws and regulations.
- (b) the Trustee shall sell all investments then remaining in its hands and repay out of the Fund any liabilities incurred by the Fund for the time being outstanding and pay out of the Fund all outstanding liabilities and such sale, repayment and payment shall be carried out and completed in such manner and within such period after the termination of the Fund as the Trustee thinks advisable;

- (c) the Trustee shall from time to time distribute to the Unit Holders pro-rata to the number of Units held by them respectively, the net cash proceeds derived from the realisation of the Fund and available for the purpose of such distribution and any available income, provided that the Trustee shall not be bound (except in the case of the final distribution) to distribute any of the moneys for the time being in its hands the amount of which is insufficient to pay One Ringgit (RM1.00) in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any moneys in its hands, full provisions for all costs, charges, taxes, expenses, claims and demands incurred, made or apprehended by the Trustee in connection with or arising out of the liquidation of the Fund and out of the moneys so retained to be indemnified and save harmless against any such costs, charges, taxes, expenses, claims and demands. Each such distribution shall be made only against production of such evidence as the Trustee may require to prove the title of the Unit Holder relating to Unit in respect of which the same is made; or
- (d) in the event that the Fund hereby constituted by the Deed is determined as herein provided:
  - (i) the Trustee shall be at liberty to call upon the Manager to grant it a full and complete release from and to the Deed and shall indemnify it against any claims arising out of the execution of the Deed provided that such claims are not caused by its failure to show the degree of care and diligence as contemplated by the Companies Act 2016;
  - (ii) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
  - (iii) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

#### **For TAICP**

The Manager may terminate a particular Class via the passing of a Special Resolution by the Unit Holders of such Class at a meeting of Unit Holders of such Class, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class of the Fund.

Notwithstanding the above and subject to the provisions of any relevant law, the Manager may without having to obtain the prior approval of the Unit Holders, terminate a particular Class if the termination of the Class is in the best interests of the Unit Holders of the Class and the Manager in consultation with the Trustee deems it to be uneconomical for the Manager to continue managing the Class.

Upon termination of the Fund, the following provisions shall have effect:

- (a) The Manager shall as soon as practicable after the determination of the Fund and/or Class, give to each Unit Holder a notice of such determination in accordance with the relevant laws; the Manager shall notify the existing Unit Holders in writing of the following options:
  - (i) to receive the net cash proceeds derived from the sale of all the investments and assets of the Fund and/or Class less any payment for liabilities of the Fund and any Cash Produce available for distribution in proportion to the number of Units held by them respectively;
  - (ii) to use the net cash proceeds to invest in any other unit trust scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
  - (iii) to choose any other alternative as may be proposed by the Manager in accordance with the relevant laws and regulations.
- (b) The Trustee shall sell all investments then remaining in its hands and pay out of the Fund any liabilities incurred by the Fund for the time being outstanding and pay out of the Fund all outstanding liabilities and such sale and payment shall be carried out and completed in such manner and within such period after the termination of the Fund as the Trustee thinks advisable.
- (c) The Trustee shall from time to time distribute to the Unit Holders pro-rata to the number of Units held by them respectively, the net cash proceeds derived from the realisation of the Fund and/or Class and available for the purpose of such distribution and any available income, provided that the Trustee shall not be bound (except in the case of the final distribution) to distribute any of the moneys for the time being in its hands the amount of which is insufficient to pay Ringgit Malaysia Fifty Sen (RM0.50) or its foreign currency equivalent, in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any moneys in its hands, full provisions for all costs, charges, taxes, expenses, claims and demands incurred made or apprehended by the Trustee in connection with or arising out of the liquidation of the Fund and/or Class and out of the moneys so retained to be indemnified and save harmless against any such costs, charges, taxes, expenses, claims and demands. Each of such distribution shall be made only against production of such evidence as the Trustee may require to prove the title of the Unit Holder relating to Units and/or Class in respect of which the same is made.
- (d) In the event that the Fund and/or Class is determined:
  - (i) the Trustee shall be at liberty to call upon the Manager to grant it a full and complete release from and to the Deed and shall indemnify it against any claims arising out of the execution of the Deed provided that such claims are not caused of its failure to show the degree of care and diligence as contemplated by the Companies Act, 2016;
  - (ii) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
  - (iii) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

#### **For TASF, TASEA, TAGAAF, TAIB, TAEURO, TADIF, TADF, TAREITs and TADA**

Upon the termination of the Fund, the following provisions shall have effect:

- (a) The Manager shall give to each Unit Holder a notice of such determination in accordance with the relevant laws. The Manager shall notify the existing Unit Holders in writing of the following options:
  - (i) to receive the net cash proceeds derived from the sale of all the investments and assets of the Fund less any payment for liabilities of the Fund and any Cash Produce available for distribution in proportion to the number of Units held by them respectively;
  - (ii) to use the net cash proceeds to invest in any other unit trust scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
  - (iii) to choose any other alternative as may be proposed by the Manager in accordance with the relevant laws and regulations.

- (b) The Trustee shall sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and
- (c) The Trustee shall from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:
  - (i) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and
  - (ii) any available Cash Produce;
 provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of Fifty (50) sen or its foreign currency equivalent, if applicable in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.
- (d) In the event of the Fund is terminated:
  - (i) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;
  - (ii) the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws;
  - (iii) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
  - (iv) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

#### **For TADG**

Upon the termination of the Fund, the following provisions shall have effect:

- a) The Manager shall as soon as practicable after the determination of the Fund, give to each Unit Holder a notice of such determination in accordance with the relevant laws; the Manager shall notify the existing Unit Holders in writing of the following options:
  - (i) to receive the net cash proceeds derived from the sale of all the assets of the Fund less any payment for liabilities of the Fund and any Cash Produce available for distribution in proportion to the number of Units held by them respectively;
  - (ii) to use the net cash proceeds to invest in any other unit trust scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
  - (iii) to choose any other alternative as may be proposed by the Manager in accordance with the relevant laws and regulations.
- b) The Trustee shall sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and
- c) The Trustee shall from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:
  - (i) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and
  - (ii) any available Cash Produce;
 provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of Fifty (50) sen in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.
- (d) In the event the Fund is terminated:
  - (i) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;
  - (ii) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and
  - (iii) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

## **8.10 MEETINGS OF UNIT HOLDERS**

The Deed provides that the Trustee, Unit Holders or the Manager may convene Unit Holders' meetings. A resolution of Unit Holders may be required pursuant to the Deed for specific purposes as required under the Deed.

## **8.11 QUORUM REQUIRED FOR CONVENING A UNIT HOLDERS MEETING**

#### **For TAGF, TACF, TAIF, TIF and TADO**

- (a) The quorum for a meeting of the Unit Holders, shall be five (5) Unit Holders present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy.

- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation of the Fund at the time of the meeting.
- (c) If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.
- (d) No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

**For TAICP**

- (a) The quorum for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be five (5) Unit Holders present in person or by proxy; however, if the Fund or a Class, as the case may be, has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be two (2) Unit Holders, whether present in person or by proxy.
- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation of the Fund or a particular Class, as the case may be, at the time of the meeting.
- (c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.
- (d) No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

**For TASF, TASEA, TAGAAF, TAIB, TAEURO, TADIF, TADF, TAREITs, TADA and TADG**

- (a) The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy; however, if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy.
- (b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation of the Fund at the time of the meeting.
- (c) If the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.

## **8.12 UNIT HOLDERS' MEETING CONVENED BY UNIT HOLDERS**

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving at its registered office of a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund, summon a meeting of the Unit Holders of the Fund by:

- (a) sending a notice by post of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit Holders at his last known address or in the case of jointholders, to the jointholder whose name stands first in the Manager's records at the jointholder's last known address;
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and in one other newspaper approved by the SC; and
- (c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

**For TAICP**

The Manager shall in any case not later than twenty-one (21) days after receipt by the Manager at its registered office of a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or the Unit Holders of a particular Class, as the case may be, summon a meeting of the Unit Holders of the Fund or the Unit Holders of that particular Class, as the case may be:-

- (a) by sending a notice by post of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit Holders at his last known address or in the case of jointholders, to the jointholder whose name stands first in the Manager's records at the jointholder's last known address;
- (b) by publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and in one other newspaper as may be approved by the SC; and
- (c) by specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

## **8.13 UNIT HOLDERS' MEETING CONVENED BY MANAGER OR TRUSTEE**

The Manager or Trustee may convene a Unit Holders' meeting by giving Unit Holders written notice in the manner prescribed by the Deed or the relevant laws.

## 9. TAXATION ADVISER'S LETTER

**Private and Confidential**

The Board of Directors  
TA Investment Management Berhad  
23rd Floor, Menara TA One  
22, Jalan P. Ramlee  
50250 Kuala Lumpur

Our Ref NBG/AZYY/CHMW

Contact Ext. 7598/6559

26 January 2023

Dear Sirs

**Re: Taxation of the Funds and Unit Holders**

This letter has been prepared for inclusion in the Master Prospectus of the following unit trust funds ("the Funds"):-

- TA Growth Fund
  - TA Comet Fund
  - TA Islamic Fund
  - TA Income Fund
  - TA Small Cap Fund
  - TA Dana Optimix
  - TA Islamic Cashplus Fund
  - TA South East Asia Equity Fund
  - TA Global Asset Allocator Fund
  - TA Asia Pacific Islamic Balanced Fund
  - TA European Equity Fund
  - TA Asian Dividend Income Fund
  - TA Dana Fokus
  - TA Asia Pacific Reits Income Fund
  - TA Dana Afif
  - TA Dana Global
- ("Master Prospectus")

### **Taxation of the Fund**

#### ***Income Tax***

The Funds are a unit trust for Malaysian tax purposes. The taxation of the Funds are therefore governed principally by Sections 61 and 63B of the Income Tax Act, 1967 ("the Act").

Subject to certain exemptions, the income of the Funds in respect of investment income derived from or accruing in Malaysia is liable to income tax at the rate of 24% effective Year of Assessment ("YA") 2016.

The Funds may receive dividends, interest<sup>N1</sup> and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia was previously exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

Based on the Finance Act 2021, income derived by a resident unit trust from foreign sources and received in Malaysia from 1 January 2022 onwards will be subject to Malaysian income tax. A transitional tax rate of 3% is accorded on the gross amount of the foreign source income received in Malaysia from 1 January 2022 to 30 June 2022. From 1 July 2022, the prevailing tax rate of 24% will apply to the chargeable income computed in respect of the foreign source income remitted into Malaysia by the Fund.

Where the same foreign income has been taxed in both Malaysia and the foreign country, a tax credit in the form of bilateral relief under a Double Tax Agreement ("DTA") or unilateral relief under the domestic law (if there is no available DTA or a limited DTA which does not provide such relief) may be given in respect of such income, subject to conditions.

Gains from the realisation of investments by the Funds will not be subject to income tax in Malaysia. However, such gains may be subject to tax in the country from which it is derived.

Interest income or profits earned by the Funds from the following are exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013<sup>N2</sup>; or
- any development financial institution regulated under the Development Financial Institutions Act 2002<sup>N2</sup>; or
- sukuk originating from Malaysia, other than convertible loan stocks, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission, or approved by the Labuan Financial Services Authority<sup>N3</sup>.

Discounts earned by the Fund from the following are also exempt from tax:-

- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

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<sup>N1</sup> Pursuant to Section 2(7) of the Act, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred by an Islamic fund, in lieu of interest, in transactions conducted in accordance with the principles of Syariah.

<sup>N2</sup> Effective from 1 January 2019, the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

<sup>N3</sup> Effective from YA 2017, income tax exemption shall not apply to interest paid or credited to a company in the same group, licensed banks and prescribed development financial institutions. Based on the Finance Act 2021, income tax exemption shall not apply to interest paid or credited by a special purpose vehicle to a company pursuant to the issuance of asset-backed securities lodged with the Securities Commission or approved by the Labuan Financial Services Authority from 1 January 2022 where the company and the person who established the special purpose vehicle solely for the issuance of the asset-backed securities are in the same group.



Tax deductions in respect of the Funds' expenses such as manager's remuneration, expenses on maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage ("permitted expenses") are allowed based on a prescribed formula subject to a minimum of 10% and a maximum of 25% of the total permitted expenses.

Single tier Malaysian dividends received by the Funds are exempt from tax and expenses in relation to such dividend income are disregarded.

#### ***Real Property Gains Tax ("RPGT")***

Gains on disposal of investments by the Funds will not be subject to income tax in Malaysia. However, such gains may be subject to RPGT in Malaysia, if the gains are derived from sale of Malaysian real properties and shares in Malaysian real property companies (as defined). Such gains would be subject to RPGT at the applicable rate depending on the holding period of the chargeable assets.

#### ***Sales Tax and Service Tax***

The Goods and Services Tax ("GST") has been replaced by Sales Tax and Service Tax effective from 1 September 2018.

Under the Sales Tax Act 2018, Service Tax Act 2018 and subsidiary legislation, the sales tax rate for taxable goods is 5% or 10% while the service tax rate for taxable services is generally 6%. There are certain goods which are exempted from sales tax.

The issue, holding or redemption of any unit under a trust fund does not fall within the list of taxable services under the First Schedule of the Service Tax Regulations 2018 and hence, is not subject to service tax. The investment activities of the Funds such as buying and selling of securities and deposits in financial institutions are also not subject to service tax. As such, if the Funds are only deriving income from such activities, the Funds are not liable to be registered for service tax.

However, certain expenses incurred by the Funds such as legal fees, consultancy fees and management fees may be subject to service tax at 6%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of funds management under the Capital Markets and Services Act 2007. The service tax incurred by the Funds is a cost to the Funds and is not recoverable, unlike the GST input tax which is claimable under the GST regime.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

#### ***Taxation of Unit Holders***

##### ***Income Tax***

Unit holders are taxed on an amount equivalent to their share of the total taxable income of the Funds, to the extent that this is distributed to them. The income distribution from the Funds may carry with it applicable tax credits proportionate to each unit holder's share of the total taxable income in respect of the tax paid by the Funds. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them. Any excess over their tax liability will be refunded to the unit holders.

Corporate unit holders, resident or non-resident in Malaysia, would be taxed at the corporate tax rate of 24% (effective from YA 2016), on distributions of income from the Funds to the extent of an amount equivalent to their share of the total taxable income of the Funds.

Corporate unit holders in Malaysia with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 17% on chargeable income of up to RM600,000, effective from YA 2020. This concessionary income tax rate is given only to corporate unit holders having gross business income for the relevant year of assessment of not more than RM50 million, in addition to the share capital requirement. For chargeable income in excess of RM600,000, the tax rate of 24% is still applicable.

However, the said tax rate of 17% on chargeable income of up to RM600,000 would not apply if more than 50% of the paid up capital in respect of ordinary shares of that corporate unit holder is directly or indirectly owned by a related company which has a paid up capital exceeding RM2.5 million in respect of ordinary shares, or vice versa, or more than 50% of the paid up capital in respect of ordinary shares of both companies are directly or indirectly owned by another company.

Based on the Finance Act 2021, a corporate tax rate of 33% ("Cukai Makmur") will be levied on corporate unit holders with chargeable income exceeding RM100 million. Corporate unit holders with chargeable income below RM100 million will still be taxed at tax rate of 24%. However, the chargeable income in respect of foreign source income received in Malaysia from 1 July 2022 is exempted from the application of Cukai Makmur, computed based on a prescribed formula. The Cukai Makmur is effective for YA 2022 only.

The tax rate of 33% on chargeable income exceeding RM100 million would not apply to corporate unit holders in Malaysia that qualify for the preferential tax rate of 17% on chargeable income of up to RM600,000.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The scale tax rates range from 0% to 30% with effect from YA 2020.

Individuals and other non-corporate unit holders who are not resident in Malaysia, for tax purposes, are subject to Malaysian income tax at the rate of 30% with effect from YA 2020. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdiction.

The distribution of single-tier Malaysian dividends and tax exempt income by the Funds will not be subject to tax in the hands of the unit holders in Malaysia. Units split by the Funds will also be exempt from tax in Malaysia in the hands of the unit holders.

However, based on the Finance Act 2021, the income distributed to a unit holder other than an individual, out of the interest income of a unit trust that is a retail money market fund which is paid or credited by a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013, or any development financial institution regulated under the Development Financial Institutions Act 2002 will be subjected to tax. This is effective from 1 January 2022.

Further, a new withholding tax mechanism is applicable on the above distribution. The income distributed to the unit holder other than an individual will be subject to withholding tax at the rate of 24% and the tax deducted can be utilised to set off against the tax payable by a tax resident unit holder. Withholding tax deducted on the income distributed to a non-individual unit holder who is not a tax resident in Malaysia will be regarded as a final tax. This is effective from 1 January 2022.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfer or redemption of the units are generally treated as capital gains which are not subject to income tax in Malaysia. However, certain unit holders may be subject to income tax in Malaysia on such gains, due to specific circumstances of the unit holders.

**Service Tax**

Only taxable services listed in the First Schedule of the Service Tax Regulations 2018 are subject to service tax, which exclude investment income or gains.

However, legal fees, consultancy fees and management fees may be subject to service tax at 6%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

The tax position is based on our understanding and interpretation of the Malaysian tax legislations and proposals as they stand at present. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments.

Yours faithfully

Neoh Beng Guan  
*Executive Director*

KPMG Tax Services Sdn Bhd

# 10. CONFLICTS AND RELATED PARTY TRANSACTIONS

## **Policies and Procedures on Dealing with Conflict of Interest**

The Manager has in place policies and procedures contained in its rules of business conduct, which regulates its employees' securities dealings to deal with any conflict of interest situations. A declaration of securities trading is required of all employees to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to the Manager and customers of the Manager.

### **Manager**

In the course of managing the Fund, TAIM may face conflicts in respect of its duties to the Fund. In such an event, TAIM is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed. TAIM has in place policies and procedures to deal with any of conflict of interest situations.

In making an investment transaction for the Fund, the Manager is obliged not to make inappropriate use of its position in managing the Fund to gain, directly or indirectly, any advantage for itself or for any other person or to cause detriment to the interests of Unit Holders.

TAIM or any delegate thereof will, as far as possible in their dealings, avoid any conflict of interest situation or, if conflicts arise, will ensure that the Fund is not disadvantaged by the transaction concerned. The compliance department of TAIM will report directly to the board of directors of any conflict that may arise/has arisen and the board of directors will decide on the next course of action to remedy the situation. Where a director, a person undertaking the oversight function of the Fund or a delegate of the Manager is aware of a transaction or an arrangement in which a conflict of interest arises involving a related party or an associate, he/she must promptly abstain from any decision-making regarding the transaction.

All transactions carried out for or on behalf of the Fund are executed on terms that are best available to the Fund and which are no less favourable than an arm's length transactions between independent parties.

### **CIMB Commerce Trustee Berhad and CIMB Islamic Trustee Berhad**

CCTB and CITB have confirmed that they have no interest/potential interest or conflict of interest/potential conflict of interest with the Manager and the Funds.

### **Universal Trustee (Malaysia) Berhad**

UTMB has confirmed that they have no interest/potential interest or conflict of interest/potential conflict of interest with the Manager and the Funds.

### **Maybank Trustees Berhad**

MTB has confirmed that they have no interest/potential interest or conflict of interest/potential conflict of interest with the Manager and the Funds.

### **Advisers**

The Auditor, tax adviser, solicitor, External Investment Managers and Shariah Advisers have confirmed that they have no interest/potential interest or conflict of interest/potential conflict of interest with the Manager and the Funds.

# 11. ADDITIONAL INFORMATION

## 11.1 AVAILABILITY OF INFORMATION ON INVESTMENT

Information on the Fund's daily NAV per Unit will be published on our website at [www.tainvest.com.my](http://www.tainvest.com.my). Unit Holders may contact us during our business hours from 9.00 a.m. to 6.00 p.m. from Monday to Friday to obtain the latest NAV per Unit.

A copy of this Master Prospectus and the monthly fund fact sheets relating to the Funds are available upon request from the Manager.

### AIMS@TA Investment

Is an online service that assists you in the administering and tracking of your unit trust investments more effectively and efficiently at our website [www.tainvest.com.my](http://www.tainvest.com.my). There is no registration fee.

For security and compliance purposes, corporate investors who wish to register with the facilities are required to complete a hardcopy user application form that will be made available online.

## 11.2 AVENUE FOR ADVICE

If you have any questions about the information in this Master Prospectus or would like to know more about investing in any of the Funds managed by the Manager, please contact our authorised distributors or our customer service officers on toll free **1-800-38-7147** between 9.00 a.m. and 6.00 p.m., from Monday to Friday (except public holidays).

## 11.3 DEEDS

Funds	Deed	Supplemental Deed
TAGF	27 June 1996	First - 17 July 1998 Second - 14 March 2002 Third - 28 September 2006 Fourth - 9 January 2023
TACF	20 September 1999	First - 28 September 2006 Second - 9 January 2023
TAIF	6 April 2001	First - 28 September 2006 Second - 12 December 2022
TIF	14 March 2002	First - 22 December 2022
TASF	22 December 2003	First - 21 October 2009 Second - 12 December 2022
TADO	31 December 2004	First - 9 January 2023
TAICP	2 June 2005	First - 26 October 2022
TASEA	7 November 2005	First - 21 September 2022
TAGAAF	17 May 2006	First - 3 April 2013 Second - 22 December 2022
TAIB	6 October 2006	Supplemental - 21 October 2009 First - 21 September 2022
TAEURO	5 February 2007	First - 3 April 2013 Second - 17 November 2022

TADIF	26 June 2007	First - 28 September 2009 Second - 8 April 2011 Third - 17 November 2022
TADF	19 March 2008	First - 26 September 2022
TAREITs	21 June 2013	First - 17 November 2022
TADA	8 July 2014	First - 23 September 2022
TADG	27 July 2017	First - 20 February 2018 Second – 25 March 2021 Third - 17 November 2022

## 11.4 FINANCIAL YEAR END

Fund Name	Financial Year End
TAGF	30 June
TACF	30 September
TAIF	31 May
TIF	31 July
TASF	30 April
TADO	31 January
TAICP	31 August
TASEA	30 November
TAGAAF	31 July
TAIB	30 September
TAEURO	30 June
TADIF	30 June
TADF	30 April
TAREITs	30 September
TADA	28 February*
TADG	31 October

\* For TADA, the financial year end for a leap year will fall on 29<sup>th</sup> February.

When you invest in any of the Funds, the Manager will undertake to send you the following:-

- Written confirmation on all transactions and distributions;
- Unaudited semi-annual report for the half year of the Fund's financial year; and
- Annual audited report for the Fund's financial year-end.

The semi-annual and annual reports of the Fund will be made available to Unit Holders no later than two (2) months after the period that such reports covered.

**THE FUNDS' ANNUAL REPORT IS AVAILABLE UPON REQUEST.**

## 11.5 CONSENT STATEMENT

The Trustees, the Trustees' delegates (custodian function), Shariah Advisers, Janus Henderson Investors Europe S.A. and the External Investment Managers have given their consent for the inclusion of their names and statements in the form and context in which they appear in this Master Prospectus and have not withdrawn such consent.

The tax adviser has given its consent for the inclusion of its name and the tax adviser's letter in the form and context in which they appear in this Master Prospectus and has not withdrawn such consent.

## 12. DOCUMENTS AVAILABLE FOR INSPECTION

The copies of the following documents are available for inspection at the registered office of the Manager or such other place as the SC may determine:

- (a) The Deed and the supplemental deeds of the Funds (if any);
- (b) The Master Prospectus and supplementary or replacement master prospectus (if any);
- (c) The latest annual and semi-annual reports of the Funds;
- (d) Each material contract disclosed in the Master Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts (if any);
- (e) The audited financial statements of the Manager and the Funds for the current financial year (where applicable) and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- (f) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Master Prospectus (if any). Where a summary expert's report is included in the Master Prospectus, the corresponding full expert's report should be made available for inspection (if any);
- (g) Writ and relevant cause papers for all material litigation and arbitration disclosed in the Master Prospectus; and
- (h) All consents given by experts disclosed in the Master Prospectus.

## 13. LIST OF DISTRIBUTION OFFICES

The Funds are distributed via the following channels:

- TAIM
- Unit trust consultants
- IUTA

For the addresses and contact numbers of the head office & business centres of TAIM, please refer to the Chapter 2, Corporate Directory of this Master Prospectus.

For more details on the lists of registered unit trust consultants and other approved IUTA (as and when appointed by the Manager) please contact the Manager.



In accordance with the requirements of the Capital Markets and Services Act 2007, this Form should not be circulated unless accompanied by the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any). Investors are required to read and understand the contents in the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet of the Funds before completing this Form.  
Complete in **BLOCK LETTERS**, preferably in **BLACK INK** and tick (✓) where applicable.

☐ Individual  
☐ Individual with Joint  
☐ Corporate

☐ Cash Investment  
☐ EPF Investment  
EPF No. ....

### 1. INDIVIDUAL – PRINCIPAL APPLICANT

Full Name (as in NRIC/ Passport):				NRIC No:	
				Passport No:                      Passport expiry date:	
Date of Birth (DD/MM/YYYY):	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Others: .....	Race <input type="checkbox"/> Bumiputra <input type="checkbox"/> Chinese <input type="checkbox"/> Indian <input type="checkbox"/> Others .....		Nationality <input type="checkbox"/> Malaysian <input type="checkbox"/> Non Malaysian (please specify Country/Citizenship below): Country: ..... Citizenship: .....
Estimated Net Worth (or equivalent in foreign currency) <input type="checkbox"/> ≤RM100K <input type="checkbox"/> RM100,001-RM500,000 <input type="checkbox"/> RM500,001-RM1.0 Mil <input type="checkbox"/> ≥RM1.0 Mil ≤ RM3.0 Mil <input type="checkbox"/> ≥ RM3 Mil			Occupation <input type="checkbox"/> Student <input type="checkbox"/> Non - Executive <input type="checkbox"/> Executive <input type="checkbox"/> Management <input type="checkbox"/> Director <input type="checkbox"/> Businessman <input type="checkbox"/> Professional <input type="checkbox"/> Pensioner <input type="checkbox"/> Others (please specify): .....		
Annual Income <input type="checkbox"/> N/A <input type="checkbox"/> Below RM72,000 <input type="checkbox"/> RM72,001 to RM120,000 <input type="checkbox"/> RM120,001 to RM300,000 <input type="checkbox"/> RM300,001 to RM600,000 <input type="checkbox"/> RM600,001 and above					
Source of Income <input type="checkbox"/> Business <input type="checkbox"/> Employment <input type="checkbox"/> Savings <input type="checkbox"/> Inheritance <input type="checkbox"/> Others (please specify) .....					
Religion <input type="checkbox"/> Islam <input type="checkbox"/> Christian <input type="checkbox"/> Hindu <input type="checkbox"/> Buddhist <input type="checkbox"/> Others: .....				Mother's Maiden Name:	

### BUSINESS / EMPLOYMENT DETAILS – PRINCIPAL APPLICANT

Name of Company/Employer:	
Nature of Business:	Designation:

### 2. INDIVIDUAL – JOINT APPLICANT

Full Name (as in NRIC/ Passport):				NRIC No:	
				Passport No:                      Passport expiry date:	
Date of Birth (DD/MM/YYYY):	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Other: .....	Race <input type="checkbox"/> Bumiputra <input type="checkbox"/> Chinese <input type="checkbox"/> Indian <input type="checkbox"/> Others .....		Nationality <input type="checkbox"/> Malaysian <input type="checkbox"/> Non Malaysian (please specify Country/Citizenship below): Country: ..... Citizenship: .....
Estimated Net Worth (or equivalent in foreign currency) <input type="checkbox"/> ≤RM100K <input type="checkbox"/> RM100,001-RM500,000 <input type="checkbox"/> RM500,001-RM1.0 Mil <input type="checkbox"/> ≥RM1.0 Mil ≤ RM3.0 Mil <input type="checkbox"/> ≥ RM3 Mil			Occupation <input type="checkbox"/> Student <input type="checkbox"/> Non - Executive <input type="checkbox"/> Executive <input type="checkbox"/> Management <input type="checkbox"/> Director <input type="checkbox"/> Businessman <input type="checkbox"/> Professional <input type="checkbox"/> Pensioner <input type="checkbox"/> Others (please specify): .....		
Annual Income <input type="checkbox"/> N/A <input type="checkbox"/> Below RM72,000 <input type="checkbox"/> RM72,001 to RM120,000 <input type="checkbox"/> RM120,001 to RM300,000 <input type="checkbox"/> RM300,001 to RM600,000 <input type="checkbox"/> RM600,001 and above					
Source of Income <input type="checkbox"/> Business <input type="checkbox"/> Employment <input type="checkbox"/> Savings <input type="checkbox"/> Inheritance <input type="checkbox"/> Others (please specify) .....					
Religion <input type="checkbox"/> Islam <input type="checkbox"/> Christian <input type="checkbox"/> Hindu <input type="checkbox"/> Buddhist <input type="checkbox"/> Others: .....				Relationship with Principal Applicant:	
Phone No: (House)		Mobile No:		Email:	

### BUSINESS / EMPLOYMENT DETAILS – JOINT APPLICANT

Name of Company/Employer:		Nature of Business:
Designation:	Phone No: (Office)	Email:

### 3. NON-INDIVIDUAL (COMPANY / INSTITUTION / ASSOCIATION / ORGANIZATION)

Name of Company/ Institution (as per Certificate of Incorporation):		Company Registration No:
Beneficial Owner (if applicable):		NRIC No: Passport No:                      Passport expiry date:
Nature of Business:		Date of Incorporation (DD/MM/YYYY):
Authorised Contact Person 1:		Phone No:
Authorised Contact Person 2:		Phone No:
Estimated Net Worth (or equivalent in foreign currency) <input type="checkbox"/> ≤RM100K <input type="checkbox"/> RM100,001-RM500,000 <input type="checkbox"/> RM500,001-RM1.0 Mil <input type="checkbox"/> ≥RM1.0 Mil ≤ RM3.0 Mil <input type="checkbox"/> ≥ RM3 Mil	Status <input type="checkbox"/> Incorporated in Malaysia, Bumiputra Controlled <input type="checkbox"/> Incorporated in Malaysia, Non-Bumiputra Controlled <input type="checkbox"/> Incorporated outside Malaysia <input type="checkbox"/> Others (please specify) .....	Source of Income <input type="checkbox"/> Disposal of non-core business / assets / investments <input type="checkbox"/> Fund raising exercise such as rights issue <input type="checkbox"/> Cash in hand / surplus fund / working capital <input type="checkbox"/> Others (please specify) .....

**4. CORRESPONDENCE ADDRESS (INDIVIDUAL & NON-INDIVIDUAL)***(Please complete all and select "one" of the address provided below to be your Correspondence Address)*

Permanent/Home Address (Individual) / Registered Office Address (Non-Individual):			<input type="checkbox"/> Please select if this is your preferred Correspondence Address:
Postcode:	Town:	State:	Country:
Phone No: (House)	Mobile No:	Email:	
Business/Office Address (Individual) / Place of Business (Non-Individual):			<input type="checkbox"/> Please select if this is your preferred Correspondence Address:
Postcode:	Town:	State:	Country:
Phone No: (Office)	Fax No:	Email:	

**If you are using P.O. Box, please indicate reason for using the address:**
☐ No postal service available
☐ Others (please specify): .....
**5. INITIAL INVESTMENT**

Fund Name		Classe(es)^ of Unit	Distribution Instruction Reinvest / Payout		Sales Charge%	Investment Amount	
1.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
2.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
3.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
4.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
5.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
^ For Class(es), please specify Class name: eg. USD Class/AUD Class Hedged/ SGD Class/ MYR Class/ MYR Hedged Class, etc. (Please refer to the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet for the Class(es) to invest)						<b>Total</b>	
<b>Note:</b> All applicant intending to invest in a Class other than MYR Class and MYR Hedged Class are required to have a foreign currency account maintained with approved financial institution.							
Purpose of investment <input type="checkbox"/> Savings <input type="checkbox"/> Retirement <input type="checkbox"/> Education Funding <input type="checkbox"/> Others (please specify) .....							

**6. INVESTMENT PAYMENT DETAILS**

☐ Cheque / Banker's Cheque / Cashier's Cheque No: .....
☐ Online Transfer: .....

☐ Transaction Over the Bank Counter /Telegraphic Transfer: .....

1) Cheque without the applicant name printed on it must be accompanied with the bank statement.  
2) For banker's cheque & cashier's cheque, must provide copy of the bank application form.  
3) Enclose proof of payment (e.g payment slip/fund transfer receipt) together with copy of the bank statement for verification of applicant(s) name and bank account number.  
4) No payment from a third party account of the applicant is allowed.

**7. DISTRIBUTION INSTRUCTIONS**

Please tick (✓) either one of the following box.

☐ Reinvestment of Unit
☐ Cash Payment\* (please complete the bank details) **Bank details must belong to the Applicant(s) Name as per the form.**
☐ Individual Account
☐ Joint Account
☐ Corporate Account

Principal Applicant Name / Corporate Name (as per bank record):

Joint Account Name (as per bank record):

Bank Name:

Bank Account Number:

Currency: ☐ MYR ☐ Other Currency Class: .....
Bank Swift Code:.....
**8. CONSENT FOR ELECTRONIC COMMUNICATION**

Please tick (✓) the appropriate box to confirm on the channel to receive communication and information.

**If the below box is not ticked, by default, all communication will be via email.**

- ☐ Receive statement, reports and notices via email only.
- ☐ Request hardcopy of statement, reports and notices to be mailed to Correspondence Address.

**9. TAX RESIDENCY STATUS****(A) FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") DECLARATION**

(Note: Only individual investors are required to complete the following U.S. indicia questionnaire, legal entity(s) or corporate clients do not have to complete the following U.S. indicia questionnaire)

**U.S Indicia Questionnaire:**

Do you possess any of the following U.S. indicia ? If yes, please indicate.

- |   |                             |                              |
|---|-----------------------------|------------------------------|
| 1. U.S. citizen/tax resident (U.S. passport/ green card holder, U.S taxpayer, etc.) ?           | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| 2. U.S. place of birth?   | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| 3. U.S. address (residence/ mailing/ P.O Box) ?   | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| 4. U.S. telephone number?   | <input type="checkbox"/> No | <input type="checkbox"/> Yes |
| 5. Standing instructions to pay amounts from TAIM account to an account maintained in the U.S ? | <input type="checkbox"/> No | <input type="checkbox"/> Yes |

**I/We hereby declare that I am/we are**

- ☐ Non-U.S. Individual(s) with no U.S. indicia ☐ Non-U.S. Individual(s) with U.S. indicia / Non-U.S. Legal Entity(s) (provide Form W-8)

If there is any update to the account information/FATCA status or if updates provided reveal any U.S. indicia or change to FATCA status. I/we hereby agree to notify and furnish TA Investment Management Berhad ("TAIM") with the relevant documentary evidence within 30 days of such change. I/We consent to and authorise TAIM to perform any of the following, if applicable:

1. Withhold any applicable payments in the account.
2. Report or disclose all relevant information relating to or arising from the account.
3. Terminate (with prior notice) my/our contractual relationship(s) with TAIM.

**Note: For further clarification, please consult your tax adviser**

**(B) CRS SELF-CERTIFICATION FORM ("CRS") FORM**

(Note: Please tick (✓) box that is applicable)

In accordance with the regulatory requirement, TAIM is required to collect and report information about tax residence(s) status. **(Each applicant to complete separate CRS Form)**

- ☐ Individual – Principal Applicant - complete and sign CRS Self-Certification Form (Individual), page 7
- ☐ Individual – Joint Applicant – complete and sign CRS Self-Certification Form, (Individual) page 8
- ☐ Non-Individual Applicant - complete and sign (i) CRS Self-Certification Form (Entity), page 10 & 11  
(ii) CRS Self-Certification Form (Controlling Person), page 14 & 15

**10. ACCOUNT OPERATING INSTRUCTION**

**For Joint Application,** please tick (✓) for future transaction. If no instruction given, Principal Applicant is recognised as the authorised signatory.

- ☐ Principal Applicant To Sign ☐ Either One To Sign ☐ Both To Sign

**11. DECLARATION & SIGNATURE**

I/We hereby declare that have received, read and understood the contents of the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any), and agree to abide by the Notes and Conditions as specified prior to completing this application.

I/We wish to invest in the Fund(s) mentioned above and agree to be bound by the provisions of the Deed(s).

I/We declare that the above particulars are true and complete and that no information was withheld that may influence the acceptance of this application.

I/We declare that this application is not funded by gains from any unlawful activities.

I/We are aware on the fees and charges that will be incurred directly or indirectly when investing in the Fund.

I/We irrevocably consent & authorise TAIM to disclose any informations/documents relating to TAIM from time to time as TAIM deems fit in its absolute discretion.

I/We consent to the use of my personal data as per notice (please read the Personal Data Protection Act 2010 under Notes and Conditions).

I/We declare the personal data information given by me/us is accurate, complete and not misleading.

I/We hereby agree to indemnify TAIM against any actions, proceedings, claims, losses, damages and costs which be brought against, suffered or incurred by TAIM as a result of any inaccuracy of declarations herein.

I/We declare am/are not an undischarged bankrupt nor has any petition for bankruptcy been filed against me/us.

I/We declare, where applicable, to be the authorised person to act on behalf of a person where information of such person is declared under section "Beneficial Owner".

Signature is not required for joint applicant who is below 18 years old. In the event there is a change in the Authority To Operate Account when the minor turns 18 years old, a fresh instruction has to be given by the Principal Applicant. (Not applicable for Wholesale Fund investors)

Principal Applicant / Authorised Signatory 1 Date	Joint Applicant / Authorised Signatory 2 (if any) Date	Company Seal or Stamp
--	---	-----------------------

**FOR DISTRIBUTOR'S USE ONLY****FOR OFFICE USE ONLY**

<input type="checkbox"/> UTC <input type="checkbox"/> IUTA <input type="checkbox"/> Business Centre <input type="checkbox"/> TAIM, HQ	Name:	Remarks		Attended By/ Date
	Code:			Approved By/ Date
	Date:	Received By/Date	Processed By/Date	Verified By/ Date

This Investor Suitability Assessment Form will guide you in choosing the unlisted capital market products that suit your investment objective, risk tolerance, financial profile and investment experience. The information you provide will form the basis of our recommendation. It is important to provide accurate and complete information to ensure that suitable unlisted capital market products are recommended according to your investment needs and objectives. Any misleading, inaccurate or incomplete information provided by the investor will effect the outcome of the recommendation made. In such a case, TA Investment Management Berhad and its authorised distributors may not be held liable for such recommendation.

**Note:**

- All investors should complete the suitability assessment form (SA), including the first time investor, investor who wants to invest in different category of fund from his/her earlier risk profile result and for same investor who maintain the investment account with different agent.
- Only High Net-Worth Entity may opt out from completing the SA.
- For joint account, the principal applicant answers for Section 1A and 1B will be treated as representing the joint response of both (principal & joint) applicant and both agreed to declare and sign at Section 4.

All information will be treated with strictest confidence.

**Section 1 – Suitability Assessment**

Please circle your scores:

Section 1A – Financial Profile Questions	Score	Section 1B - Suitability Assessment Questions	Score
1. Which range best describes your personal annual income. a. N/A b. Below RM72,000 c. RM72,001 to RM120,000 d. RM120,001 to RM300,000 e. RM300,001 to RM600,000 f. RM600,001 and above	[ 0 ] [ 2 ] [ 4 ] [ 6 ] [ 8 ] [10]	2. Which statement best describes your experience and knowledge in investments? a. Very limited (little knowledge) b. Basic knowledge (understand the differences between equities, bonds and fixed income) c. Fair amount of knowledge (aware of different Investment options and their risks) d. Considerable knowledge (understand different investment philosophies) e. Extensive knowledge (complete understanding of investment products and strategies)	[ 0 ] [ 4 ] [ 6 ] [ 8 ] [10]
3. How certain are you that your various sources of income will be stable in the future? a. Uncertain b. Somewhat certain c. Certain	[ 2 ] [ 5 ] [10]	4. What is your risk tolerance level towards losses? a. 0% b. 0% to 2% c. 2% to 5% d. 5% to 10% e. More than 10%	[ 0 ] [ 2 ] [ 4 ] [ 6 ] [ 8 ]
5. How old are you? a. Below 40 b. 40 to 44 c. 45 to 49 d. 50 to 60 e. 60 above	[10] [ 8 ] [ 6 ] [ 4 ] [ 2 ]	6. Suppose over a horizon of two to three years, your portfolio lost 25% of its initial value. What would you do? a. sell all the investment and reinvest more conservatively. b. sell the majority of the investment, moving it to a more conservative investment and allow to regain the value. c. do nothing, realizing that the investment will rebound with the markets. d. add to the investment, in order to take advantage of lower prices.	[ 2 ] [ 4 ] [ 6 ] [ 8 ]
7. What is the percentage that this investment will represent as a portion of your total investments? a. More than 75% b. 50% to 70% c. Less than 50%	[ 0 ] [ 5 ] [10]	8. How much of your investment do you expect to redeem over 3 years? a. 0% b. Up to 25% c. Up to 50% d. Up to 100%	[10] [ 6 ] [ 4 ] [ 0 ]
9. For how many years will you remain invested? a. More than 20 years b. 10 to 20 years c. 5 to 10 years d. 3 to 5 years e. Less than 2 years	[10] [ 8 ] [ 6 ] [ 4 ] [ 2 ]	10. How frequent do you wish to review your investment? a. seldom, I want to focus on other things. b. once a year, when I meet with the advisor to review my financial plan. c. once a quarter, because I like to keep on top of things. d. monthly or weekly because I enjoy keeping track of my investments.	[ 8 ] [ 6 ] [ 4 ] [ 2 ]

Total the score for questions 1 to 10

Total Score	Tick (✓)	Type of Fund	Your Investment Profile
Below 30 points		-Low Risk	<b>Conservative</b> You are a conservative investor who is looking for low risk investment and at the same time preservation of capital is very important to you. You are prepared to sacrifice higher returns for peace of mind.
30 – 69 points		-Low Risk -Medium Risk	<b>Moderate</b> You are a balanced investor who can accept some risks to your capital. You require an investment that has some potential to grow in value over the medium-to-long term.
Above 70 points		-Low Risk -Medium Risk -High Risk	<b>Aggressive</b> You seek capital growth over the long-term and are prepared to accept higher amount of risk of your potential capital appreciation.

Section 2 – Recommendation (to be completed by authorised adviser)		
TAIM Fund Name	3 <sup>rd</sup> Party Fund Name	
1.	1.	
2.	2.	
3.	3.	
4.	4.	
5.	5.	
I recommend the above investment fund to the investors	<input type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, the reason for the recommendation	<input type="checkbox"/> According to investor's investment objective <input type="checkbox"/> To meet the investor's financial <input type="checkbox"/> Other: _____ (please specify)	
If No, the reason for the non-recommendation	<input type="checkbox"/> Investor's choice/preference <input type="checkbox"/> Other: _____ (please specify)	

Section 3 - Investor's Declaration		
Based on the completion of this form, I/We acknowledge the following (Compulsory)	Yes	No
The adviser has explained and I/we have understood the features and risks of the Fund.	<input type="checkbox"/>	<input type="checkbox"/>
All information disclosed is true, complete and accurate.	<input type="checkbox"/>	<input type="checkbox"/>
I/We acknowledge receipt of a copy of Product Highlights Sheet and the relevant disclosure documents which have been given to me/us.	<input type="checkbox"/>	<input type="checkbox"/>
I/We decline to provide certain information required for Investor Suitability Assessment Form and that this may adversely affect my/our suitability assessment.	<input type="checkbox"/>	<input type="checkbox"/>
I/We <b>disagree</b> with the above profiling. I/We fully understand the investment risk involved and have decided to purchase another unlisted capital market product that is not recommended by the product distributor.	<input type="checkbox"/>	<input type="checkbox"/>
I/We <b>agree</b> with the above profiling. I/we fully understand the investment risk involved and have decided to purchase another unlisted capital market product that is not recommended by the product distributor.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Only for High Net-Worth Entity</b> I/We <b>do not agree</b> to participate in this assessment.	<input type="checkbox"/>	

Principal Applicant/  
Authorised Signatory 1

Joint Applicant/  
Authorised Signatory 2

Company Seal or Stamp

#### Section 4 - Adviser's - Unit Trust Consultant (UTC) /Institutional Unit Trust Advisers (IUTA) Declaration

I declare that:

- The information provided to me in this Suitability Assessment is strictly confidential and is used for the purpose of fact finding and to facilitate the advisory process.
- I have explained all the required information to you and have attached the relevant documents.
- I am a trained/qualified and licensed UTC/IUTA by Federation of Investment Managers Malaysia (FIMM).

<b>Signature</b> :	
<b>Adviser's Name</b> :	
<b>Adviser's Code</b> :	
<b>Date</b> :	

For Office Use:

<b>Received By / Date :</b>	<b>Processed By / Date :</b>	<b>Verified By / Date :</b>

**WARNING**  
THE RECOMMENDATION IS MADE BASED ON INFORMATION OBTAINED FROM THE SUITABILITY ASSESSMENT. INVESTORS ARE ADVISED TO EXERCISE JUDGEMENT IN MAKING AN INFORMED DECISION IN RELATION TO THE UNLISTED CAPITAL MARKET PRODUCT.

**INSTRUCTIONS** (Please read these instructions before completing the form)

- In accordance with regulatory requirement, TAIM is required to collect and report information about your tax residence(s) status. If you are a tax resident outside the country where your account is held, we may be obliged to transmit your information to Inland Revenue Board of Malaysia ("IRBM") and they may exchange your information between different countries' tax authorities.
- This form will remain valid unless there is a change in circumstances relating to information, such as the account's tax status or other mandatory field information that makes this form incorrect or incomplete. In that case you must notify TAIM and provide an updated self-certification.
- Please fill in this form if you are an individual account holder, sole trader or sole proprietor.
- For joint or multiple account holders, use a separate form for each individual person.
- Where you need to self-certify on behalf of an entity account holder, do not use this form. Instead, you will need to complete an "Entity tax residency self-certification form". Similarly, if you are a controlling person of an entity, please fill in a "Controlling person tax residency self-certification form" instead of this form.
- Even if you have already provided information in relation to the United States Government's Foreign Account Tax Compliance Act ("FATCA"), you may still need to provide additional information for the CRS as this is a separate regulation.

**As a financial institution, we are not allowed to give tax advice.**

- Your tax adviser may be able to assist you in answering specific questions on this form. Your domestic tax authority can provide guidance regarding how to determine your tax status.
- You can also find out more, including a list of jurisdictions that have signed agreements to automatically exchange information, along with details about the information being requested, on the OECD automatic exchange of information portal at:  
<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>

Please complete in **BLOCK LETTERS**

**PART 1. IDENTIFICATION OF INDIVIDUAL - PRINCIPAL APPLICANT**

First Name (Given Name)

Last Name (Family Name)

Identification No.

*If your legal name is a single name, the first name data element should be completed as "NFN" (No First Name) and the last name field should be completed with account holder's single name.*

**PART 2. TAX RESIDENCY DECLARATION**

Please tick one option and complete as appropriate:

- (i) ☐ I am a tax resident of Malaysia and I do not have tax residency with other countries.  
(ii) ☐ I am a tax resident of Malaysia and I **have** tax residency with other countries.  
(iii) ☐ I am not a tax resident of Malaysia and do not have tax residency with other countries.  
(iv) ☐ I am not a tax resident of Malaysia and **have** tax residency with other countries.

If you select (ii) or (iv), please complete the following table.

No	Country/Jurisdiction of tax residence	Taxpayer ID No. (TIN)	If TIN is not available, please indicate Reason A, B or C	If selected Reason C, please give explain why unable to obtain TIN.
1.				
2.				
3.				
4.				
5.				

*If the tax resident is more than (5) countries, please use a separate sheet.*

Reason A: The country/jurisdiction where the Account Holder is resident does not issue TINs to its resident.

Reason B: No TIN is required. (Note: Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

Reason C: The Account Holder is otherwise unable to obtain a TIN or equivalent number (Please explain why you are unable to obtain a TIN in the above table if you have selected this reason).

**PART 3. DECLARATION & SIGNATURE**

I understand that the information provided by me is covered by the full provisions of the terms and conditions governing the Account Holder's relationship with TA Investment Management Berhad ("TAIM") setting out how TAIM may use and share the information supplied by me.

I acknowledge that the information contained in this form and information regarding the Account Holder and any Reportable Account(s) may be reported to tax authorities of the country/jurisdiction in which this account(s) is maintained and exchanged with tax authorities of another country/jurisdiction in which the Account Holder may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

I certify that I am the Account Holder (or am authorised to sign for the Account Holder) of all the account(s) to which this form relates.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

I undertake to advise TAIM within 30 days of any change in circumstance which affects the tax residency status of the Account Holder or causes the information contained herein to become incorrect or incomplete, and to provide TAIM with a suitably updated Self-Certification and Declaration within 30 days of such change in circumstances.

Signature:

Date:

Note: If you are not the Account Holder, please indicate the capacity in which you are signing the form. If signing under power of attorney, please also attach a certified copy of the power of attorney.

Capacity: .....

Please complete in **BLOCK LETTERS**

**PART 1. IDENTIFICATION OF INDIVIDUAL – JOINT APPLICANT**

First Name (Given Name)

Last Name (Family Name)

Identification No.

*If your legal name is a single name, the first name data element should be completed as "NFN" (No First Name) and the last name field should be completed with account holder's single name.*

**PART 2. TAX RESIDENCY DECLARATION**

Please tick one option and complete as appropriate:

- (i) ☐ I am a tax resident of Malaysia and I do not have tax residency with other countries.  
 (ii) ☐ I am a tax resident of Malaysia and I **have** tax residency with other countries.  
 (iii) ☐ I am not a tax resident of Malaysia and do not have tax residency with other countries.  
 (iv) ☐ I am not a tax resident of Malaysia and **have** tax residency with other countries.

If you select (ii) or (iv), please complete the following table.

No	Country/Jurisdiction of tax residence	Taxpayer ID No. (TIN)	If TIN is not available, please indicate Reason A, B or C	If selected Reason C, please give explain why unable to obtain TIN.
1.				
2.				
3.				
4.				
5.				

*If the tax resident is more than (5) countries, please use a separate sheet.*

Reason A: The country/jurisdiction where the Account Holder is resident does not issue TINs to its resident.

Reason B: No TIN is required. (Note: Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

Reason C: The Account Holder is otherwise unable to obtain a TIN or equivalent number (Please explain why you are unable to obtain a TIN in the above table if you have selected this reason).

**PART 3. DECLARATION & SIGNATURE**

I understand that the information provided by me is covered by the full provisions of the terms and conditions governing the Account Holder's relationship with TA Investment Management Berhad ("TAIM") setting out how TAIM may use and share the information supplied by me.

I acknowledge that the information contained in this form and information regarding the Account Holder and any Reportable Account(s) may be reported to tax authorities of the country/jurisdiction in which this account(s) is maintained and exchanged with tax authorities of another country/jurisdiction in which the Account Holder may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

I certify that I am the Account Holder (or am authorised to sign for the Account Holder) of all the account(s) to which this form relates.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

I undertake to advise TAIM within 30 days of any change in circumstance which affects the tax residency status of the Account Holder or causes the information contained herein to become incorrect or incomplete, and to provide TAIM with a suitably updated Self-Certification and Declaration within 30 days of such change in circumstances.

Signature:

Date:

Note: If you are not the Account Holder, please indicate the capacity in which you are signing the form. If signing under power of attorney, please also attach a certified copy of the power of attorney.

Capacity: .....



**INSTRUCTIONS** (Please read these instructions before completing the form)

- In accordance with regulatory requirement, TAIM is required to collect and report information about your tax residence(s) status. If you are a tax resident outside the country where your account is held, we may be obliged to transmit your information to Inland Revenue Board of Malaysia ("IRBM") and they may exchange your information between different countries' tax authorities.
- This form will remain valid unless there is a change in circumstances relating to information, such as the account's tax status or other mandatory field information, that makes this form incorrect or incomplete. In that case you must notify TAIM and provide an updated self-certification.
- Please complete this form if you are doing so on behalf of an entity account holder.
- If you are an individual account holder or sole trader or sole proprietor do not complete this form. Instead, please complete an *"Individual tax residency self-certification form"*.
- Even if you have already provided information in relation to the United States Government's Foreign Account Tax Compliance Act ("FATCA"), you may still need to provide additional information for the CRS as this is a separate regulation.

**As a financial institution, we are not allowed to give tax advice.**

- Your tax adviser may be able to assist you in answering specific questions on this form. Your domestic tax authority can provide guidance regarding how to determine your tax status.
- You can also find out more, including a list of jurisdictions that have signed agreements to automatically exchange information, along with details about the information being requested, on the OECD automatic exchange of information portal at:  
<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>

# CRS SELF-CERTIFICATION FORM (ENTITY)

Please complete in **BLOCK LETTERS**

## PART 1. IDENTIFICATION OF ACCOUNT HOLDER

Name of Entity/Organisation  
(as per Company Registration Certificate)

Company Registration No.

Country of Incorporation

## PART 2. TAX RESIDENCY DECLARATION

Please tick one option and complete as appropriate:

- (i) ☐ I/We acknowledge this entity is a tax resident of Malaysia and do not have tax residency with other countries.  
(ii) ☐ I/We acknowledge this entity is a tax resident of Malaysia and **have** tax residency with other countries.  
(iii) ☐ I/We acknowledge this entity is not a tax resident of Malaysia and do not have tax residency with other countries.  
(iv) ☐ I/We acknowledge this entity is not a tax resident of Malaysia and **have** tax residency with other countries.

If you select (ii) or (iv), please complete the following table.

No	Country/Jurisdiction of tax residence	Taxpayer ID No. (TIN)	If TIN is not available, please indicate Reason A, B or C	If selected Reason C, please give explain why unable to obtain TIN.
1.				
2.				
3.				
4.				
5.				

If the tax resident is more than (5) countries, please use a separate sheet.

Reason A: The country/jurisdiction where the Account Holder is resident does not issue TINs to its resident.

Reason B: No TIN is required. (Note: Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

Reason C: The Account Holder is otherwise unable to obtain a TIN or equivalent number (Please explain why you are unable to obtain a TIN in the above table if you have selected this reason).

## PART 3. ENTITY TYPE

Please provide the Account Holder's Status by selecting one of the followings:

### 1. Financial Institution

- a) Depository Institution, Custodial Institution or Specified Insurance Company ☐
- b) An Investment Entity located in a Non-Participating Jurisdiction and managed by another Financial Institution ☐  
If this box is ticked, please provide the names and complete "Controlling Person Self-Certification Form" for each of your Controlling Persons.
- c) Other Investment Entity ☐

### 2. Non-Financial Entity (NFE)

- d) **Active NFE** - a Government Entity or Central Bank, an International Organisation, other (e.g. non-listed entity or non-profit organization). ☐
- e) **Active NFE** - a corporation the stock of which is regularly traded on an established securities market & a corporation which is a related entity of such a corporation. ☐

Please provide the name of the established securities market on which the corporation is regularly traded.

If you are a Related Entity of a regularly traded corporation, please provide the name of the regularly traded corporation.

- f) **Passive NFE** – NFE that is not an active NFE ☐  
If this box is ticked, please provide the names and complete "Controlling Person Self-Certification Form" for each of your Controlling Persons.

Indicate the names of all controlling person(s) of the Account Holder in the table below: (each individual controlling person must complete separate "Controlling Person Self-Certification Form").

PART 4. NAME OF CONTROLLING PERSON	
1.	
2.	
3.	

PART 5. DECLARATION & SIGNATURE		
<p>I/We understand that the information provided by me/us are covered by the full provisions of the terms and conditions governing the Account Holder's relationship with TA Investment Management Berhad ("TAIM") setting out how TAIM may use and share the information supplied by me/us.</p> <p>I/We acknowledge that the information contained in this form and information regarding the Account Holder and any Reportable Account(s) may be reported to tax authorities of the country/jurisdiction in which this account(s) is maintained and exchanged with tax authorities of another country/jurisdiction in which the Account Holder may be tax resident pursuant to intergovernmental agreements to exchange financial account information.</p> <p>I/We certify that I/we are authorised to sign for the Account Holder in respect of all the account(s) to which this form relates.</p> <p>I/We declare that all statements in this declaration are, to the best of my/our knowledge and belief, correct and complete.</p> <p>I/We undertake to advise TAIM within 30 days of any change in circumstance which affects the tax residency status of the Account Holder or causes the information contained herein to become incorrect or incomplete, and to provide TAIM with a suitably updated Self-Certification and Declaration within 30 days of such change in circumstances.</p>		
<div>Authorised Signatory 1: Name: Date:</div>	<div>Authorised Signatory 2: Name: Date:</div>	<div>Note: If signing under power of attorney, please also attach a certified copy of the power of attorney. Capacity: .....</div>

## DEFINITIONS

### Account Holder

The "Account Holder" means the person listed or identified as the holder of a Financial Account by the Financial Institution that maintains the account. This is regardless of whether such person is a flow-through Entity. Thus, for example, if a trust or an estate is listed as the holder or owner of a Financial Account, the trust or the estate is the Account Holder, rather than the trustee or the trust's owners or beneficiaries. Similarly, if a partnership is listed as the holder or owner of a Financial Account, the partnership is the Account Holder, rather than the partner in the partnership. A person, other than a Financial Institution, holding a Financial Account for the benefit or account of another person as agent, custodian, nominee, signatory, investment advisor, or intermediary, is not treated as holding the account, and such other person is treated as holding the account.

### Active NFE

An NFE is an Active NFE if it meets any of the criteria listed below. In summary, those criteria refer to

- active NFEs by reason of income and assets;
- publicly traded NFEs;
- Governmental Entities, International Organisation, Central Banks, or their wholly owned Entities;
- holding NFEs that are members of a nonfinancial groups;
- start-up NFEs;
- NFEs that are liquidating or emerging from bankruptcy;
- treasury centres that are members of a nonfinancial group; or
- non-profit NFEs.

### Controlling Person(s)

Controlling Person(s) are the natural person(s) who exercises control over an entity. Where that entity is treated as a Passive Non-Financial Entity ("Passive NFE") then a Financial Institution is required to determine whether or not these Controlling Persons are Reportable Persons. This definition corresponds to the term "beneficial owner" described in Recommendation 10 and the Interpretative Note on Recommendation 10 of the Financial Action Task Force Recommendations (as adopted in February 2012).

### Entity

The term "Entity" means a legal person or a legal arrangement such as a corporation, organisation, partnership, trust or foundation. The term covers any person other than an individual (i.e. a natural person)

### Financial Institution

The term "Financial Institution" means a "Custodial Institution", a "Depository Institution", an "Investment Entity", or a "Specified Insurance Company". Please see the relevant domestic guidance and the CRS for further classification definitions that apply to Financial Institutions.

### NFE

"NFE" is an Entity that is not a Financial Institution.

### Passive NFE

Under the CRS a "Passive NFE" means any NFE that is not an Active NFE. An Investment Entity located in a Non-Participating Jurisdiction and managed by another Financial Institution is also treated as a Passive NFE for purposes of the CRS.

### Related Entity

An Entity is a "Related Entity" of another Entity if either Entity controls the other Entity, or the two Entities are under common control. For this purpose, control includes direct or indirect ownership of more than 50% of the vote and value in an Entity.

### Reportable Person

A "Reportable Person" defined as a "Reportable Jurisdiction Person", other than:

- a corporation the stock of which is regularly traded on one or more established securities markets;
- any corporation that is a related Entity of a corporation described in clause (i);
- a Governmental Entity;
- an International Organisation;
- a Central Bank; or a Financial Institution (except for an Investment Entity described in Sub Paragraph A (6) b) of the CRS that are not Participating Jurisdiction Financial Institutions. Instead, such Investment Entities are treated as Passive NFE's)

### Reportable Account

The term "Reportable Account" means an account held by one or more Reportable Persons or by a Passive NFE with one or more Controlling Persons that is a Reportable Person.

**INSTRUCTIONS** (Please read these instructions before completing the form)

- In accordance with regulatory requirement, TAIM is required to collect and report information about your tax residence(s) status. If you are a tax resident outside the country where your account is held, we may be obliged to transmit your information to Inland Revenue Board of Malaysia ("IRBM") and they may exchange your information between different countries' tax authorities.
- This form will remain valid unless there is a change in circumstances relating to information, such as the account's tax status or other mandatory field information, that makes this form incorrect or incomplete. In that case you must notify TAIM and provide an updated self-certification.
- Please fill in this form if the account holder is a Passive NFE, or an Investment Entity located in a Non-Participating Jurisdiction and managed by another Financial Institution.
- Where you need to self-certify on behalf of an entity account holder, do not use form. Instead, you will need an "Entity tax residency self-certification". Similarly, if you're an individual account holder, sole trader or sole proprietor, then please complete an "Individual tax residency self-certification".
- If you are filling in this form on behalf of a controlling person, please tell us in what capacity you are signing this form. (For example you may be the Passive NFE Account Holder, or completing the form under a power of attorney).
- For joint or multiple controlling persons, use a separate form for each individual person.
- Even if you have already provided information in relation to the United States Government's Foreign Account Tax Compliance Act ("FATCA"), you may still need to provide additional information for the CRS as this is a separate regulation.

**As a financial institution, we are not allowed to give tax advice.**

- Your tax adviser may be able to assist you in answering specific questions on this form. Your domestic tax authority can provide guidance regarding how to determine your tax status.
- You can also find out more, including a list of jurisdictions that have signed agreements to automatically exchange information, along with details about the information being requested, on the OECD automatic exchange of information portal at:  
<http://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/tax-residency/>

Please complete in **BLOCK LETTERS**

**PART 1. IDENTIFICATION OF CONTROLLING PERSON**
**A. Name of Controlling Person**

First Name (Given Name)

Last Name (Family Name)

Identification No.

*If your legal name is a single name, the first name data element should be completed as "NFN" (No First Name) and the last name field should be completed with account holder's single name.*

**B. Current Residence Address**

Address:			
Postcode:	Town:	State:	Country:
Contact No:	Mobile No:	Email:	

**C. Mailing Address** *(please only complete if different to the address shown in Section B)*

Address			
Postcode:	Town:	State:	Country:
Contact No:	Mobile No:	Email:	

**D. Date and Place of Birth:**

Date of Birth (dd/mm/yyyy):	Town or City of Birth:
Country of Birth:	

**E. Please enter the legal name of the relevant Entity Account Holder(s) of which you are a Controlling Person**

Legal Name of <b>Entity 1</b>	
Legal Name of <b>Entity 2</b>	
Legal Name of <b>Entity 3</b>	

**PART 2. TAX RESIDENCY DECLARATION**

Please tick one option and complete as appropriate:

- (i) ☐ I am a tax resident of Malaysia and I do not have tax residency with other countries.  
 (ii) ☐ I am a tax resident of Malaysia and I **have** tax residency with other countries.  
 (iii) ☐ I am not a tax resident of Malaysia and I do not have tax residency with other countries.  
 (iv) ☐ I am not a tax resident of Malaysia and I **have** tax residency with other countries.

If you select (ii) or (iv), please complete the following table.

No	Country/Jurisdiction of tax residence	Taxpayer ID No. (TIN)	If TIN is not available, please indicate Reason A, B or C	If selected Reason C, please give explain why unable to obtain TIN.
1.				
2.				
3.				
4.				
5.				

*If the tax resident is more than (5) countries, please use a separate sheet.*

Reason A: The country/jurisdiction where the Account Holder is resident does not issue TINs to its resident.

Reason B: No TIN is required. (Note: Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction).

Reason C: The Account Holder is otherwise unable to obtain a TIN or equivalent number (Please explain why you are unable to obtain a TIN in the above table if you have selected this reason).

**PART 3. TYPE OF CONTROLLING PERSON**

Please only complete this section if you are tax resident in one or more reportable jurisdiction.

Type of Controlling Person	Controlling Person's Status	Entity 1	Entity 2	Entity 3
Controlling Person of a legal person	Control by ownership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Control by other means	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Senior managing official	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Controlling Person of a trust	Settlor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Trustee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Protector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Beneficiary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Controlling Person of a legal arrangement (non-trust)	Settlor - equivalent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Trustee - equivalent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Protector - equivalent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Beneficiary - equivalent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other - equivalent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**PART 4. DECLARATION & SIGNATURE**

I understand that the information provided by me is covered by the full provisions of the terms and conditions governing the Entity Account Holder's relationship with TA Investment Management Berhad ("TAIM") setting out how TAIM may use and share the information supplied by me.

I acknowledge that the information contained in this form and information regarding the Controlling Person and any Reportable Account(s) may be reported to tax authorities of the country/jurisdiction in which this account(s) is maintained and exchanged with tax authorities of another country/jurisdiction in which the Controlling Person may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

I certify that I am the Controlling Person or am authorised to sign for the Controlling Person of all the account(s) held by the Entity Account Holder to which this form relates.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, accurate and complete.

I undertake to advise TAIM within 30 days of any change in circumstance which affects the tax residency status of the Controlling Person or causes the information contained herein to become incorrect or incomplete, and to provide TAIM with a suitably updated Self-Certification and Declaration within 30 days of such change in circumstances.

Signature:

Date:

Note: If you are not the Controlling Person please indicate the capacity in which you are signing the form. If signing under power of attorney, please also attach a certified copy of the power of attorney.

Capacity: .....

## DEFINITIONS

### Account Holder

The term "Account Holder" means the person listed or identified as the holder of a Financial Account. A person, other than a Financial Institution, holding a Financial Account for the benefit of another person as an agent, a custodian, a nominee, a signatory, an investment advisor, an intermediary, or a legal guardian, is not treated as the Account Holder. In these circumstances that other person is the Account Holder. For example, in the case of a parent/child relationship where the parent is acting as a legal guardian, the child is regarded as the Account Holder. With respect to a jointly held account, each joint holder is treated as an Account Holder.

### Controlling Person

This is a natural person who exercises control over an entity. Where that entity is treated as a Passive Non-Financial Entity ("NFE") then a Financial Institution must determine whether such Controlling Persons are Reportable Persons. This definition corresponds to the term 'beneficial owner' as described in Recommendation 10 and the Interpretative Note on Recommendation 10 of the Financial Action Task Force Recommendations (as adopted in February 2012).

### Controlling Person of a trust

Means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust (including through a chain of control or ownership). The settlor(s), the trustee(s), the protector(s) (if any), and the beneficiary(ies) or class(es) of beneficiaries, must always be treated as Controlling Persons of a trust, regardless of whether or not any of them exercises control over the activities of the trust.

Where the settlor(s) of a trust is an Entity then the CRS requires Financial Institutions to also identify the Controlling Persons of the settlor(s) and when required report them as Controlling Persons of the trust.

In a case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions.

### Entity

The term "Entity" means a legal person or a legal arrangement such as a corporation, organisation, partnership, trust or foundation.

### Passive NFE

Under the CRS a "Passive NFE" means any NFE that is not an Active NFE. An Investment Entity located in a Non-Participating Jurisdiction and managed by another Financial Institution is also treated as a Passive NFE for purposes of the CRS.

### Reportable Account

The term "Reportable Account" means an account held by one or more Reportable Persons or by a Passive NFE with one or more Controlling Persons that is a Reportable Person.

### Reportable Jurisdiction

A Reportable Jurisdiction is a jurisdiction with which an obligation to provide financial account information is a place and that is identified in a published list.



**This Declaration Form is to be completed when you invest in a Wholesale Fund Only.**

*(Note: Principal and joint applicant must be 18 years old and above. Both need to declare that they are sophisticated investors.)*

I/We\* hereby declare and confirm that I/we\* am/are\* qualified to invest in the Fund as stated above. I/We\* acknowledge that **TA Investment Management Berhad** accepts the investment into the Fund on the basis of this Declaration. I/We\* further confirm that this Declaration is accurate as to the matter stated herein and am/are\* prepared to furnish any documentary evidence to establish the accuracy of this Declaration. In any event, I/we\* agree to indemnify and keep **TA Investment Management Berhad** indemnified in respect of any costs, expenses, fines, penalties, or any other losses, which it may suffer or incur in the event of this Declaration is untrue or incorrect in any way.

*\* Please delete where appropriate.*

Principal Applicant / Authorised Signatory 1 Date <input type="checkbox"/> I declare that I am a sophisticated Investor	Principal Applicant / Authorised Signatory 2 (if any) Date: <input type="checkbox"/> I declare that I am a sophisticated investor	Company Seal or Stamp
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**Notes To Read Before Completing This Declaration Form (Investment in Wholesale Fund Only)**

You are advised to read and understand the Information Memorandum and Supplemental Information Memorandum(s) (if any) relating to the Fund before investing in the Fund and for additional terms including but not limited to, minimum initial and subsequent investment amount.

Please tick (✓) in the appropriate box(es) below. Only a "Sophisticated Investor(s)" may invest in a wholesale fund. A "Sophisticated Investor(s)" refers to: -

Category of Investors	Definition
<b>A. Accredited investors</b>	<input type="checkbox"/> A unit trust scheme, private retirement scheme or prescribed investment scheme. <input type="checkbox"/> Bank Negara. <input type="checkbox"/> A licensed person or a registered person. <input type="checkbox"/> An exchange holding company, a stock exchange, a derivatives exchange, an approved clearing house, a central depository or a recognized market operator. <input type="checkbox"/> A corporation that is licensed, registered or approved to carry on any regulated activity or capital market services by an authority in Labuan or outside Malaysia which exercises functions corresponding to the functions of the Commission. <input type="checkbox"/> A bank licensee or an insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [Act 704]. <input type="checkbox"/> An Islamic bank licensee or a takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [Act 705]. <input type="checkbox"/> A chief executive officer or a director of any person referred to in paragraphs 3, 4, 5, 6 and 7.P.U. (A) 51. <input type="checkbox"/> A closed-end fund approved by the Commission.
<b>B. High-net worth entities</b>	<input type="checkbox"/> A company that is registered as a trust company under the Trust Companies Act 1949 and has assets under its management exceeding ten million ringgit or its equivalent in foreign currencies. A corporation that - <ul style="list-style-type: none"> <li><input type="checkbox"/> is a public company under the Companies Act 2016 which is approved by the Commission to be a trustee under the Act and has assets under its management, exceeding ten million ringgit or its equivalent in foreign currencies; or</li> <li><input type="checkbox"/> is carrying on the regulated activity of fund management solely for the benefit of its related corporations and has assets under its management exceeding ten million ringgit or its equivalent in foreign currencies.</li> </ul> <input type="checkbox"/> A corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts. <input type="checkbox"/> A partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies. <input type="checkbox"/> A statutory body established under any laws unless otherwise determined by the Commission P.U. (A) 52. <input type="checkbox"/> A pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967.
<b>C. High-net worth individuals</b>	An individual - <ul style="list-style-type: none"> <li><input type="checkbox"/> whose total net personal assets, or total net joint assets with his or her spouse, exceeding three million ringgit or its equivalent in foreign currencies, excluding the value of the individual's primary residence;</li> <li><input type="checkbox"/> who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies in the preceding twelve months;</li> <li><input type="checkbox"/> who jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies in the preceding twelve months;</li> <li><input type="checkbox"/> whose total net personal investment portfolio or total net joint investment portfolio with his or her spouse, in any capital market products exceeding one million ringgit or its equivalent in foreign currencies; or</li> </ul>
<b>D. Consideration ≥ RM 250,000</b>	<input type="checkbox"/> An individual who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for transaction whether such amount is paid for in cash or otherwise. <input type="checkbox"/> A company/corporation/institution who acquire unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for transaction whether such amount is paid for in cash or otherwise.

A "wholesale fund" means a unit trust scheme established where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to sophisticated investors. Please note that this Declaration is not the only term relating to investments into a Wholesale Fund.

## NOTES AND CONDITIONS

### 1. INSTRUCTIONS

Please read the following before completing this Form. By applying for units of the Funds managed by TA Investment Management Berhad ("TAIM" or "the Manager"), you are bound by the terms stated below. All instructions given or purported to be given via any written or facsimile transmission by the applicant, as named in this Form or otherwise in writing are binding on the applicant. **Duly completed forms or instructions from the applicant are deemed irrevocable.**

### 2. DOCUMENTS REQUIRED

#### a) Principal/Joint Applicant (CASH Investment)

- > Account Opening Form;
- > Declaration Form (Wholesale Funds Only);
- > A photocopy of principal/joint applicant NRIC, passport or other form of identification.
- > Proof of payment.

#### b) Principal (EPF Investment)

- > Account Opening Form;
- > KWSP 9N (AHL) Form;
- > A photocopy of principal applicant NRIC/passport.

#### c) Company/Institution/Association

- > Account Opening Form;
- > Declaration Form (Wholesale Funds Only);  
A certification true copy of the the following:
- > Certification of Incorporation (if any);
- > Memorandum and Articles of Association (if any);
- > Form 24 (List of Shareholders) (if any) or return for the allotment of shares under section 78 of the Companies Act 2016;
- > Form 44 (if any) or notice under section 46 of the Companies Act 2016;
- > Form 49 (List of Directors) (if any) or notice under section 58 of the Companies Act 2016;
- > Board Resolution to authorise the investment;
- > A list of authorised signatories & specimen signatures;
- > The latest Audited Financial Statement;
- > Copy of NRIC or passport or other form of identification;
- > The Company Seal or Stamp, if applicable, must be affixed on this form;
- > Proof of payment

TAIM reserve the right to request additional documents from applicant(s) to support the application. Application for investment shall not processed in the event of the investor fails to complete the forms and provide required documents for the purpose of investment.

"Beneficial Owner" is the natural person who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes that person who exercises ultimate effective control over a legal person or arrangement. This is pursuant to Anti-Money Laundering (AML) requirement.

### 3. PRINCIPAL APPLICANT

- Principal applicants must be 18 years of age at the date of application.

### 4. JOINT APPLICANT

- Joint applicant is also required to sign this form.
- A joint applicant who is under 18 years of age need not sign this form. Instead, a photocopy of the NRIC or Birth Certificate is required. (Not applicable for Wholesale Fund investors)
- In the event of the death of a joint applicant, the survivor will be the only person recognised by the Manager as having any title to or interest in the units.
- Units registered in joint names with a minor can be redeemed or transferred by the parent/guardian. On or after the minor's 18<sup>th</sup> birthday, the parent/guardian may request that the units be transferred to the minor's name. In the event of the death of the parent/guardian, the Executor or Administrator of the deceased's estate will be the only person recognised by the Manager as having title to such units. (Not applicable for Wholesale Fund investors)

### 5. ACCOUNT OPERATING INSTRUCTION

- The operating instruction empowers the authorised signatory(ies) to operate the account.
- All redemption proceeds will be made payable **only** to the **principal applicant**, unless there is a request by the principal applicant that the proceeds be made payable to the joint applicant.

### 6. PAYMENT

- a) Investors are advised **NOT** to make payment in cash when purchasing units of the Fund via any UTC/ IUTA.
- b) All applicant intending to invest in a Class **other than** MYR Class and MYR Hedged Class are required to have a foreign currency account maintained with approve financial institution.
- c) Payment in the form of Cheque (without applicant name printed on it must provide bank statement), Banker's Cheque (provide copy of banker's application form), Cashier's Cheque (provide copy of cashier's application form), Rentas Transfer, Interbank Giro (IBG), Telegraphic Transfer (TT) or other mode of payment (provide supporting of payment proceed) must be attached.
- d) For cash investment, investor is requested to provide proof of payment to show the payment is from the investor and not from any 3<sup>rd</sup> party account holder. The proof of payment must show investor's name as the bank account holder, investor's bank account number, bank logo, TAIM bank account number and this must be a legal statement/screenshot from online bank page.
- e) All payments must be made into our **MAYBANK Account**, details as below.

#### Denominated in MYR Currency

Fund	Account Number	Payable to
TA Funds	5143 5640 0987	TAIM CLIENTS' TRUST A/C – COLLECTION
TA Islamic CashPLUS Fund	5643 5150 1744	TAIM CLIENTS' TRUST A/C – TAICPF
3 <sup>rd</sup> Party Funds	5143 5672 9223	TAIM CLIENTS' TRUST A/C – IUTA 3RD PARTY

#### Denominated in other than MYR Currencies

Fund	Account Number	Payable to
TA Funds / 3 <sup>rd</sup> Party Funds	7143 5600 8995	TAIM TRUST A/C COLLECTION

- f) For the above mentioned bank accounts, the swift code is **MBBEMYKL**.
- g) The Manager will not accept any investment application which is incomplete or not accompanied by the required documents although payment has been credited into TAIM's account.
- h) **The Manager does not accept payment (cheque/online transfer) from a third party of the applicant(s) nor issue payment to any third party of the applicant(s).**

### 7. OTHER CHARGES

Charges, for instance bank charges, telegraphic or online transfer charges and courier charges shall be borne by the Unit Holder in order to execute transactions on behalf of the Unit Holder.

### 8. COOLING-OFF PERIOD

Investors have the right to request for a cancellation of their investment within 6 business days or any other period as mentioned in the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) from the day of purchase. For details, please refer relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any).

## 9. DISTRIBUTION INSTRUCTION

Unit Holders may choose to receive any distributions declared by either of the following methods however is subject as stipulated in the relevant Prospectus(es)/Information Memorandum(s) and Supplemental(s), if any:

### (a) Reinvestment

For reinvestment, the Units will be created based on the NAV per Unit on the Reinvestment Date. There will not be any additional cost for the reinvestment of those additional Units i.e: no sales charge will be imposed on such transaction.

### (b) Payout

The distribution will be paid based on the selected payment mode stated in the form received by our head office or business centres. The payout will be based on the latest information maintain in our record.

Distributions will automatically be re-invested into additional Units of the Fund if:

- No distribution choice is made on the account opening form or investment form.
- The distribution cheque is returned as unclaimed through the post.
- The distribution cheque is uncashed after six (6) months from date of issue.
- The distribution amount is less than RM50.00 or equal to the amount in other respective currency of the Class(es) or such amount determined by the Manager from time to time, and,
- The investment is made under EPF Members Investment Scheme.

In the absence of instructions to the contrary, distribution income from the Fund will be automatically reinvested, at no charge, into additional Units of that Fund based on the NAV per Unit on the Reinvestment Date.

Note: Any change in distribution instruction must be in writing. If this is done in the last 14 days before the distribution declaration date of the Fund, the change will only take effect from the next distribution point, if any.

## 10. RIGHT OF THE MANAGER

The Manager shall be entitled to reject any application for units at its sole discretion without having to furnish any reasons for its rejection to investors.

## 11. NOTES & CONDITIONS RELATING TO THIRD PARTY FUNDS

Please read the following before completing this form. By applying to invest in units of the other unit trust management companies' Funds ("Funds") distributed by TA Investment Management Berhad ("TAIM") as an IUTA you are bound by the terms stated below.

- The applicant hereby agrees that TAIM shall be a bare Custodian and not a trustee to hold and act for and on behalf of the applicant in relation to any units of such Funds as maybe invested in from time to time by the applicant and TAIM shall not recognise any trust or equity in respect of the units registered in the name of TAIM at the applicant's request.
- The applicant hereby appoints TAIM as nominee to apply and undertake any authorised transactions on behalf of the applicant in relation to the Funds.
- TAIM will hold the purchased units as registered unit holder for and/ or behalf of the applicant and is authorised to request payment of and receive all dividends and other payments or distributions in relation to the units.
- Transactions for the units may be aggregated and consolidated either daily or from time to time by TAIM with such transactions as placed or sent by TAIM to the relevant manager of the Fund.
- All transactions with respect to the units effected by TAIM for the applicant shall be according to the terms of the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any), deed of the Fund(s) and applicable laws.

## 12. GENERAL

- This Form must be received by TAIM before 4.00pm (for Third Party Funds before 2.00pm) and if accepted, the NAV for transaction of units will be based at the end of the Business Day on which the application is received by the Manager, except for EPF Investment, the NAV for transaction of units will be based on EPF disbursement received by the Manager before 4.00pm at the end of the business day.
- For TA Islamic CashPlus Fund, NAV for transaction of units will be based when the payment is cleared in TAIM Trust Account before 4.00 pm on a business day.
- Applicant utilizing their EPF savings are not allowed to invest in Funds that are not EPF approved.
- You will receive a transaction advice slip from the Manager indicating the number of units allotted and the confirmed NAV per units of the Class within 14 days.
- Investors will be issued with a Statement of Account together with the Fund's interim and annual report.
- For wholesale fund(s) investors will be issued with a Monthly Statement of Account, quarterly and annual report.
- In the case of joint applicants, distribution and tax vouchers will be issued in the name of the first applicant.
- TAIM reserves the right to reassign another qualified person to replace applicant's consultant at any time it deems fit without having to give any reason whatsoever.
- All investors of any particular Fund are eligible to use the Web Facility – AIMS@TA Investment. This web facility will assist investors to administer and track their Unit Trust investments more effectively and efficiently. Log on to [www.tainvest.com.my](http://www.tainvest.com.my) to sign up.

## 13. CONTACT DETAILS

- The onus is on the applicant to notify TAIM of any change in address and contact number immediately to ensure continuity in the receipt of mails from the Manager.
- Transaction advice slips, statements of account and other documents shall be sent to the applicant's correspondence address as detailed in the Form, at the risk of the applicant.
- All details shown in the transaction advice slips or statements of account are deemed to be correct unless TAIM is notified in writing of any discrepancy within 14 days of issue or 30 days of issue respectively.

## 14. INDEMNITY

- The applicant shall fully indemnify TAIM and any of their consultants against any actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with TAIM accepting, relying on or failing to act on any instructions given by or on behalf of the applicant unless due to the willful default or negligence of TAIM.
- The applicant acknowledges and accepts that TAIM has absolute discretion to rely on facsimile confirmation from the applicant and undertakes to indemnify and hold harmless TAIM, its employees and agents against all costs, expenses, losses, damages, claims and demands arising out of relying on the applicant's confirmation.

## 15. UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a unit trust scheme with borrowed money is more risky than investing with your own savings.

You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financial circumstances. You should be aware of the risks, which would include the following:-

- The higher the margin of financing (that is, the amount of money you borrow for every ringgit of your own money which you put in as deposit or down payment), the greater the potential for losses as well as gains.
- You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
- If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral or pay additional amounts on top of your normal installments. If you fail to comply within the time prescribed, your units may be sold to settle your loan.
- Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore study the terms and conditions carefully before you decide to take a loan. If you are in doubt about any aspect of this risk disclosure statement or the terms of the loan financing, you should consult the institution offering the loan.

## 16. MONEY LAUNDERING STATEMENTS

The applicant hereby warrants that:-

- The applicant is the underlying principal of the Account (where applicable)
- No person other than the applicant has or will have any interest in the Account (where applicable); and
- All monies as may be paid to TAIM from time to time shall come from a legitimate (and not illegal) source
- The applicant agrees to provide all such information and documents as may be necessary to verify the applicant's identity and do all such acts and things as may be necessary to enable TAIM to comply with all applicable anti-money laundering and counter financing of terrorism (AML/ CFT), and know-your-customer laws, rules and regulations (whether in Malaysia or elsewhere). The applicant agrees that TAIM shall not be liable or responsible in anyway whatsoever and shall be held harmless against any loss arising

as a result of or in connection with any delay or failure to process any application or transaction if such information or documents requested by TAIM have not been promptly provided by the applicant to TAIM.

- e) TAIM reserves the right to terminate the relationship if any documents requested pursuant to the AML/ CFT requirements are not received within 14 business days. In the event of termination, units will be redeemed at the closing NAV price on the 15th business day.

#### 17. PERSONAL DATA PROTECTION DATA ACT 2010 (Notice Pursuant to Section 7)

The Personal Data Protection Act 2010 (hereinafter referred to as the "Act"), which regulates the processing of personal data in commercial transactions, applies to TA Investment Management Berhad (hereinafter referred to as "TAIM", "our", "us" or "we"). For the purpose of this personal data notice, the terms "personal data" and "processing" shall have the meaning prescribed in the Act.

This personal data notice applies to any person whose personal data is processed by TAIM.

1. This personal data notice serves to inform you how your personal data is being processed by or on behalf of TAIM.
2. The personal data processed by us may include your name, contact details, email address, username, password, information of any past breaches of or convictions under any law, the relevant services provided to you and any other personal data required for the purposes set out in paragraph 3 below.
3. Subject to the relevant laws, including the Securities Industry (Central Depositories) Act 1991, Capital Markets and Services Act 2007, in respect of depositors' information maintained by Bursa Malaysia Depository Sdn.Bhd., TAIM may use your personal data for the following purposes ("Purposes"):
  - (a) To enable it to discharge its duties and obligations under the Capital Markets and Services Act 2007, the Securities Commission Act 1993, the Securities Industry (Central Depositories Act) 1991, any other written law, the rules of Bursa Malaysia Berhad and its related companies (hereinafter collectively referred to as "Bursa Malaysia") or any co-operation arrangement with any relevant authority or any other stock or derivatives exchange, clearing house, securities depository authorised by the relevant local or foreign laws;
  - (b) To enable it to discharge its contractual obligations;
  - (c) To provide investor and other capital market education events and activities;
  - (d) To enable the resolution of a concern or complaint;
  - (e) To create directories or data bases whether for publication or not;
  - (f) To provide on going information about events and programs, our products and services to people that we believe may be interested in such event, programs, products and services;
  - (g) To provide services;
  - (h) To research, develop and improve our events, programs, products and services; and
  - (i) For any other purpose that is incidental or ancillary or in furtherance to the above purposes.
4. Your personal data is collected from various sources, including information you have provided us, information from third parties and information in the public domain.
5. You may access and request for correction of your personal data. Please contact us using any of the following modes if you have any enquiries or complaints in respect of your personal data:

Designated Contact Person	Customer Service
Mailing address:	TA Investment Management Berhad 23 <sup>th</sup> Floor Menara TA One, 22 Jalan P Ramlee 50250 Kuala Lumpur
Telephone No.:	(603) 2031 6603
Fax No.:	(603) 2031 4479
E-mail address:	<a href="mailto:investor.taim@ta.com.my">investor.taim@ta.com.my</a>

In accordance with the Act:

- (a) we may charge a fee for processing your request for access; and
  - (b) we may refuse to comply with your request for access or correction in accordance with the Act.
6. Subject to relevant laws, your personal data may be disclosed to:
- (a) our parent company, subsidiaries, related and associated companies;
  - (b) our licensees, co-organisers of events, business partners and service providers;
  - (c) Bursa Malaysia, Securities Commission Malaysia, Federation of Investment Managers Malaysia, Bank Negara Malaysia, the Police, Malaysian Anti- Corruption Commission, Companies Commission of Malaysia, Registrar of Societies and other supervisory, governmental or relevant authority;
  - (d) any other stock or derivatives exchange, clearing house, securities depository authorised by the relevant laws;
  - (e) the public at large by publishing the same in accordance with the relevant rules of Bursa Malaysia / Securities Commission Malaysia/ Federation of Investment Managers Malaysia;
  - (f) auditors, professional firms or entities; and
  - (g) any other person which TAIM may think fit,
- notwithstanding that any such persons may be outside Malaysia, for any of the above Purposes or any other purpose for which your personal data was to be disclosed at the time of its collection or any other purpose directly related to any of the above Purposes or where such disclosure is required or authorised by law or by the order of a court.
7. Unless otherwise specified by us at the time the personal data is collected, it is obligatory that you supply us with the personal data requested for by us.
8. If you fail to supply to us the above personal data, we may not be able to carry out the Purpose for which you have provided us the personal data and in addition, you may be in breach of the requirements of the relevant rules of Securities Commission Malaysia / Federation of Investment Managers Malaysia.
9. Your personal data may be transferred to a place outside Malaysia.

By providing to us your personal data, you hereby consent to the processing of your personal data in accordance with all of the foregoing.

Updated v5.8.2022

In accordance with the requirements of the Capital Markets and Services Act 2007, this Form should not be circulated unless accompanied by the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any). Investors are required to read and understand the contents in the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet of the Funds before completing this Form.

Complete in **BLOCK LETTERS**, preferably in **BLACK INK** and tick (✓) where applicable.

☐ Individual      ☐ Cash Investment  
☐ Joint            ☐ EPF Investment  
☐ Corporate      (EPF No. ....)

**1. INDIVIDUAL / NON-INDIVIDUAL APPLICANT DETAILS**

Principal Applicant's Full Name (as in NRIC/ Passport) / Name of Company/ Institution (as per Certificate of Incorporation):

Principal Applicant's NRIC / Passport /Company Registration No:      Passport expiry date:      Contact No:

Joint Applicant's Full Name (as in NRIC/ Passport):

Joint Applicant's NRIC /Passport:      Passport expiry date:      Contact No:

Source of Investment    ☐ Business    ☐ Employment    ☐ Savings    ☐ Inheritance    ☐ Others (please specify) .....

Purpose of Investment    ☐ Savings    ☐ Retirement    ☐ Education Funding    ☐ Others (please specify) .....

**SUITABILITY ASSESSMENT DECLARATION**

1. Are there any changes to your risk profiling from your last investment?

☐ No      ☐ Yes (please complete the "Investor Suitability Assessment Form")

*Note: Investment in the Fund must be according to the latest risk profile.*

2. Does your investment's risk profile fall within the same Fund's risk category?

☐ No (please complete the "Investor Suitability Assessment Form")      Yes ☐

**2. INVESTMENT PAYMENT DETAILS**

☐ Cheque / Banker's Cheque / Cashier's Cheque No: .....      ☐ Online Transfer .....

☐ Transaction Over the Bank Counter /Telegraphic Transfer .....

*1) Cheque without the applicant name printed on it must be accompanied with the bank statement.*

*2) For banker's cheque & cashier's cheque, must provide the bank application form.*

*3) Enclose proof of payment (e.g payment slip/fund transfer receipt) together with copy of the bank statement for verification of applicant(s) name and bank account number.*

*4) No payment from a third party account of the applicant is allowed.*

**3. INITIAL INVESTMENT**

Fund Name		Class(es)^ of Unit	Distribution Instruction (All 3 <sup>rd</sup> party funds will be auto reinvested)		Sales Charge %	Investment Amount	
1.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
2.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
3.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
4.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
5.			<input type="checkbox"/> Reinvest	<input type="checkbox"/> Payout			
<b>Total</b>							

**4. ADDITIONAL INVESTMENT**

Fund Name		Class(es)^ of Unit	Account Number	Sales Charge %	Investment Amount	
1.						
2.						
3.						
4.						
5.						
<b>Total</b>						

^ For Class(es), please specify Class name: eg. USD Class/AUD Class Hedged/ SGD Class/ MYR Class/ MYR Hedged Class, etc. (Please refer to the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet for the Class(es) to invest)

**Note:** All applicant intending to invest in a Class other than MYR Class and MYR Hedged Class are required to have a foreign currency bank account maintained with any approved financial institution.

## 5. DECLARATION & SIGNATURE

I/We hereby declare that have received, read and understood the contents of the relevant Prospectus(es)/ Information Memorandum(s) / Supplemental(s) (if any), and Product Highlights Sheet and agree to abide by the Notes and Conditions as specified prior to completing this application.

I/We wish to invest in the Fund(s) mentioned above and agree to be bound by the provisions of the Deed(s).

I/We declare that the above particulars are true and complete and that no information was withheld that may influence the acceptance of this application.

I/We declare that this application is not funded by gains from any unlawful activities.

I/We are aware on the fees and charges that will be incurred directly or indirectly when investing in the Fund.

I/We hereby agree to indemnify TAIM against any actions, proceedings, claims, losses, damages and costs which be brought against, suffered or incurred by TAIM as a result of any inaccuracy of declarations herein.

I/We are aware that cancellation of any request is not allowed once TAIM receives this form.

**Signature(s) given must be identical to the Account Opening Form.**

Principal Applicant / Authorised Signatory 1 Date	Joint Applicant / Authorised Signatory 2 (if any) Date	Company Seal or Stamp
--	---	-----------------------

### FOR DISTRIBUTOR'S USE ONLY

### FOR OFFICE USE ONLY

<input type="checkbox"/> Consultant	Name:	Remarks		Attended By/Date
<input type="checkbox"/> IUTA	Code:			Approved By/ Date
<input type="checkbox"/> Business Centre	Date:	Received By/Date	Processed By/ Date:	Verified By/ Date
<input type="checkbox"/> TAIM HQ				

## NOTES AND CONDITIONS

### 1. INSTRUCTIONS

Please read the following before completing this Form. By applying for units of the Funds managed by TA Investment Management Berhad ("TAIM" or "the Manager"), you are bound by the terms stated below. All instructions given or purported to be given via any written or facsimile transmission by the applicant, as named in this Form or otherwise in writing are binding on the applicant. **Duly completed forms or instructions from the applicant are deemed irrevocable.**

### 2. DOCUMENTS REQUIRED

#### a) Principal/Joint Applicant - (Cash Investment)

Investment Form / Proof of payment.

#### b) Principal Applicant – (EPF Investment)

Investment Form / A clear photocopy of NRIC / KWSP 9N (AHL) Form

#### c) Company/Institution/Association – (Cash Investment)

Investment Form / Certified true copy of the board resolution with list of authorized signatories and company seal (if applicable) / Proof of payment.

TAIM reserve the right to request additional documents from applicant(s) to support the application.

### 3. PAYMENT

- Investors are advised **NOT** to make payment in cash when purchasing units of the Fund via any UTC/ IUTA.
- All applicant intending to invest in a Class **other than** MYR Class and MYR Hedged Class are required to have a foreign currency account maintained with approved financial institution.
- Payment in the form of Cheque (without applicant name printed on it must provide bank statement), Banker's Cheque (provide copy of banker's application form), Cashier's Cheque (provide copy of cashier's application form), Rentas Transfer, Interbank Giro (IBG), Telegraphic Transfer (TT) or other mode of payment (provide supporting of payment proceed) must be attached.
- For cash investment, investor is requested to provide proof of payment to show the payment is from the investor and not from any 3<sup>rd</sup> party account holder. The proof of payment must show investor's name as the bank account holder, investor's bank account number, bank logo, TAIM bank account number and this must be a legal statement/screenshot from online bank page.
- All payments must be made into our **MAYBANK Account**, details as below.

#### Denominated in MYR Currency

Fund	Account Number	Payable to
TA Funds	5143 5640 0987	TAIM CLIENTS' TRUST A/C – COLLECTION
TA Islamic CashPLUS Fund	5643 5150 1744	TAIM CLIENTS' TRUST A/C – TAICPF
3 <sup>rd</sup> Party Funds	5143 5672 9223	TAIM CLIENTS' TRUST A/C – IUTA 3RD PARTY

#### Denominated in other than MYR Currencies

Fund	Account Number	Payable to
TA Funds / 3 <sup>rd</sup> Party Funds	7143 5600 8995	TAIM TRUST A/C COLLECTION

f) For the above mentioned bank accounts, the swift code is **MBBEMYKL**.

g) The Manager will not accept any investment application which is incomplete or not accompanied by the required documents although payment has been credited into TAIM's account.

h) **The Manager does not accept payment (cheque/online transfer) from a third party of the applicant(s) nor issue payment to any third party of the applicant(s).**

### 4. COOLING-OFF PERIOD

Investors have the right to request for a cancellation of their investment within 6 business days or any other period as mentioned in the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) from the day of purchase. For details, please refer relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any).

### 5. DISTRIBUTION INSTRUCTION

Unit Holders may choose to receive any distributions declared by either of the following methods, however is subject as stipulated in the relevant Prospectus(es)/Information Memorandum(s) and Supplemental(s), if any.:

#### (a) Reinvestment

For reinvestment, the Units will be created based on the NAV per Unit on the Reinvestment Date. There will not be any additional cost for the reinvestment of those additional Units i.e: no sales charge will be imposed on such transaction.

#### (b) Payout

The distribution will be paid based on the selected payment mode stated in the form received by our head office or business centres. The payout will be based on the latest information maintain in our record.

Distributions will automatically be re-invested into additional Units of the Fund if:

- (a) No distribution choice is made on the account opening form or investment form.
- (b) The distribution cheque is returned as unclaimed through the post.
- (c) The distribution cheque is uncashed after six (6) months from date of issue.
- (d) The distribution amount is less than RM50.00 or equal to the amount in other respective currency of the Class(es) of Units or such amount determined by the Manager from time to time, and
- (e) The investment is made under EPF Members Investment Scheme.

In the absence of instructions to the contrary, distribution income from the Fund will be automatically reinvested, at no charge, into additional Units of that Fund based on the NAV per Unit on the Reinvestment Date.

Note: Any change in distribution instruction must be in writing. If this is done in the last 14 days before the distribution declaration date of the Fund, the change will only take effect from the next distribution point, if any.

## **6. RIGHT OF THE MANAGER**

The Manager shall be entitled to reject any application for units at its sole discretion without having to furnish any reasons for its rejection to investors.

## **7. SPECIFIC NOTES & CONDITIONS RELATING TO THE DISTRIBUTION OF THIRD PARTY FUNDS**

a) Please read the following before completing this form. By applying to invest in units of the other unit trust management companies' Funds ("Funds") distributed by TA Investment Management Berhad ("TAIM") as an Institutional Unit Trust Adviser ("IUTA"), you are bound by the terms stated below.

### **b) TRANSACTIONS**

The applicant hereby agrees that TAIM shall be a bare Custodian and not a trustee to hold and act for and on behalf of the applicant in relation to any units of such Funds as maybe invested in from time to time by the applicant and TAIM shall not recognise any trust or equity in respect of the units registered in the name of TAIM at the applicant's request.

The applicant hereby appoints TAIM as nominee to apply and undertake any authorised transactions on behalf of the applicant in relation to the Funds.

TAIM will hold the purchased units as registered unit holder for and/ or behalf of the applicant and is authorised to request payment of and receive all dividends and other payments or distributions in relation to the units.

Transactions for the units may be aggregated and consolidated either daily or from time to time by TAIM with such transactions as placed or sent by TAIM to the relevant manager of the Fund.

All transactions with respect to the units effected by TAIM for the applicant shall be according to the terms of the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any), deed of the Fund(s) and applicable laws.

## **8. GENERAL**

- a) This Form must be received by TAIM before 4.00pm (for Third Party Funds before 2.00pm) and if accepted, the NAV for transaction of units will be based at the end of the Business Day on which the application is received by the Manager, except for EPF Investment, the NAV for transaction of units will be based on EPF disbursement received by the Manager before 4.00pm at the end of the business day.
- a) For TA Islamic CashPlus Fund, NAV for transaction of units will be based when the payment is cleared in TAIM Trust Account before 4.00 pm on a business day.
- b) You will receive a transaction advice slip from the Manager indicating the number of units allotted and the confirmed NAV within 14 days.
- c) Applicant utilizing their EPF savings are not allowed to invest in Funds that are not EPF approved.
- d) Funds that are bought from our authorised distribution channel, the completed Investment Form must be submitted to the distribution channel only.
- e) Bank charges, where relevant, will be borne by investors. The validity of the transaction is dependent upon clearance of the payment made to TAIM.

## **9. INDEMNITY**

- a) The applicant shall fully indemnify TAIM and any of their consultants against any actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with TAIM accepting, relying on or failing to act on any instructions given by or on behalf of the applicant unless due to the willful default or negligence of TAIM.
- b) The applicant acknowledges and accepts that TAIM has absolute discretion to rely on facsimile confirmation from the applicant and undertakes to indemnify and hold harmless TAIM, its employees and agents against all costs, expenses, losses, damages, claims and demands arising out of relying on the applicant's confirmation.

## **10. CONTACT DETAILS**

- a) The onus is on the applicant to notify TAIM of any change in address and contact number immediately to ensure continuity in the receipt of mails from the Manager.
- b) All details shown in the transaction advice slips or statements of account are deemed to be correct unless TAIM is notified in writing of any discrepancy within 14 days of issue or 30 days of issue respectively.

## **11. UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT**

Investing in a unit trust scheme with borrowed money is more risky than investing with your own savings.

You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financial circumstances. You should be aware of the risks, which would include the following: -

- a) The higher the margin of financing (that is, the amount of money you borrow for every ringgit of your own money which you put in as deposit or down payment, the greater the potential for losses as well as gains.
- b) You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
- c) If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral or pay additional amounts on top of your normal installments. If you fail to comply within the time prescribed, your units may be sold to settle your loan.
- d) Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore study the terms and conditions carefully before you decide to take a loan. If you are in doubt about any aspect of this risk disclosure statement or the terms of the loan financing, you should consult the institution offering the loan.

## **12. MONEY LAUNDERING STATEMENTS**

The applicant hereby warrants that: -

- a) The applicant is the underlying principal of the Account (where applicable)
- b) No person other than the applicant has or will have any interest in the Account (where applicable); and
- c) All monies as may be paid to TAIM from time to time shall come from a legitimate (and not illegal) source
- d) The applicant agrees to provide all such information and documents as may be necessary to verify the applicant's identity and do all such acts and things as may be necessary to enable TAIM to comply with all applicable anti-money laundering and counter financing of terrorism (AML/ CFT), and know-your-customer laws, rules and regulations (whether in Malaysia or elsewhere). The applicant agrees that TAIM shall not be liable or responsible in anyway whatsoever and shall be held harmless against any loss arising as a result of or in connection with any delay or failure to process any application or transaction if such information or documents requested by TAIM have not been promptly provided by the applicant to TAIM.
- e) TAIM reserves the right to terminate the relationship if any documents requested pursuant to the AML/ CFT requirements are not received within 14 business days. In the event of termination, units will be redeemed at the closing NAV price on the 15th business day.

In accordance with the requirements of the Capital Markets and Services Act 2007, this Form should not be circulated unless accompanied by the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any). Investors are required to read and understand the contents in the Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet of the Funds before completing this Form. Complete in **BLOCK LETTERS**, preferably in **BLACK INK** and tick (✓) where applicable.

- ☐ Switching  
☐ Redemption

### 1. INDIVIDUAL / NON-INDIVIDUAL APPLICANT DETAILS

Principal Applicant's Full Name (as in NRIC/ Passport) /Name of Company/ Institution (as per Certificate of Incorporation):

Principal Applicant's NRIC / Passport / Company Registration No:

Passport expiry date:

Contact No:

Joint Applicant's Full Name (as in NRIC/ Passport):

Joint Applicant's NRIC /Passport No:

Passport expiry date:

Contact No:

### 2. SWITCHING

Switch From		Switch To	Class(es)^ of Unit	Sales Charge%	Units	
1	Account No				<input type="checkbox"/> Full	<input type="checkbox"/> Partial
	Fund Name	Fund Name			_____ units	
2	Account No				<input type="checkbox"/> Full	<input type="checkbox"/> Partial
	Fund Name	Fund Name			_____ units	
3	Account No				<input type="checkbox"/> Full	<input type="checkbox"/> Partial
	Fund Name	Fund Name			_____ units	
4	Account No				<input type="checkbox"/> Full	<input type="checkbox"/> Partial
	Fund Name	Fund Name			_____ units	
5	Account No				<input type="checkbox"/> Full	<input type="checkbox"/> Partial
	Fund Name	Fund Name			_____ units	

### SUITABILITY ASSESSMENT DECLARATION

1. Are there any changes to your risk profiling from your last investment?

☐ No ☐ Yes (please complete the "Investor Suitability Assessment Form")

*Note: Investment in the Fund must be according to the latest risk profile.*

2. Does your investment's risk profile fall within the same Fund's risk category?

☐ No (please complete the "Investor Suitability Assessment Form") ☐ Yes

### 3. REDEMPTION

Fund Name		Account Number	Class(es)^ of Unit	Units	
1				<input type="checkbox"/> Full	<input type="checkbox"/> Partial _____ units
2				<input type="checkbox"/> Full	<input type="checkbox"/> Partial _____ units
3				<input type="checkbox"/> Full	<input type="checkbox"/> Partial _____ units
4				<input type="checkbox"/> Full	<input type="checkbox"/> Partial _____ units
5				<input type="checkbox"/> Full	<input type="checkbox"/> Partial _____ units

^ For Class(es), please specify Class name: eg. USD Class/AUD Class Hedged/ SGD Class/ MYR Class/ MYR Hedged Class, etc. (Please refer to the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any) and Product Highlights Sheet for the Class(es) to invest)

**Note:** All applicant intending to invest in a Class other than MYR Class and MYR Hedged Class are required to have a foreign currency account maintained with any approved financial institution.



4. PAYMENT MODE (For CASH Investment Only) Redemption proceeds for EPF will be credited back to EPF		Other Requests
<p><b>Note:</b> a) Applicant is required to provide the correct details per their bank record. TAIM will not be responsible for any return transaction. b) Please enclose photocopy of the bank passbook or bank statement as supporting documents.</p> <p><input type="checkbox"/> i) Transfer payment via IBG <input type="checkbox"/> ii) T.T/Rentas (<i>charges incurred will be borne by the investor and will be deducted upfront from the redemption proceed</i>)</p> <p><b>Kindly complete the below as per Bank details</b>    <input type="checkbox"/> Individual Account    <input type="checkbox"/> Joint Account    <input type="checkbox"/> Corporate Account</p> <p>Principal Applicant Name / Corporate Name (as per bank record):</p> <p>Joint Account Name (as per bank record):</p> <p>Bank Name: _____ Bank Account Number : _____</p> <p>Currency:    <input type="checkbox"/> MYR    <input type="checkbox"/> Other Currency Class: ..... Bank Swift Code: .....</p>		<p><b>Authorised by Principal Applicant</b></p> <p><input type="checkbox"/> Redemption payment payable to Joint Applicant</p> <p>_____ Signature (Principal Applicant)</p>

5. DECLARATION & SIGNATURE			
<p>I/We hereby declare that have received, read and understood the contents of the relevant Prospectus(es)/ Information Memorandum(s) / Supplemental(s) (if any), and Product Highlights Sheet and agree to abide by the Notes and Conditions as specified prior to completing this application. I/We wish to invest in the Fund(s) mentioned above and agree to be bound by the provisions of the Deed(s). I/We declare that the above particulars are true and complete and that no information was withheld that may influence the acceptance of this application. I/We declare that this application is not funded by gains from any unlawful activities. I/We are aware on the fees and charges that will be incurred directly or indirectly when investing in the Fund. I/We hereby agree to indemnify TAIM against any actions, proceedings, claims, losses, damages and costs which be brought against, suffered or incurred by TAIM as a result of any inaccuracy of declarations herein. I/We are aware that cancellation of any request is not allowed once TAIM receives this form.</p> <p><b>Signature(s) given must be identical to the Account Opening Form.</b></p>			
Principal Applicant / Authorised Signatory 1 Date		Joint Applicant / Authorised Signatory 2 (if any) Date	
		Company Seal or Stamp	
FOR DISTRIBUTOR'S USE ONLY		FOR OFFICE USE ONLY	
<input type="checkbox"/> Consultant  <input type="checkbox"/> IUTA  <input type="checkbox"/> Business Centre  <input type="checkbox"/> TAIM HQ	Name:	Remarks	
	Code:	Attended By/Date	
	Date:	Approved By/ Date	
		Received By/Date	Processed By/ Date:
			Verified By/ Date

#### NOTES AND CONDITIONS

##### 1. INSTRUCTIONS

Please read the following before completing this Form. By applying for units of the Funds managed by TA Investment Management Berhad ("TAIM" or "the Manager"), you are bound by the terms stated below. All instructions given or purported to be given via any written or facsimile transmission by the applicant, as named in this Form or otherwise in writing are binding on the applicant. **Duly completed forms or instructions from the applicant are deemed irrevocable.**

##### 2. DOCUMENTS REQUIRED

###### a) Principal / Joint Applicant

###### Redemption

Transaction Form / Copy of NRIC (if any) / Copy of bank statement for verification of bank details (for cash investment).

###### Switching

Transaction Form / Investor suitability assessment form (if any)

###### b) Company/Institution/Association – (Cash Investment only)

###### Redemption

Transaction Form / Copy of bank statement for verification of bank details.

###### Switching

Transaction Form /Board Resolution to authorize the switching (if any) /Investor suitability assessment form (if any) /A list of signatories & specimen signatures (if any)

Note: Applicant can perform a maximum of 5 transactions for switching or redemption with the same signing condition, different account type with different signing condition, separate forms are to be completed.

##### 3. REDEMPTION

- For partial redemption a minimum balance is required to be retained in the account as specified in the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any).
- The charges for any other request of redemption payment will be borne by the applicant (if any).
- All redemption proceeds will be made payable **only** to the **principal applicant**, unless there is a request by the principal applicant that the proceeds be made payable to the joint applicant. Proceeds **cannot** be paid to any **Third Party's Account**.

##### 4. SWITCHING

- Applicant may switch between Funds managed by TAIM only (unless otherwise stated by the Deed for the relevant Fund).
- Switching from zero sales charge Funds / lower sales charge Funds (if any), to other Funds, a sales charge/ the different of the sales charge between the two (2) Funds will be incurred before it is invested in the recipient Funds as stipulated in the relevant Prospectus(es) / Information Memorandum(s) and Supplemental(s) (if any).
- Switching is available between the Classes of Units of the Fund and between a Class and any other TAIM funds (or its class of units), which is denominated in the same currency.
- Applicant utilising their EPF savings are not allowed to switch to Funds that are not EPF approved.

##### 5. RIGHT OF THE MANAGER

TAIM reserves the right to reject any transaction request that is unclear, incomplete, having different signature from TAIM's records (**as per Account Opening Form**) and/or not accompanied by the required documents.

**6. NOTES & CONDITIONS RELATING TO THIRD PARTY FUNDS**

Please read the following before completing this form. By applying to invest in units of the other unit trust management companies' Funds ("Funds") distributed by TA Investment Management Berhad ("TAIM") as an Institutional Unit Trust Adviser ("IUTA"), you are bound by the terms stated below.

- a) The applicant hereby agrees that TAIM shall be a bare Custodian and not a trustee to hold and act for and on behalf of the applicant in relation to any units of such Funds as maybe invested in from time to time by the applicant and TAIM shall not recognise any trust or equity in respect of the units registered in the name of TAIM at the applicant's request.
- b) The applicant hereby appoints TAIM as nominee to apply and undertake any authorised transactions on behalf of the applicant in relation to the Funds.
- c) TAIM will hold the purchased units as registered unit holder for and/or behalf of the applicant and is authorised to request payment of and receive all dividends and other payments or distributions in relation to the units.
- d) Transactions for the units may be aggregated and consolidated either daily or from time to time by TAIM with such transactions as placed or sent by TAIM to the relevant manager of the Fund.
- e) All transactions with respect to the units effected by TAIM for the applicant shall be according to the terms of the relevant Prospectus(es)/ Information Memorandum(s) and Supplemental(s) (if any), deed of the Fund(s) and applicable laws.

**7. GENERAL**

- a) This Form must be received by TAIM before 4.00pm (for Third Party Funds before 2.00pm) and if accepted, the NAV will be based at the end of the Business Day on which the application is received by the Manager.
- b) You will receive a transaction advice slip from the Manager indicating the number of units allotted and the confirmed NAV within 14 days.

**8. INDEMNITY**

- a) The applicant shall fully indemnify TAIM and any of their consultants against any actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with TAIM accepting, relying on or failing to act on any instructions given by or on behalf of the applicant unless due to the willful default or negligence of TAIM.
- b) The applicant acknowledges and accepts that TAIM has absolute discretion to rely on facsimile confirmation from the applicant and undertakes to indemnify and hold harmless TAIM, its employees and agents against all costs, expenses, losses, damages, claims and demands arising out of relying on the applicant's confirmation.

updated v3.12.2021

HEAD OFFICE	TA Investment Management Berhad 23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2031 6603   Fax: 03-2031 4479
MELAKA Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-288 2687
PENANG Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801   Fax: 04-611 9805
KOTA KINABALU Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023   Fax: 088-248 463
KUCHING Business Centre	2nd Floor, Lot 13008, SL26, Block16, KCLD Gala City Commercial Centre Jalan Tun Jugah 93350 Kuching, Sarawak Tel: 082-265 979
MIRI Business Centre	Lot 1251, 1st Floor Centrepont Commercial Centre (Phase 1) Jalan Melayu 98000 Miri, Sarawak Tel: 085-430 415
IPOH Business Centre	29A, Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh, Perak Tel: 05-350 0399
JOHOR BAHRU Business Centre	37-01, Jalan Molek 1/29 Taman Molek 81100 Johor Bahru Johor Tel: 07-3611781

**I-800-38-7147**  
[www.tainvest.com.my](http://www.tainvest.com.my)