

- b) entered into for one or more of the following specific aims:
 - (i) reduction of risk;
 - (ii) reduction of cost; or
 - (iii) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification requirements as prescribed in the Guidelines;
- c) the exposure is fully covered to meet any obligation to pay or deliver; and
- d) the risks are adequately captured by the risk management policy and procedures of the Fund.

Global exposure calculation method:

For the purposes of the Fund's investment in derivatives for hedging and/or efficient portfolio management purposes, the global exposure will be calculated using commitment approach to ensure it does not exceed the Fund's NAV. The global exposure of the Fund to derivatives is calculated as the sum of the:

- (a) absolute value of the exposure of each individual derivative not involved in netting or hedging arrangements;
- (b) absolute value of the net exposure of each individual derivative after netting or hedging arrangement; and
- (c) the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC derivatives.

If the FDIs are not listed or quoted on the exchange, we will attempt to minimise the risks of using derivatives through the careful selection of reputable counterparties and constant monitoring of derivative position. Such counterparties will have a minimum long-term credit rating of investment grade (including gradation and subcategories) and will be subject to such other selection criteria as we may determine. 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).

- 7. Other expenses related to the Fund will be updated to include the following:
 - 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.
- 8. Distribution payable amounts will be updated to the following:

Income distribution will be automatically reinvested on the Reinvestment Date without incurring any sales charge, if:

- any distribution payable for Class A and Class B is less than or equal to RM25, or 250 in the respective currency of non-RM denominated Class, or such amounts as may be determined by the Manager from time to time. Unit Holders will be notified prior to any increase in the said minimum threshold amount, and any changes to such an amount will be updated on our website at www.tainvest.com.my;
- no distribution choice was made on the account opening form or transaction form; and/or
- there is no bank account details provided.

TA INVESTMENT MANAGEMENT BERHAD

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