

Affin Hwang Flexible Maturity Income Fund 6

Prospectus

Out **think**. Out **perform**.



AFFIN HWANG
CAPITAL

MANAGER

Affin Hwang Asset Management Berhad (429786-T)

TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)

This Prospectus is dated 28 November 2016.

The Affin Hwang Flexible Maturity Income Fund 6 was constituted on 28 November 2016.

The constitution date for the Fund is also the launch date of the Fund.

This Fund is open for sale during the Offer Period Only.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 9.

INTRODUCTION

Dear investors,

Thank you for expressing your interest in our Affin Hwang Flexible Maturity Income Fund 6 (“Fund”).

This Fund is a close-ended fund with a maturity period of three (3) years. The Fund aims to provide income mainly through investments in fixed income instruments.

To achieve its objective, the Fund will allocate a minimum of 70% to a maximum of 99.80% of its Net Asset Value to invest in fixed income instruments and a minimum of 0.20% of its Net Asset Value in liquid assets, derivatives, and/or structured products.

This Fund is suitable for you if you have up to three (3) years investment horizon and have a moderate risk tolerance.

The Fund’s investments are not risk-free and you are firmly advised to consider the risks associated with investing in this Fund. We consider that the following non-exhaustive specific risk factors are related to the Fund: interest rate risk, credit and default risk, derivatives risk, structured product risk, reinvestment risk, country risk, currency risk, regulatory risk, political risk; mismatch risk and repatriation risk. As such, your risk appetite level should be a consideration when deciding if the Fund is suitable for you. For further details on the risk profiles of the Fund, please refer to “Risk Factors” chapter in this Prospectus.

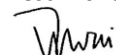
Investing in the Fund will attract fees and charges which are described below:-

- A Sales Charge of 3.00% of the Offer Price;
- Penalty Charge of :
 - 3.00% of the NAV per Unit from the Investment Date up to the first (1st) anniversary of the Investment Date.
 - 2.00% of the NAV per Unit from the Business Day immediately following the first (1st) anniversary up to the second (2nd) anniversary of the Investment Date.
 - 1.00% of the NAV per Unit from the Business Day immediately following the second (2nd) anniversary up to the Business Day immediately before the third (3rd) anniversary of the Investment Date.
 - Nil at Maturity Date or Early Maturity Date.
- A management fee of up to 0.20% per annum of the NAV of the Fund;
- A Trustee fee of up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges); and
- Other expenses in relation to the administration and operation of the Fund.

If you are interested in investing in the Fund and have any queries or require further information, please contact our customer service at our toll free number 1-800-88-7080 or email to customercare@affinhwangam.com. Alternatively, you may contact any of our sales offices or our authorised distributors details of which can be found in “Directory of Sales Offices” chapter of this Prospectus. The Fund will also be made available to you through our sales agents and participating institutional distributors. For the information on the participating institutional distributors, please contact our customer service.

You are encouraged to read the entire Prospectus for a better understanding of the Fund and we look forward to being of service to you.

Best wishes,



Teng Chee Wai
Managing Director

This Prospectus is intended to be issued and distributed in Malaysia only. Consequently, no representation has been and will be made as to its compliance with the laws of any foreign jurisdiction. Accordingly, no issue or sale of Units of the Fund to which this Prospectus relates may be made in any foreign jurisdiction or under any circumstances where such action is unauthorised.

RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of AHAM 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 Prospectus false or misleading.

STATEMENT OF DISCLAIMER

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

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Manager who is responsible for the said Fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this 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

Units of the Fund will only be issued or sold during the Offer Period.

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

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CORPORATE DIRECTORY

The Manager

Affin Hwang Asset Management Berhad
(429786-T)

Registered Office

27th Floor, Menara Boustead

69 Jalan Raja Chulan

50200 Kuala Lumpur

Business address

Ground Floor, Menara Boustead

69 Jalan Raja Chulan

50200 Kuala Lumpur

Tel No. : (603) 2116 6000

Fax No. : (603) 2116 6100

Toll free line : 1-800-88-7080

E-mail : customercare@affinhwangam.com

Website : www.affinhwangam.com

Board of Directors of the Manager

- Tan Sri Dato' Seri Che Lodin bin Wok Kamaruddin
- Puan Maimoonah Binti Mohamed Hussain
- Mr Teng Chee Wai
- Mr David Jonathan Semaya
- En. Abd Malik bin A Rahman (Independent Director)
- YBhg Mej Jen Dato' Hj Latip bin Ismail (Independent Director)

Investment Committee Members

- Dato V. Danapalan (Chairman, Independent member)
- Puan Maimoonah Binti Mohamed Hussain
- Mr. Ong Teng Chong
- En. Mohammad Aminullah Bin Basir (Independent member)
- Mr. Phuah Eng Chye (Independent member)

Audit Committee Members

- YBhg Mej Jen Dato' Hj Latip bin Ismail (Chairman, Independent member)
- En. Abd Malik bin A Rahman (Independent member)
- Mr David Jonathan Semaya

Manager's Delegate

(fund valuation & accounting function)

TMF Trustees Malaysia Berhad

(610812-W)

Registered office & business address

10th Floor, Menara Hap Seng

No 1 & 3, Jalan P.Ramlee

50250 Kuala Lumpur

Tel No. : (603) 2382 4288

Fax No. : (603) 2026 1451

Company Secretary

Azizah Shukor (LS0008845)

27th Floor Menara Boustead

69 Jalan Raja Chulan

50200 Kuala Lumpur

The Trustee

TMF Trustees Malaysia Berhad

(610812-W)

Registered office & business address

10th Floor, Menara Hap Seng

No 1 & 3, Jalan P.Ramlee

50250 Kuala Lumpur

Tel No. : (603) 2382 4288

Fax No. : (603) 2026 1451

Trustee's Delegate

(Local & Foreign Custodian)

Standard Chartered Bank Malaysia Bhd

Level 16, Menara Standard Chartered

30, Jalan Sultan Ismail

50250 Kuala Lumpur

Tel No. : (603) 2117 7777

Fax No. : (603) 2711 6060

Tax Adviser

Deloitte Tax Services Sdn Bhd

Level 16, Menara LGB

1 Jalan Wan Kadir,

Taman Tun Dr. Ismail

60000 Kuala Lumpur

Auditor

PricewaterhouseCoopers

Level 10, 1 Sentral

Jalan Travers, KL Sentral

P.O. Box 10192

50706 Kuala Lumpur

Solicitors for the Manager

Soon Gan Dion & Partners

1st Floor, No. 73, Jalan SS 21/1A

Damansara Utama

47400 Petaling Jaya

Selangor

Banker

HSBC Bank (M) Berhad

Head Office

2, Leboh Ampang

50100 Kuala Lumpur

FIMM

Federation of Investment Managers
Malaysia

19-06-1, 6th Floor

Wisma Tune

19, Lorong Dungun

Damansara Heights

50490 Kuala Lumpur

Tel No. : (603) 2093 2600

Fax No. : (603) 2093 2700

Email: info@fimm.com.my

Website: www.fimm.com.my

Agents

Registered unit trust consultants
and other approved Institutional
Unit Trust Advisers (as and when
appointed) of the Manager.

GLOSSARY

the Act or CMSA	Means the Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time.
Base Currency	Means the currency in which the Fund is denominated i.e. Ringgit Malaysia (MYR).
the Board	Means the board of directors of Affin Hwang Asset Management Berhad.
Bursa Malaysia	Means the stock exchange managed or operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
Business Day	Means a day on which the Bursa Malaysia is open for trading and this information can be obtained from the Bursa Malaysia's website at www.bursamalaysia.com .
Commencement Date	Means the date of this Prospectus and is the date on which sales of Units of the Fund is first made. The Commencement Date is also the date of constitution of the Fund.
day	Means calendar days unless otherwise stated.
Deed	Refers to the deed dated 23 rd June 2016 entered into between the Manager and the Trustee including any amendments and variations thereto.
Early Maturity	An event where the Fund is unwound on or after the first (1 st) anniversary of the Investment Date up to 30 days before the 3 rd anniversary of the Fund's Investment Date, subject to the Fund achieving early maturity requirements (please refer to section "Pertinent Information of the Fund" for further details).
Early Maturity Communiqué	Refers to the Communiqué issued to Unit Holders, notifying that the Early Maturity is exercised and that the Fund will be unwound on the Early Maturity Date.
Early Maturity Date	Refers to the 10 th Business Day immediately following the date which the Manager issues the Early Maturity Communiqué to Unit Holders, notifying that the Fund has met the Early Maturity requirements and the Fund will be unwound on the Early Maturity Date. In the event the Manager deems to be unable to liquidate all the assets on the 10 th Business Day, the Manager will issue a Communiqué to Unit Holders to extend the Early Maturity Date by up to the 20 th Business Day from the date the Early Maturity Communiqué is issued. The Early Maturity Date may fall on a date, earliest on the 1 st anniversary of the Investment Date up to the date, 30 days before the 3 rd anniversary of the Investment Date.
FiMM	Means the Federation of Investment Managers Malaysia.
Financial Institution	Means <ol style="list-style-type: none">if the institution is in Malaysia, any licensed bank, licensed investment bank or licensed Islamic bank;if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Fitch	Refers to Fitch Ratings Inc.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit calculated at the next valuation point after an application for purchase or repurchase request is received by the Manager.
the Fund	Refers to Affin Hwang Flexible Maturity Income Fund 6.
Guidelines	Refers to the <i>Guidelines on Unit Trust Funds</i> issued by the SC and as may be amended from time to time.
GST	Refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014.
Initial Offer Period	Means a period of not more than forty five (45) days from the Commencement Date of the Fund, whereby the Units of the Fund are open for sale at its Initial Offer Price.
Initial Offer Price	Means the fixed price for each Unit during the Initial Offer Period.

Institutional Unit Trust Advisers or (IUTA)	Means an institution or organisation or a corporation that is licensed by the SC for the purpose of carrying out dealing in securities restricted to unit trusts and is duly registered with the FiMM to market and distribute unit trust funds.
Investment Date	Means the date on which the investment of the Fund may first be made and it is the date which begins on the next Business Day immediately after the expiry of the Initial Offer Period. A reference to the Fund's anniversary shall be a reference from this Investment Date.
investment grade	Means bonds that are judged by the rating agencies such as Moody's, Standard & Poor's, Fitch, RAM and MARC, as likely enough to meet payment obligations.
Latest Practicable Date (LPD)	Means 3 May 2016 and is the latest practicable date for the purposes of ascertaining certain information deemed relevant in this Prospectus.
Manager / AHAM	Means Affin Hwang Asset Management Berhad.
MARC	Refers to Malaysian Rating Corporation Berhad.
Maturity Date	Means the date on which the Fund automatically terminates and is the date, which is the third (3 rd) anniversary of the Investment Date; if the date is not a Business Day, the "Maturity Date" shall be the first Business Day following the date that is the third (3 rd) anniversary of the Investment Date. If the Fund is earlier terminated in accordance with the provisions of the Deed and due to the Early Maturity feature, the "Maturity Date" shall mean the date of such earlier termination.
Moody's	Refers to Moody's Investors Service.
MYR	Means Ringgit Malaysia, the lawful currency of Malaysia.
Net Asset Value or NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point; solely for the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and trustee fee for the relevant day.
NAV per Unit	Means the Net Asset Value of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point.
Over-the-counter (OTC)	OTC trades refer to trading of financial instruments directly between two parties without going through the securities exchange i.e. the financial instruments are not formally traded on a securities exchange.
Penalty Charge	Means a charge imposed pursuant to a repurchase request.
PHS	Is the abbreviation for Product Highlights Sheet, a disclosure document that contains clear and concise information of the salient features of the unlisted capital market product.
Prospectus	Refers to this prospectus in respect of the Fund and includes any supplementary or replacement prospectus, as the case may be.
RAM	Refers to RAM Rating Services Berhad.
Repurchase Charge	Means a charge imposed pursuant to a request for repurchase of Units of the Fund.
Repurchase Price	Means the price of a Unit payable by the Manager to a Unit Holder for a Unit of the Fund pursuant to a repurchase request; for the avoidance of doubt, the Repurchase Price does not include any Repurchase Charge which may be imposed.
Sales Charge	Means a charge imposed pursuant to a purchase request of Units.
SC	Means Securities Commission Malaysia established under the Securities Commission Act 1993.
Securities	Has the same meaning assigned it to it under the CMSA.
Selling Price	Means the price of a Unit payable by an applicant for a Unit of the Fund pursuant to an application for Units; for the avoidance of doubt, the Selling Price does not include any Sales Charge which may be imposed.

Short Term	Means a period of less than three (3) years.
Special Resolution	Means 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 of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, “three-fourths of the Unit Holders present and voting” means three-fourths of the votes cast by the Unit Holders present and voting;.
Standard & Poor’s	Refers to Standard & Poor’s Financial Services LLC.
Target NAV per Unit	Means the NAV per Unit target for Early Maturity to be triggered (please refer to “What is an Early Maturity” on page 15 for further details). The Target NAV per Unit is computed via the following formula: RM1.0100 + Sales Charge per Unit imposed + Target Yield in RM per unit terms. For the avoidance of doubt, RM1.0100 per Unit is a preset to reflect the Offer Price, with an additional buffer of 1% i.e. RM1.0000 + RM0.0100.
Target Yield	Means the annual income distribution rate that the Fund endeavours to distribute to Unit Holders, subject to the availability of income. The Target Yield in RM per unit terms = Target Yield × (Initial Offer Price + Sales Charge per Unit imposed). For the purpose of calculating Target Yield in RM per unit terms, if the Sales Charge rate is 3%, the Sales Charge per Unit is RM0.030. The Target Yield shall be confirmed via a Communiqué after the end of the Initial Offer Period.
the Trustee	Refers to TMF Trustees Malaysia Berhad.
Unit(s)	Means 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.
Units in Circulation	Means Units created and fully paid for and which have not been cancelled.
Unit Holder(s) / you	Means the person for the time being who is registered pursuant to the Deed as a holder of Units, including a jointholder.
Yield to Maturity	Means the total return anticipated on a fixed income instrument if the fixed income instrument is held until the end of its lifetime.

Reference to first person pronouns such as “we”, “us” or “our” in this Prospectus means the Manager/AHAM.

KEY DATA

THIS SECTION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THIS FUND. YOU SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS BEFORE MAKING ANY INVESTMENT DECISIONS.

Please refer to the relevant pages for further details on the information.

THE FUND		
Affin Hwang Flexible Maturity Income Fund 6		Page
Fund Category	Fixed Income (closed-ended)	
Fund Type	Income	
Base Currency	MYR	
Financial Year End	30 September	
Investment Objective	The Fund aims to provide income through investments in fixed income instruments.	
Investment Horizon	Three (3) years	
Asset Allocation	<ul style="list-style-type: none"> ➤ A minimum of 70% to a maximum of 99.80% of the Fund's NAV will be invested in fixed income instruments*; and ➤ The remaining balance of the Fund's NAV will be placed in liquid assets, derivatives, and/or structured products. <p><i>* Fixed income instruments means bonds and other forms of securitised debt, money market instruments and fixed deposits.</i></p>	
Benchmark	3-years Malayan Banking Berhad fixed deposit rate as at Investment Date	13
Investment Strategy	<p>To achieve its objective, the Manager intends to invest a minimum of 70% to a maximum of 99.80% of the Fund's NAV in fixed income instruments and a minimum of 0.20% of the Fund's NAV in liquid assets, derivatives, and/or structured products.</p> <p>The Fund may also invest up to 40% of its NAV in unrated bonds or bonds which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies.</p>	
Investor Profile	<p>This Fund is suitable for you if you:-</p> <ul style="list-style-type: none"> ➤ have three (3) years investment horizon; and ➤ have a moderate risk tolerance. 	
Specific Risks	Interest rate risk, credit and default risk, derivatives risk, structured product risk, reinvestment risk, country risk, currency risk, regulatory risk, political risk, mismatch risk and repatriation risk.	9-11
Distribution Policy	Depending on the level of income of the Fund generates, the Fund will provide distribution on an annual basis.	23

THE FUND**Affin Hwang Flexible Maturity Income Fund 6**

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Initial Offer Price	MYR 1.00	
Initial Offer Period*	Forty five (45) days	
Cooling-off Period	Within six (6) Business Days from the day we receive your purchase request.	23
Minimum Initial Investment[^]	MYR 1,000	22
Minimum Additional Investment[^]	MYR 100	
Minimum Holding of Units[^]	1,000 Units	
Minimum Units of Repurchase[^]	1,000 Units	
Switching Facility	Switching into or out of this Fund is not available	23
Transfer Facility	Transfer of Units is allowed.	

Note:

- * The Initial Offer Period may be shortened if we determine that it is in the best interest of the Unit Holders. We also reserve the right not to proceed with the Fund if the Fund has not achieved a viable size of 30 million Units at the end of the Initial Offer Period.
- [^] At our discretion, we may reduce the minimum initial investment amount, minimum additional investment amount, minimum holding of Units and minimum Unit of repurchase.

THE FEES AND CHARGES

The fees, charges and expenses quoted in this Prospectus are exclusive of GST. We (including the Trustee and/or other service provider) will charge GST at the rate of 6% on the following fees, charges and expenses in accordance with the Goods and Services Tax Act 2014.

Please refer to the relevant pages for further details on the information.

This table describes the charges that you may **directly** incur when you buy or redeem Units of the Fund

		Page										
Sales Charge	3.00%* of the NAV per Unit * <i>The Sales Charge is not negotiable.</i>	24										
Penalty Charge	Depending on when the repurchase request is made, the following Penalty Charge shall be applicable: <table border="1" data-bbox="411 721 1300 1137"> <thead> <tr> <th>% of NAV per Unit</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>3.00%</td> <td>From the Investment Date up to the first (1st) anniversary of the Investment Date.</td> </tr> <tr> <td>2.00%</td> <td>From the Business Day immediately following the first (1st) anniversary up to the second (2nd) anniversary of the Investment Date.</td> </tr> <tr> <td>1.00%</td> <td>From the Business Day immediately following the second (2nd) anniversary up to the Business Day immediately before the third (3rd) anniversary of the Investment Date.</td> </tr> <tr> <td>Nil</td> <td>At the Maturity or Early Maturity Date.</td> </tr> </tbody> </table> <p>Notes:</p> <ul style="list-style-type: none"> ➤ There will not be any Penalty Charge applicable on the exercise of cooling-off right and repurchase request made before the Investment Date; ➤ At the Maturity Date or Early Maturity Date, we will cancel all Units and as such do not constitute a repurchase request. That being the case, Penalty Charge is not applicable at the Maturity Date or Early Maturity Date, as the case may be; ➤ The Fund will retain the Penalty Charge for the benefit of the remaining Unit Holders; ➤ The Penalty Charge is not subject to GST; and ➤ The Penalty Charge is not negotiable. 	% of NAV per Unit	Period	3.00%	From the Investment Date up to the first (1 st) anniversary of the Investment Date.	2.00%	From the Business Day immediately following the first (1 st) anniversary up to the second (2 nd) anniversary of the Investment Date.	1.00%	From the Business Day immediately following the second (2 nd) anniversary up to the Business Day immediately before the third (3 rd) anniversary of the Investment Date.	Nil	At the Maturity or Early Maturity Date.	
% of NAV per Unit	Period											
3.00%	From the Investment Date up to the first (1 st) anniversary of the Investment Date.											
2.00%	From the Business Day immediately following the first (1 st) anniversary up to the second (2 nd) anniversary of the Investment Date.											
1.00%	From the Business Day immediately following the second (2 nd) anniversary up to the Business Day immediately before the third (3 rd) anniversary of the Investment Date.											
Nil	At the Maturity or Early Maturity Date.											
Switching Fee	Not applicable as switching facility is not available for this Fund.											
Transfer Fee	MYR 5.00 will be charged for each transfer of ownership											
Other Charges	Any incurred bank charges and other bank fees due to an investment or redemption will be borne by you.											

This table describes the fees that you may **indirectly** incur when you invest in the Fund

		Page
Management Fee	Up to 0.20% per annum of the NAV of the Fund.	25
Trustee Fee	Up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges).	
Fund Expenses	These include: <ul style="list-style-type: none"> ➤ Commissions/fees paid to dealers in effecting dealings in the investments of 	

	<p>the Fund, shown on the contract notes or confirmation notes;</p> <ul style="list-style-type: none"> ➤ (where the custodial function is delegated by the Trustee) charges and fees paid to custodians taking into custody any foreign assets of the Fund; ➤ Taxes and other duties charged on the Fund by the government and/or other authorities; ➤ Costs, fees and expenses properly incurred by the auditor appointed for the Fund; ➤ Costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund; ➤ 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; ➤ 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; ➤ costs and expenses incurred in relation to the distribution of income (if any); ➤ Any tax such as GST and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund; and ➤ Any other expenses allowed under the Deed. 	
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DEED(S) THAT GOVERN THE FUND

Deed dated 23rd June 2016 in respect of the Fund entered into between the Manager and the Trustee.

WARNING STATEMENT

There are fees and charges involved and you are advised to consider the fees and charges before investing in the Fund.

Unit prices and distributions payable, if any, may go down as well as up.

For information concerning certain risk factors which should be considered by you, see “Risk Factors” commencing on page 9.

You should be aware that all fees, charges and expenses referred to or quoted in the Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of GST. We (including the Trustee and other service providers) will charge GST at the rate of 6% on the abovementioned fees, charges and expenses in accordance with the Goods and Services Tax Act 2014.

RISK FACTORS

This section provides you with information on the risks associated with investing in the Fund.

GENERAL RISKS

➤ Fund Management Risk

This risk refers to our day-to-day management of the Fund which will impact the performance of the Fund. For example, our investment decisions as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or guidelines due to factors such as human error, fraudulent, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.

➤ Inflation Risk

This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

➤ Loan Financing Risk

This risk occurs when you take a loan or financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.

➤ Operational Risk

This risk refers to the possibility of a breakdown in our internal controls and policies. The breakdown may be a result of human error, system failure or fraud where our employees collude with one another. This risk may cause monetary loss and/or inconvenience to you. We will regularly review our internal policies and system capability to mitigate this risk. Additionally, we maintain a strict segregation of duties to mitigate instances of fraudulent practices amongst our employees.

SPECIFIC RISKS

➤ Interest Rate Risk

It refers to the impact of interest rate changes on the valuation of fixed income securities and money market instruments ("debt instruments"). When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. The reverse may apply when interest rates fall. This risk can be mitigated by holding the investments until their maturity.

➤ Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a debt instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the debt instruments. This could adversely affect the value of the fund. The management of credit and default risk is largely accounted for with the credit analysis conducted by us to determine the ability of the issuer to service promised payments.

As the Fund may also invest up to 40% of its NAV in unrated bonds or bonds which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies, this will imply a higher credit risk. The Manager will follow a strict selection process to reduce the credit risk of the Fund. Please refer to "Fixed Income Instruments Selection Process and Criteria" on page 14 for more details.

The chart below shows the credit rating assigned by Moody's, Standard & Poor's, Fitch, RAM and MARC:-

	Global Rating Agencies			Malaysian Rating Agencies	
	Moody's	Standard & Poor's	Fitch	MARC	RAM
Investment Grade	Aaa	AAA	AAA	AAA	AAA
	Aa1	AA+	AA+	AA+	AA1
	Aa2	AA	AA	AA	AA2
	Aa3	AA-	AA-	AA-	AA3
	A1	A+	A+	A+	A1
	A2	A	A	A	A2
	A3	A-	A-	A-	A3
	Baa1	BBB+	BBB+	BBB+	BBB1
	Baa2	BBB	BBB	BBB	BBB2
	Baa3	BBB-	BBB-	BBB-	BBB3
Non-Investment Grade	Ba1	BB+	BB+	BB+	BB1
	Ba2	BB	BB	BB	BB2
	Baa3 & lower	BB- & lower	BB- & lower	BB- & lower	BB3 & lower

Note: Credit ratings assigned by the credit rating agencies are dependent on the analyses and assessments conducted by the respective agencies. Due to different methodologies used by the agencies, the creditworthiness of the bonds may be concluded differently as well. Therefore, the credit ratings are not the sole indicator of investment merit. As such, credit rating assigned by a rating agency cannot be assumed as an equivalent rating by another rating agency and therefore, it should not be compared against with another.

➤ **Derivatives Risk**

We may use derivatives for hedging as well as for investment purposes. Valuation of derivatives takes into account a multitude of factors such as price of the underlying assets, volatility of underlying assets, interest rate levels, the correlation between the underlying assets and the derivatives, the implied future direction of the underlying assets and other factors. Any adverse changes of the factors mentioned above, may result in a lower NAV price.

➤ **Structured Product Risk**

This risk arises from investments into instruments such as credit-linked notes (CLNs) structured by a third party. The instrument is linked to the performance of its underlying investments, hence exposing the Fund to the risk of the underlying investments, for example, investments into CLNs which are linked to the performance of reference entity(ies), will expose the Fund to credit risk of the reference entity(ies). As such, the prices of the structured product will be dependent on the prices of its underlying reference entity(ies), where a drop in the price of the underlying reference entity(ies) that the CLN is linked to will also result in a drop in the price of the CLN. As these structured products (such as CLNs) are structured by a third party, the Fund will also be exposed to counterparty risk and default risk arising from the third party's inability to meet the agreed terms. The investment into structured product will expose the Fund to volatility in its Fund price, which will be dependent on the price movement of the structured product it invests in.

➤ **Reinvestment Risk**

This risk arises when an issuer of fixed income instruments decide to repay the principal earlier than the intended maturity date, especially during times of declining interest rates. As a result, the Fund may experience lower returns due to reinvesting in lower yielding fixed income instruments.

➤ **Country Risk**

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 to fall.

➤ **Currency Risk**

As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated

may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. You 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.

➤ **Political Risk**

Changes in political environment can directly or indirectly impact investments of the Fund. For example political instability that leads to social unrest could lead to disruption of economic activity which may impact the Fund's investments in that country. A change in government policies could also impact the Fund's investments. For example, a new government may not be pro investment or the existing government may not have the same investment policies in perpetuity. This may cause the Fund having to liquidate investments below the initial investment price. Political risk is also related to regulatory risk.

➤ **Regulatory Risk**

The investments of the Fund would be exposed to changes in the laws and regulations in the countries the Fund is invested in. These regulatory changes pose a risk to the Fund as it may reduce the attractiveness of investment in that particular country. For example, an increase of tax rate in that country may increase the Fund expenses and may reduce the return of the investment of the Fund. In an effort to manage and mitigate such risk, we seek to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators' website and mainstream medias) in that country. We may dispose its investments in that particular country should the regulatory changes adversely impact the Unit Holders' interest or diminish returns to the Fund.

➤ **Mismatch Risk**

This risk arises upon the commencement of the Investment Date when there is a mismatch between the Maturity Date of the Fund and the maturity date of the investments which the Fund holds. A mismatch of maturity may potentially result in a loss to the Fund. As a simple example, assuming that the Fund matures on 31 March 2020 (3 years from Investment Date of 31 March 2017) but the Fund is holding a bond that matures only in 2023. When the Fund matures, the Fund is forced to sell that bond (to liquidate all investments) at the current market price (as at 31 March 2020) which may be lower than the nominal value and/or the par value of the bond had the bond been held until 2023.

➤ **Repatriation Risk**

Apart from currency risk, investments in foreign countries are also subject to repatriation risk, which relates to the Fund's ability to bring back to Malaysia the income, capital or proceeds of sales of the Fund's assets from the foreign countries. Limitations imposed by the foreign governments such as currency exchange control or transfer restrictions give rise to such risks. Thus there may be risk that the interest of the Unit Holders may be in jeopardy. For example, if the transfer of income, capital or proceeds of sales of the Fund's assets is restricted at the Maturity Date of the Fund, the payment of proceeds to be paid to the Unit Holders may be delayed as well.

RISK MANAGEMENT

In our quest to provide returns to the Fund's Unit Holders, we may need to take risks when managing the Fund's investment portfolio. To ensure Unit Holders' interests are not jeopardised, risk management forms an integral part of our investment management process. Additionally, we have in place a robust compliance structure that is able to monitor the transactions to ensure compliance with the Fund's limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring and ensuring the Fund's limits and restrictions are adhered to.

As this Fund invests primarily in fixed income instruments, the issue of credit and default risk is an important consideration. Credit selection, i.e. the selection of fixed income instruments for this Fund is paramount to ensure that the Fund does not suffer as a result of default by the issuer. Under "Fixed Income Instruments Selection Process and Criteria" on page 14 below, we have listed down its credit selection criteria for this Fund. We also have in place a credit risk management process to reduce credit risk of derivatives investments. Before entering into a contract with the issuer or counterparty, we will conduct an evaluation on the credit of the issuer or counterparty to ensure they are able to meet their contractual obligations. It is important to note that an event of downgrade does not constitute a default. If we view that the issuer or counterparty may have high credit risk, we will not hesitate to take a pre-emptive measure to unwind these positions. In the event of a downgrade in the rating of the issuer in the case of OTC

derivatives, we may opt to sell-down or reduce its exposure into the derivatives. Nevertheless, we will carry out a credit analysis on issuer to determine its ability of financial obligations prior to making the Fund's investment.

We will also select fixed income instruments that, as far as possible, match the Maturity Date of the Fund to mitigate instances of a mismatch between the Maturity Date of the Fund and the maturity of the instrument which the Fund holds. A mismatch of maturity may potentially result in a loss to the Fund (please refer to section "Specific Risks" above for further details). As for the investment in derivatives, the tenure of the investment will be customised to mature within the tenure of the Fund. Currency risk may be mitigated or reduced by the Manager through derivative investments (please refer to page 14 "Derivative Investments" for further details).

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole Prospectus to assess the risks associated to the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

ABOUT THE FUND

INVESTMENT OBJECTIVE

The Fund aims to provide income through investments in fixed income instruments.

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

All income distribution will be made in the form of cash.

BENCHMARK

3-years Malayan Banking Berhad fixed deposit rate as at Investment Date.

The Fund benchmark itself against the fixed deposit rate to evaluate its performance with what Unit Holders would receive had the Unit Holders placed their investment in a fixed deposit. However, please note that as the Fund invests in various fixed income instruments, the risk profile of this Fund is higher than placing money in fixed deposits.

We may provide you with the information on the benchmark upon your request.

ASSET ALLOCATION

- A minimum of 70% to a maximum of 99.80% of the Fund's NAV will be invested in fixed income instruments*; and
- The remaining balance of the Fund's NAV will be placed in liquid assets, derivatives, and/or structured products.

** Fixed income instruments means bonds and other forms of securitised debt, money market instruments and fixed deposits.*

INVESTMENT STRATEGY

To achieve the objective of the Fund, we intend to invest a minimum of 70% to a maximum of 99.80% of the Fund's NAV in fixed income instruments and a minimum of 0.20% of the Fund's NAV in liquid assets, derivatives, and/or structured products.

The Fund may also invest up to 40% of its NAV in unrated bonds or bonds which are rated below investment grade by Standard & Poor's, Moody's, Fitch, RAM, MARC or any other rating agencies (please refer to the credit ratings chart under "Credit and Default Risk" on page 9 for more details).

At the Maturity Date of the Fund, we will redeem or sell the investments, and return all proceeds to you (based on the number of Units you hold), subject to the applicable Fund expenses and fees. In this respect, we will endeavour, as far as it is possible, to purchase investments with maturities that closely mirror the maturity period for this Fund so as to enable the Fund to potentially obtain the full nominal value of those instruments upon the Maturity Date. We may trade the fixed income instruments as and when opportunities arise and/or to risk manage the credit risk of the fixed income instruments issuers or external adverse events affecting any of the fixed income instruments in the Fund's portfolio. If the Maturity Date falls on a non-Business Day, the Maturity Date shall be the first Business Day following the date that is the third (3rd) anniversary of the Investment Date.

However, if Early Maturity is triggered, that is subject to the requirements specified under "How is Early Maturity triggered", we will liquidate all the investments in the portfolio and return the investment proceeds to you. In the event of an Early Maturity, the Fund will mature on Early Maturity Date, which will fall on a Business Day as decided by the Manager. Please refer to "Pertinent Information of the Fund" on page 15 for more details.

The payment of proceeds to be paid to you, however, is expected to be within two (2) weeks from the Maturity Date and will not be more than one (1) month from the Maturity Date.

The fundamental investment process will be driven by two main factors:

- The interest rate outlook for the market over the Short term; and
- The overall balance between credit quality and yield of the targeted bonds.

This entails studying relevant economic and business statistics to produce forecasts of interest rate trends over the Short term.

Fixed Income Instruments Selection Process and Criteria

We will follow a strict selection process to ensure only appropriate fixed income instruments are invested to meet the Fund's investment objective. The selection process is in essence a screening process that selects instruments with risk-return profiles that match the Fund's objective and maturity.

The selection of the fixed income instruments will depend largely on its credit quality. Focus will be on the ability of the issuer and/or guarantor to meet their financial obligations and make timely payment of interest and principal to protect investors' interest while delivering the expected returns to the Fund and meet the Fund's investment objective. The following are the more important considerations:

- Issuer's and/or guarantor's industry and business Short term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Collateral type and value, and claims priority;
- Price and Yield to Maturity; and
- Issuer's and/or guarantor's ratings by RAM, MARC, Standard & Poor's, Moody's, Fitch, or equivalent.

During adverse market conditions, the Fund holds the option to maintain a higher exposure into money market instruments and/or fixed deposits compared to bonds in its attempt to mitigate market risks.

Investments in Foreign Fixed Income Instruments

The Fund will invest in foreign fixed income instruments where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO).

The Fund will also invest in money market instruments and fixed deposits. The selection of the issuers will depend largely on the credit quality and liquidity of the issuer based on the Manager's internal credit rating model.

Derivative Investments

The Fund may employ derivatives, such as foreign exchange forward contracts, cross currency swaps or interest rate swaps primarily for hedging purposes. Cross currency swaps and/or foreign exchange forward contracts could be used to hedge the principal and/or the returns of the foreign currency denominated fixed income instruments back to RM while interest rate swaps could be used to hedge the interest rate exposure borne by the Fund. As prices of fixed income instruments are generally inversely related to yields and interest rates, the use of interest rate swap will enable us to exchange the fixed interest rate for floating interest rate with the intention to mitigate the potential decline in prices of the Fund's investments. While the hedging strategy will assist with mitigating the potential foreign exchange losses by the Fund, any potential gains from the hedging strategy will be capped as well.

Additionally, the Fund may also invest in derivatives for investment purposes to enhance the returns of the Fund. We will take a view on the underlying asset, currency or interest rates and establish a long position to gain a specific underlying exposure. For example, if we expect the Singapore Dollar (SGD) to appreciate relative to MYR and the Fund has existing position in SGD denominated bonds, we may long SGD against MYR in a forward contract. This will increase the Fund's effective currency exposure to SGD. The types of derivatives envisaged for investment purposes are the same as those for hedging. These include OTC and those traded on a centralised exchange which could typically range from forwards and swaps. The use of derivatives for investment purposes may cause Fund's NAV per Unit to have higher volatility. This occurs when certain factors change substantially, such as price and volatility of the underlying assets, interest rate levels, correlation between the underlying assets and the derivatives and the implied future direction of the underlying assets. The use of derivatives is subject to the investment limits as set out under "Investment Restrictions & Limits" on page 18.

Structured Product

The Fund may also invest into structured products such as but not limited to credit linked notes. Investment into these structured products will provide the Fund with the exposure to the reference asset. Each of these products has its own targeted maturity and will expose investors to the price fluctuation of, in the case of a credit linked note, the reference entity that the credit linked note is linked to. As a result, any fluctuation in the price of the structured product may also lead to fluctuations in the NAV of the Fund i.e., if the price of the structured product sees a drop in price, the NAV of the Fund will also be negatively impacted. As the note is structured by an external party, investments into a structured product will also expose the Fund to counterparty risk, which we will attempt to mitigate by carrying out a stringent selection process on its counterparty prior to an investment being made.

PERTINENT INFORMATION OF THE FUND

WHAT IS AN EARLY MATURITY?

An Early Maturity is an event where the Fund is unwound on or after the first (1st) anniversary of the Investment Date up to 30 days before the third (3rd) anniversary of the Fund's Investment Date, subject to the Fund achieving certain requirements (please refer to "How is Early Maturity triggered" below). Should this occur, the Fund will mature on Early Maturity Date. When Early Maturity occurs, we will liquidate all of the investments in the portfolio and return to you the NAV proportion to the number of Units held by you.

HOW IS EARLY MATURITY TRIGGERED?

The Fund's Early Maturity will be triggered when:-

- (a) The NAV per Unit of the Fund is at or higher than the Target NAV per Unit for at least ten (10) consecutive Business Days; and
- (b) Once criteria (a) is met, the Manager has the option to exercise the right to trigger Early Maturity by issuing Early Maturity Communiqué to you on the next Business Day of the day when criteria (a) is met.

Once criteria (a) and (b) have occurred, the Fund will mature on the Early Maturity Date, which will fall on the tenth (10th) Business Day immediately following the date which we have issued the Communiqué to you. In the event we deem to be unable to liquidate all the assets on the 10th Business Day, we will issue a Communiqué to you to extend the Early Maturity Date up to the twentieth (20th) Business Day from the date the Early Maturity Communiqué is issued.

Note: The Early Maturity Date may fall on a date, earliest on the first (1st) anniversary of the Investment Date up to the date, thirty (30) days before the third (3rd) anniversary of the Investment Date.

WHAT IS THE EXPECTED PAYOUT TO UNIT HOLDERS ONCE AN EARLY MATURITY IS TRIGGERED?

It is important to note that for Early Maturity to be triggered, one of the criteria is that the NAV per Unit of the Fund must be at or higher than the Target NAV per Unit for at least ten (10) consecutive Business Days. The Target NAV per Unit is:-

$$\text{RM1.0100} + \text{Sales Charge per Unit imposed} + \text{Target Yield in MYR per unit terms}$$

The Target Yield is the annual income distribution rate that the Fund endeavours to distribute to you, subject to the availability of income. It is useful to note that the Target Yield is a projected distribution rate that the Fund is expected to be able to meet, based on the targeted portfolio of fixed income instruments investments.

The Target Yield will be confirmed via a Communiqué after the end of the Initial Offer Period and is expected to be presented as a % rate (e.g. 4.75%). For the Target Yield to be adjusted in MYR per unit terms, the following calculation will be used:

$$\text{Target Yield in MYR per unit terms} = (\text{Target Yield} \times (\text{Initial Offer Price} + \text{Sales Charge per Unit}))$$

As an illustration to how the Target NAV per Unit is computed, let assume the following:

Target Yield	:	4.75%
Sales Charge per Unit imposed	:	3.0% (i.e. RM0.0300 per Unit)

Initial Offer Price : RM1.0000 per Unit
 Target Yield in RM per unit terms : $(4.75\% \times (RM1.0000 + RM0.0300)) = RM0.0489$

The Target NAV per Unit is computed as:-

RM1.0100 + Sales Charge per Unit imposed + Target Yield in RM per unit terms
 = RM 1.0100 + RM0.0300 + RM0.0489
 = RM1.0889 per Unit

Therefore, the Target NAV per Unit is RM1.0889.

In this example, the Fund's NAV per Unit will need to be at least RM1.0889 per Unit for ten (10) consecutive Business Days before we can issue the Early Maturity Communique on the next Business Day of the day when criteria (a) of "How Is Early Maturity triggered" above is met. Subsequently, the Fund will early mature on the tenth (10th) Business Day following the date the Early Maturity Communique is issued. We will need to liquidate the remaining assets in the Fund and you will be paid based on the NAV of the Fund as at tenth (10th) Business Day from the date the Early Maturity Communique is issued. In the event we deem to be unable to liquidate all the assets on the tenth (10th) Business Day, we will issue a Communique to Unit Holders to extend the Early Maturity Date up to the twentieth (20th) Business Day from the date the Early Maturity Communique is issued. In such event, you will be paid based on the NAV of the Fund as at twentieth (20th) Business Day from the date the Early Maturity Communique is issued.

As a reminder, the Target NAV per Unit covers your initial capital invested including the Sales Charge imposed and the annual income distribution at a rate that the Fund endeavours to distribute to you. The Early Maturity proceeds received by you based on the final NAV of the Fund are expected to closely match the Target NAV per Unit but it may be lower than the Target NAV per Unit as the liquidation of assets in the portfolio is subject to market conditions and liquidation costs. To increase the likelihood of the Initial Offer Price, Sales Charge imposed and Target Yield being covered by the Early Maturity proceeds, an additional buffer of 1% has been incorporated into the computation of Target NAV per Unit. The final NAV will be communicated to you via a Communique within ten (10) days after the Early Maturity Date.

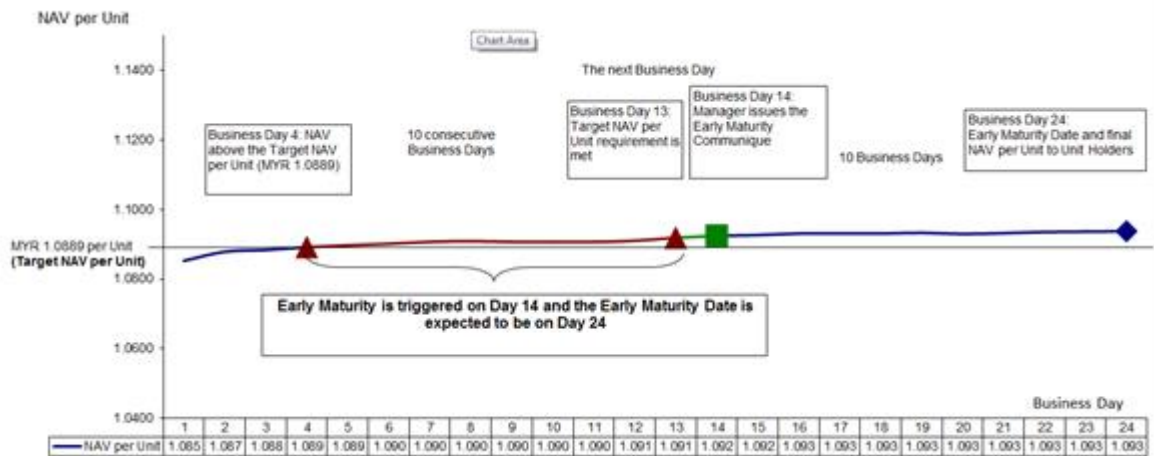
Once a Target Yield is confirmed, the Target NAV per Unit will remain the same throughout the life of the Fund. It is useful to note that the Fund is expected to provide annual income distributions with a minimum per annum rate that equals the Target Yield, until the Fund matures. Should the Early Maturity occur in a later stage of the Fund, such as on the third (3rd) year, you would have already received four (4) rounds of annual income distributions on top of the Early Maturity proceeds. Please be reminded that your investments in the Fund will be subject to the risks highlighted under "Risk Factors" chapter.

ASSUMPTION

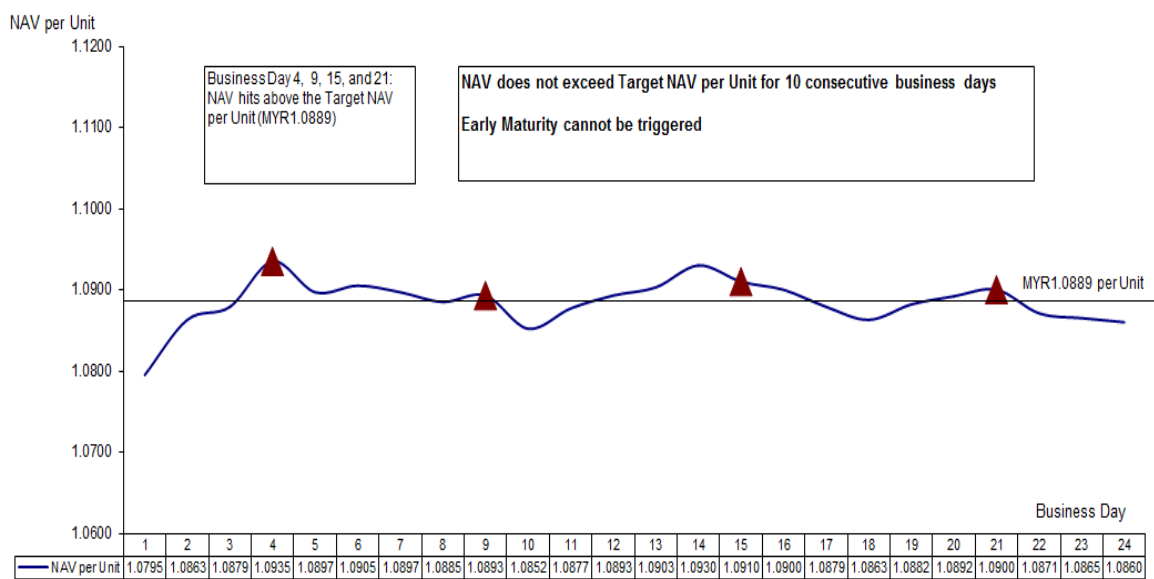
For illustration purposes, business day count starts from the first (1st) anniversary of Investment Date. The Early Maturity Date may fall on a date, earliest on the first (1st) anniversary of the Investment Date up to the date, thirty (30) days before the third (3rd) anniversary of the Investment Date.

Sales Charge	:	3.00%
Initial Offer Price (MYR per Unit)	:	1.0000
Target Yield	:	4.75%
Target Yield (MYR per Unit)	:	0.0489
Target NAV per Unit	:	1.0889

Early Maturity Triggered



Early Maturity Not Triggered



PERMITTED INVESTMENTS

The Fund will invest in the following assets, subject to the Deed, the objective of the Fund, the Guidelines and all relevant laws:-

- Bonds and other forms of securitised debt;
- Money market instruments;
- Fixed deposits;
- Derivatives;
- Structured products; and
- Any other form of investments as may be permitted by the SC from time to time which is in line with the objective of the Fund.

INVESTMENT RESTRICTIONS AND LIMITS

- (a) The aggregate value of the Fund's investments in bonds and other forms of securitised debt, money market instruments, fixed deposits and OTC derivatives issued by or placed with (as the case may be) any single issuer/institution shall not exceed 25% of the Fund's NAV;
- (b) The value of the Fund's investments in bonds and other forms of securitised debt issued by any single issuer shall not exceed 20% of the Fund's NAV;
- (c) The single issuer limit in (b) may be increased to 30% if the bonds and other forms of securitised debt are rated by RAM, MARC, Standard & Poor's, Moody's or Fitch to be of the best quality and offer highest safety for timely payment of interest and principal (i.e. AAA by RAM or its equivalent rated by other rating agencies);
- (d) For the purpose of (a), where the single issuer limit is increased to 30% pursuant to item (c), the aggregate value of the Fund's investments shall not exceed 30% of the Fund's NAV;
- (e) The value of the Fund's investments in bonds and other forms of securitised debt issued by any one group of companies shall not exceed 30% of the Fund's NAV;
- (f) The aggregate value of the Fund's investments in bonds and other forms of securitised debt which are rated below investment grade i.e. lower than BBB3 rating by RAM or below investment grade rating by other rating agencies, must not exceed 40% of the Fund's NAV;
- (g) The value of the Fund's placements in fixed deposits with any single institution shall not exceed 20% of the Fund's NAV;
- (h) The Fund's exposure from its derivatives position should not exceed the Fund's NAV at all times.
- (i) The value of the Fund's OTC derivative transaction with any single counter-party shall not exceed 10% of the Fund's NAV;
- (j) The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV. However, this exposure limit does not apply to :-
 - Debentures traded on an OTC market; and
 - The value of the Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- (k) The Fund's investments in bonds and other forms of securitised debt shall not exceed 20% of that issued by any single issuer;
- (l) The Fund's investments in money market instruments shall 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 predetermined issue size;
- (m) The limits and restrictions on the permitted investments set out in above does not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia as stipulated in Schedule A of the Guidelines;
- (n) The issuers of the OTC derivatives must be licensed financial institutions with a minimum long term rating of AA by RAM or its equivalent rated by other rating agencies; and
- (o) Any other investment limits or restrictions imposed by the Guidelines applicable to the Fund.

The abovementioned restrictions and limits will be complied with at all times based on the up-to-date value of the Fund, and the value of its investments and instruments. However, a 5% allowance in excess of any limit or restriction imposed under the Guidelines is permitted where the limit or restriction is breached through the appreciation or depreciation of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund).

We will not make any further acquisitions to which the relevant limit is breached and within a reasonable period of not more than three (3) months from the date of the breach, we will take all necessary steps and actions to rectify the breach.

VALUATION OF PERMITTED INVESTMENT

We will ensure that the valuation of the Fund is to be carried out in a fair manner in accordance to the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Financial Reporting Standard 139 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.

The valuation bases for the permitted investments of the Fund are as below:

➤ **Fixed Income Securities**

Valuation of unlisted fixed income securities denominated in Ringgit Malaysia will be done using the fair value price quoted by a bond pricing agency (“BPA”) registered with the SC. If we are of the view that the price quoted by BPA differs from the “market price” quoted by at least 3 independent and reputable institutions by more than 20 basis points and we determine that the methodology used by the independent and reputable institutions to obtain the “market price” is more appropriate, we may elect to use the price quoted by the independent and reputable institutions as the “market price”, provided that we record its basis for using a non-BPA price, obtains the necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the “market yields”. Investments in other fixed income securities will be valued using the average indicative price quoted by at least 3 independent and reputable institutions. In the case of listed fixed income securities, the last traded prices quoted on an exchange will be used. Furthermore, in the case where we are unable to obtain quotation from 3 independent and reputable institutions, both listed and unlisted fixed income securities will be valued in accordance to fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

➤ **Money Market Instruments**

Money market instruments will be valued using the amortization method, i.e. the purchased discount or premium will be amortized to the remaining period of maturity.

➤ **Fixed Deposits**

Fixed deposits placed with Financial Institutions are valued by reference to the principal value of such investments and the interests accrued thereon for the relevant period.

➤ **Derivatives and Structured Products**

The valuation of derivatives and structured products will be based on the rates provided by the respective issuers or structurer. For foreign exchange forward contracts (“FX Forwards”), we will apply interpolation formula to compute the value of the FX Forwards based on the rates provided by the Bloomberg or Reuters. If the rates are not available on the Bloomberg or Reuters, the FX Forwards will be valued by reference to the average indicative rate quoted by at least 3 independent dealers. In the case where the Manager is unable to obtain quotation from 3 independent dealers, the FX Forwards will be valued in accordance to fair value as determined by us in good faith, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

VALUATION POINT OF THE FUND

The valuation point for the purpose of determining the NAV of the Fund and NAV per Unit will be carried out at 11.00 a.m. on the next Business Day (or “trading day + 1”). All foreign assets are translated into the Base Currency based on the bid exchange rate quoted by Bloomberg/Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11 p.m. or 12 a.m. midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.

POLICY ON GEARING AND MINIMUM LIQUID ASSETS REQUIREMENTS

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for Units and for short-term bridging requirements subject to the following:

- the Fund's borrowing is only on a temporary basis and that borrowings are not persistent;
- the borrowing period should not exceed one (1) month;
- the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- the Fund may only borrow from Financial Institutions.

Except for securities lending as provided under SBL 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.

DEALING INFORMATION

YOU ARE ADVISED NOT TO MAKE ANY PAYMENT IN CASH TO ANY INDIVIDUAL AGENTS WHEN PURCHASING UNITS OF THE FUND.

You must read and understand the content of the Prospectus (and any supplemental prospectus) and PHS before investing.

PURCHASE AND REPURCHASE OF UNITS

WHO IS ELIGIBLE TO INVEST?

- An individual who is at least eighteen (18) years of age. In the case of joint application, the jointholder whose name appears first in the register of Unit Holders must be at least eighteen (18) years of age.
- A corporation such as registered businesses, co-operative, foundations and trusts.

HOW TO PURCHASE UNITS?

- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documents before we process the purchase application.

Individual or Jointholder	Corporation
<ul style="list-style-type: none"> • account opening form; • FiMM pre-investment form; • Suitability assessment form; • Personal data protection notice form; • A copy of identity card or passport or any other document of identification 	<ul style="list-style-type: none"> • account opening form; • FiMM pre-investment form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association; • Certified true copy of certificate of incorporation; • Certified true copy of form 24 and form 49; • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable); • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories.

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- Bank Transfer

You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. You may obtain our bank account details from our online download center at www.affinhwangam.com.
- Cheque, Bank Draft or Money Order

Issuance of cheque, bank draft or money order should be made payable to “Affin Hwang Asset Management Berhad-CTA”, crossed and drawn on a local bank. You are to write your name, identity card number or business registration number at the back of the cheque, bank draft or money order.
- Bank charges or other bank fees, if any, will be borne by you.

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- During the Initial Offer Period, if we receive your purchase application on a Business Day, we will create your Units based on the Initial Offer Price of the Fund. After the Initial Offer Period, the Units of the Fund will not be available for sale anymore.
- Sale of Units will be honoured upon receipt of complete set of documents together with the proof of payments.

WHAT ARE THE MINIMUM INITIAL INVESTMENT, MINIMUM ADDITIONAL INVESTMENT AND MINIMUM HOLDING OF UNITS?

Minimum Initial Investment	MYR 1,000
Minimum Additional Investment	MYR 100
Minimum Holding of Units	1,000 Units

- At our discretion, we may reduce the minimum initial investment amount, minimum additional investment amount and minimum holding of Units.

HOW TO REPURCHASE UNITS?

- It is important to note that, you must meet the minimum holding of Units for after a repurchase transaction. If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holdings of Units, you may be required to make an application to repurchase all your Units.
- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- In the transaction form, you may choose to receive the repurchase proceeds in a manner of cheque or bank transfer. If cheque is your option, we will issue the cheque in your name. If bank transfer is your option, proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.

Any incurred bank charges and other bank fees due to a withdrawal by of cheque, bank transfer or other special arrangement method will be borne by you.

It is important to note that a Penalty Charge will be imposed on you for your repurchase request before the Maturity Date. Please refer to page 29 on the calculation of the Penalty Charge.

WHAT IS THE MINIMUM UNITS OF REPURCHASE?

Minimum Units of Repurchase	1,000 Units
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- At our discretion, we may reduce the minimum Units of repurchase.
- We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders of the Fund.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

- For a repurchase request received or deemed to have been received by us at or before 3.30p.m. on a Business Day (or "T day"), Units will be repurchased based on the NAV per Unit for that Business Day. Any repurchase request received after 3.30p.m. will be transacted on the next Business Day (or "T + 1 day").
- Repurchase of Units must be made in terms of Units and not in terms of MYR value.
- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within ten (10) days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable.

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in "Directory of Sales Offices" chapter or with our authorised distributors.
- You may obtain a copy of the Prospectus, PHS and application forms from the abovementioned locations. Alternatively, you may also visit our website at www.affinhwangam.com.

WHO SHOULD I CONTACT IF I HAVE QUESTION OR NEED ADDITIONAL INFORMATION?

- You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can email us at customercare@affinhwangam.com.

COOLING-OFF PERIOD

You have the right to apply for and receive a refund for every Unit that you have paid for within the six (6) Business Days from the date we received your purchase application. You will be refunded for every Unit held based on the Initial Offer Price and the Sales Charge of the Fund, on the day those Units were first purchased and you will be refunded within ten (10) days from the receipt of the cooling-off application.

Please note that the cooling-off right is applicable to you if you are investing in any of our funds for the first time. However, if you are a corporation, staff of AHAM or person registered with a body approved by the SC to deal in unit trusts, you are not entitled to this right.

SWITCHING FACILITY

Switching into or out of this Fund is not available.

TRANSFER FACILITY

You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of MYR value. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holdings of Units to remain as a Unit Holder.

INCOME DISTRIBUTION

Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis.

The income distribution is expected to be primarily derived from coupons received.

All income shall be paid in cash. There will be no option for Unit Holders to reinvest the income in the form of additional Units for this Fund.

Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.

UNCLAIMED MONEYS

Any monies payable to you which remain unclaimed after one (1) year from the date of payment will be paid to the Registrar of Unclaimed Monies by the Manager in accordance with the requirements of the Unclaimed Monies Act, 1965.

FEES, CHARGES AND EXPENSES

You should be aware that all fees, charges and expenses referred to or quoted in the Prospectus (including any supplemental prospectus) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of GST. We (including the Trustee and other service providers) will charge GST at the rate of 6% on the abovementioned fees, charges and expenses in accordance with the Goods and Services Tax Act 2014.

CHARGES

The following are the charges that you may **directly** incur when you buy or redeem Units of the Fund.

SALES CHARGE

The Sales Charge is 3.00% of the Initial Offer Price during the Initial Offer Period. The Sales Charge is not negotiable. All Sales Charges will be rounded to two (2) decimal places and will be retained by AHAM.

PENALTY CHARGE

A Penalty Charge will be imposed on you for your repurchase request before the Maturity Date. The Penalty Charge is a percentage of the NAV per Unit depending on when the repurchase request is made:

% of NAV per Unit	Period
3.00%	From the Investment Date up to the first (1 st) anniversary of the Investment Date.
2.00%	From the Business Day immediately following the first (1 st) anniversary up to the second (2 nd) anniversary of the Investment Date.
1.00%	From the Business Day immediately following the second (2 nd) anniversary up to the Business Day immediately before the third (3 rd) anniversary of the Investment Date.
Nil	At the Maturity or Early Maturity Date.

Notes:

- There will not be any Penalty Charge applicable on the exercise of cooling-off right and repurchase request made before the Investment Date;
- At the Maturity Date or Early Maturity Date, we will cancel all Units and as such do not constitute a repurchase request. That being the case, Penalty Charge is not applicable at the Maturity Date or Early Maturity Date, as the case may be;
- The Fund will retain the Penalty Charge for the benefit of the remaining Unit Holders;
- The Penalty Charge is not subject to GST; and
- The Penalty Charge is not negotiable.

TRANSFER FEE

MYR 5.00 will be charged for each transfer of ownership.

SWITCHING FEE

Not applicable as the switching facility is not available for this Fund.

FEES AND EXPENSES

We may (in our sole and absolute discretion), waive or reduce the amount of any fees (except the trustee fee) and expenses of the Fund, either for all the investors or a particular investor.

The following are the fees that you may **indirectly** incur when you invest in the Fund.

MANAGEMENT FEE

The management fee is up to 0.20% of the NAV of the Fund per annum. The management fee is accrued daily and payable monthly.

Please note that the example below is for illustration only:

Management fee per annum	:	0.20% of the NAV of the Fund
Total NAV of the Fund (before deducting the management fee and the trustee fee)	:	MYR 130 million
Management fee for the day	:	$\frac{\text{MYR } 130,000,000 \times 0.20\%}{365 \text{ days}} = \text{MYR } 712.33$

TRUSTEE FEE

The trustee fee is up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges). The trustee fee is accrued daily and payable monthly. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

Trustee fee per annum	:	0.04% of the NAV of the Fund
Total NAV of the Fund (before deducting the management fee and the trustee fee)	:	MYR 130 million
Trustee fee for the day	:	$\frac{\text{MYR } 130,000,000 \times 0.04\%}{365 \text{ days}} = \text{MYR } 142.47$

EXPENSES

Only the expenses 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:

- Commissions/fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (where the custodial function is delegated by the Trustee) charges and fees paid to custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for the valuation of any investments of the Fund by independent valuers for the benefit of the Fund;
- 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;

- 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;
- costs and expenses incurred in relation to the distribution of income (if any);
- any tax such as GST and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund; and
- Any other expenses allowed under the Deed.

GOODS AND SERVICES TAX

The Royal Malaysian Customs Department has announced the implementation of GST with effect from 1 April 2015 onwards pursuant to the Goods and Services Tax Act 2014. Collective investment schemes are generally exempted from GST. However, some fees, charges and expenses of the Fund are subject to GST which includes:

- Sales Charge;
- Repurchase Charge;
- Switching fee;
- Transfer fee;
- Management fee;
- Trustee fee; and
- Any other expenses of the Fund that may be subject to GST.

REBATES AND SOFT COMMISSIONS

We, including our delegate (if any) will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker/dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebates or shared commissions will be directed to the account of the Fund.

The soft commission can be retained by us or any of our delegates, provided that the goods and services are of demonstrable benefit to the Unit Holders such as research materials, data and quotation services, financial wire services and investment related tools/publication which are incidental to the investment management activities of the Fund.

There are fees and charges involved and investors are advised to consider them before investing in the Fund.

All fees and charges payable by you are subject to all applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government and/or the relevant authorities from time to time.

PRICING

COMPUTATION OF NAV AND NAV PER UNIT

This section explains how the Fund arrives at its NAV and consequently the NAV per Unit.

You should also note that the NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at a particular valuation point. The NAV per Unit is the NAV of the Fund divided by the number of Units in Circulation, at the same valuation point.

Please refer to Section "Valuation Point Of The Fund" of this Prospectus for an explanation of the valuation point.

Illustration on computation of NAV and NAV per Unit for a particular day:-

	MYR
Value of the Fund before income & expenses	130,000,000.00
Add: Income	2,700,000.00
Gross asset value / GAV	132,700,000.00
Less: Fund expenses	(90,000.00)
NAV of the Fund (before deduction of management & trustee fees)	132,610,000.00
Less: Management fee for the day (0.20% p.a)	(726.63)
Less: Trustee fee for the day (0.04% p.a)	(145.33)
NAV of the Fund (after deduction of management & trustee fees)	132,609,128.04
Less: GST of 6% on the management fee for the day	43.60
Less: GST of 6% on the trustee fee for the day	8.72
NAV of the Fund (after GST)	132,609,075.72
Units in Circulation	135,000,000.00
NAV per Unit*	0.9823

For the purpose of the illustration above, the computation of NAV and NAV per Unit are based on the assumption that the expenses are inclusive of GST.

Note:

* NAV per Unit is derived from the following formula:-

$$\frac{\text{NAV of the Fund}}{\text{Units in Circulation}}$$

The rounding policy is four (4) decimal points for the purposes of publication of the NAV per Unit. However, the rounding policy will not apply when calculating the Sales Charge and Repurchase Charge (where applicable).

INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will 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 0.5% or more of the NAV per Unit unless the total impact on your account is less than MYR 10.00. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

	Reimbursement by:	Receiving parties:
Over valuation and/or pricing in relation to the repurchase of Units.	AHAM	Fund
Under valuation and/or pricing in relation to the repurchase of Units	Fund	Unit Holder or former Unit Holder

COMPUTATION OF SELLING PRICE AND REPURCHASE PRICE

Under a single pricing regime, the Selling Price and the Repurchase Price are equivalent to the NAV per Unit. Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.

During Initial Offer Period, the Selling Price and/or the Repurchase Price is equivalent to the Initial Offer Price. Forward Pricing will be used to determine the Repurchase Price after the Initial Offer Period, i.e. the NAV per Unit as at the next valuation point after we receive the repurchase request.

Units will **ONLY** be sold at the Initial Offer Price during the Initial Offer Period.

Calculation of Selling Price

Any Sales Charge payable by the Unit Holder would be calculated as a percentage of Initial Offer Price during Initial Offer Period.

For illustration purposes, we would assume the following during the Initial Offer Period:

<i>Investment Amount</i>	MYR 10,000
<i>Selling Price</i>	MYR 1.00
<i>Number Of Units Received*</i>	MYR 10,000 ÷ MYR 1.00 = 10,000 Units
<i>Sales Charge</i>	3.00%
<i>Sales Charge Paid By Investor**</i>	3.00% x MYR 1.00 x 10,000 Units = MYR 300
<i>GST of 6%***</i>	MYR 300 x 6% = MYR 18
<i>Total Amount Paid By Investor****</i>	MYR 10,000 + MYR 300 + MYR 18 = MYR 10,318

Formula for calculating:-

* Number of Units received	=	$\frac{\text{Amount invested}}{\text{Selling Price}}$
** Sales Charge paid by investor	=	Sales Charge x Selling Price per Unit x Number of Units received
*** GST of 6%	=	Sales Charge paid by investor x 6%
**** Total amount paid by investor	=	Amount invested + Sales Charge paid by investor + GST

Calculation of Repurchase Price

If you request for a repurchase request after the Investment Date, you will be subjected to a Penalty Charge. The Penalty Charge is a percentage of the NAV per Unit depending on when the repurchase request is made by you.

For illustration purposes, we would assume the following:

<i>Units Repurchased</i>	20,000 Units
<i>Repurchase Price</i>	MYR 1.00
<i>Repurchased Amount[^]</i>	20,000 Units x MYR 1.00 = MYR 20,000
<i>Penalty Charge</i>	3.00% of the NAV per Unit (if you request for a repurchase after the first (1 st) anniversary but before the second (2 nd) anniversary of the Investment Date)
<i>Penalty Charge Paid By Investor^{^^}</i>	3.00% x MYR 20,000 = MYR 600
<i>Total Amount Received By investor^{^^^}</i>	MYR 20,000 - MYR 600 = MYR 19,400

Formula for calculating:-

[^] Repurchase amount = Unit repurchased x Repurchase Price

^{^^} Repurchase Charge paid by investor = Repurchase Charge x Repurchase amount

^{^^^} Total amount received by investor = Repurchased amount - Penalty Charge paid by investor

SALIENT TERMS OF THE DEED

Generally, an investor would also be a registered Unit Holder unless the Units are purchased through an IUTA or using a nominee. In such instance, the Units may not be registered in the name of the investor and thus not a registered Unit Holder. Please be advised that we only recognise the rights attached to a registered Unit Holder.

Rights And Liabilities Of Unit Holders

Rights Of Unit Holders

You have the right, among others, to the following:

- to receive the distribution of income, participate in any increase in the value of the Units and to other such rights and privileges as set out under the Deed for the Fund;
- to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution;
- to exercise the cooling-off right (if applicable); and
- to receive annual and interim reports.

You are not entitled to request for the transfer of any of the assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of such assets. In amplification and not in derogation of the aforesaid, Units held shall not confer on any Unit Holder any interest in any particular part or asset of the Fund but only in such interest in the Fund as a whole as may be conferred on Unit Holders by the provisions of the Deed.

Liabilities Of Unit Holders

- You would not be liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto; and
- You shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required For Convening A Unit Holders' Meeting

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that 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; 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.

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 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:

- sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;
- 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 national daily newspaper and another newspaper approved by the relevant authorities; and
- specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- requiring the retirement or removal of the Manager;
- requiring the retirement or removal of the Trustee;
- considering the most recent financial statements of the Fund;
- giving to the Trustee such directions as the meeting thinks proper; or
- considering any matter in relation to the Deed;

provided always that the Manager shall not be obliged to summon any such meeting unless direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund.

Unit Holders' Meeting Convened By Manager

The Manager may for any purpose whatsoever summon a meeting of the Unit Holders by giving at least fourteen (14) days written notice of the meeting to Unit Holders and specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

Unit Holders' Meeting Convened By Trustee

The Trustee may summon a Unit Holders' meeting in the event:

- the Manager is in liquidation,
- in the opinion of the Trustee, the Manager has ceased to carry on business,
- in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the Act.
- requiring the retirement or removal of the Manager;
- giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
- securing the agreement of the Unit Holders to release the Trustee from any liability;
- deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units pursuant to Clause 6.9.1 of the Deed; or
- deciding on the reasonableness of the annual management fee charged to the Fund.

The meeting of the Unit Holders summoned by the Trustee shall be summoned by:

- sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and
- publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Termination Of The Fund

Circumstances That May Lead To The Termination Of The Fund

The Fund may be terminated or wound up as provided for under the Deed and the Guidelines as follows:-

- The SC has withdrawn the authorization of the Fund pursuant to Section 256E of the CMSA;
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind-up the Fund, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA; or
- A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

Retirement, Removal or Replacement Of The Manager

The Manager shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' (or such other period as the Manager and the Trustee may agree upon) notice in writing of its desire so to do, and subject to the fulfilment of the following conditions:

- the retiring Manager shall appoint such corporation by writing under the seal of the retiring Manager as the management company of the Fund in its stead and assign and transfer to such corporation all its rights and duties as management company of the Fund;
- such corporation shall enter into such deed or deeds as are referred to in clause 2.3.2 of the Deed;
- upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee under the Deed at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations under the Deed but without prejudice to the rights of the Trustee or of any Unit Holder or other person in respect of any act or omission on the part of the retiring Manager prior to such retirement and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Manager under the Deed as fully as though such new management company had been originally a party to the Deed;

Subject to the provisions of any relevant law, the Trustee shall take all necessary steps to remove the Manager if:

- 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 interests of Unit Holders for it 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;
- 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
- if 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;

and the Manager shall not accept any extra payment or benefit in relation to such removal. For the avoidance of doubt, the Manager will continue to be paid up to the date of such removal.

In any of the events set out above, 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 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.

Retirement, Removal Or Replacement Of The Trustee

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire to do so, or such other period as the Manager and the Trustee shall agree, and may by deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, 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

The Manager shall take all reasonable steps to replace a Trustee as soon as practicable after becoming aware that:

- the Trustee has ceased to exist;
- the Trustee has not been validly appointed;
- the Trustee is not eligible to be appointed or to act as trustee under 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 a 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 insolvent); or
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law.

Fee And Charges

Below are the maximum fees and charges permitted by the Deed:

Sales Charge	5.50% of the NAV per Unit
Penalty Charge	3.00% of the NAV per Unit from the Investment Date up to the first (1 st) anniversary of the Investment Date.
	2.00% of the NAV per Unit from the Business Day immediately following the first (1 st) anniversary up to the second (2 nd) anniversary of the Investment Date.
	1.00% of the NAV per Unit from the Business Day immediately following the second (2 nd) anniversary up to the Business Day immediately before the third (3 rd) anniversary of the Investment Date.
	Nil at the Maturity or Early Maturity Date.
Annual Management Fee	3.00% per annum of the NAV of the Fund.
Annual Trustee Fee	0.10% of the NAV of the Fund (excluding foreign custodian fees and charges).

Increase Of Fees And Charges Stated In The Prospectus

The maximum Sales Charges and Repurchase Charge set out in this Prospectus can only be increased if the Trustee has been notified in writing by the Manager of the higher rate and the date on which such higher rate is to become effective.

The maximum annual management fee and annual trustee fee set out in this Prospectus can only be increased if the Manager has come to an agreement with the Trustee on the higher rate. The Trustee and the Unit Holders have to be notified in writing by the Manager of the higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the notice is sent.

The supplemental/replacement Prospectus proposing a modification to this Prospectus to increase the aforesaid maximum fees and charges is required to be issued. An increase in the abovementioned fees and charges is allowed if such time as may be prescribed by any relevant laws has elapsed since the effective date of the supplementary/replacement Prospectus.

Increase Of Fees And Charges Stated In The Deed

The maximum Sales Charge, Repurchase Charge, annual management fee and 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.

Permitted Expenses under the Deed

Only the expenses (or part thereof) which is directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commissions/fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor of the Fund;
- costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- 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;

- 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;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- costs, fees and expenses incurred in engaging any valuer, adviser or contractor (including but not limited to legal and Shariah advisers) for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- 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;
- 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);
- remuneration and out of pocket expenses of the independent members of the Investment Committee, unless the Manager decides otherwise;
- 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;
- costs and expenses incurred in relation to the distribution of income (if any);
- (where the custodial function is delegated by the Trustee) charges and fees paid to custodians taking into custody any foreign assets of the Fund; and
- any tax such as GST and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred for the abovementioned.

THE MANAGER

ABOUT AHAM

AHAM was incorporated in Malaysia on 2 May 1997 under the Companies Act, 1965 and began operations under the name Hwang-DBS Capital Berhad in 2001. In early 2014, AHAM was acquired by the Affin Banking Group (“Affin”) and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, AHAM has 15 years’ experience in the fund management industry. Additionally, AHAM is also 30% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, an Asian investment management franchise.

AHAM distributes its funds through the following various channels:-

- In-house/internal sales team;
- IUTA & CUTA (Corporate Unit Trust Advisers); and
- Unit trust consultants.

As at LPD, AHAM has in its stable a total of forty four (44) unit trust funds and forty eight (48) wholesale funds, offering a complete and essential range of products, comprising conventional equity, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market and Islamic fixed income funds.

As at 30 April 2016, the total asset under management, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM31.2 billion.

As at LPD, AHAM has a staff force of two hundred and eighty (280), of whom, two hundred and sixty five (265) are executives and fifteen (15) are non-executives.

AHAM is responsible for the investment management and marketing of the Fund, servicing Unit Holders’ needs, keeping proper administrative records of Unit Holders and the Fund, ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Financial Position

	1 January 2016 to 30 April 2016 (RM) Unaudited	31 December 2015 (RM)	31 December 2014 (RM)	31 July 2013 (RM)
Turnover	68,745,034.92	228,532,458	291,436,031	183,948,110
Profit before tax	14,306,124.82	58,907,389	71,274,997	40,159,749
Profit after tax	11,141,719.82	43,368,100	53,357,719	31,394,865
Issued and paid-up capital	10,000,000.00	10,000,000	10,000,000	10,000,000
Shareholders’ fund	114,242,518.87	112,909,158	99,665,916	79,481,517

Board of Directors

The Board is responsible for the overall management of AHAM and its funds. The Board not only ensures that corporate governance is practised but policies and guidelines are also adhered to. The Board sits at least four (4) times every year, or more should the need arise. The Board comprises of the following individuals:

- Tan Sri Dato’ Seri Che Lodin bin Wok Kamaruddin (Non-independent Director)
- Puan Maimoonah Binti Mohamed Hussain (Non-independent Director)
- Mr Teng Chee Wai (Non-independent Director)
- Mr David Jonathan Semaya (Non-independent Director)
- En. Abd Malik bin A Rahman (Independent Director)
- YBhg Meji Jen Dato’ Hj Latip bin Ismail (Independent Director)

Key Personnel

➤ **Mr. Teng Chee Wai**

Managing Director

Mr. Teng is the founder of AHAM. Over the past fifteen (15) years, he has built the company to its current position with an excess of MYR 30 billion in assets under management. In his capacity as the managing director and executive director of AHAM, Mr. Teng manages the overall business and strategic direction as well as the management of the investment team. His hands on approach see him actively involved in investments, product development and marketing. Mr. Teng's critical leadership and regular participation in reviewing and assessing strategies and performance has been pivotal in allowing AHAM to successfully navigate the economically turbulent decade. Mr. Teng's investment management experience spans more than twenty five (25) years, and his key area of expertise is in managing absolute return mandates for insurance assets and investment-linked funds in both Singapore and Malaysia. Prior to his current appointments, he was the assistant general manager (investment) of Overseas Assurance Corporation (OAC) and was responsible for the investment function of the Group Overseas Assurance Corporation Ltd. Mr. Teng began his career in the financial industry as an investment manager with NTUC Income, Singapore. He is a Bachelor of Science graduate from the National University of Singapore and has a Post-Graduate Diploma in Actuarial Studies from City University in London.

➤ **Mr. David Ng Kong Cheong**

Chief Investment Officer

Mr David joined AHAM in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering the AHAM's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which includes interpreting market signals and making timely asset allocation calls has allowed AHAM to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a forty (40) strong group featuring an impressive resume across different investment specialties, coverage and geographies. Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for AHAM with its multiple award wins, having been voted "CIO of the Year" for Malaysia by Asia Asset Management 2013 awards. Mr David's philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for the Manager's investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.

➤ **Mr Shahrin Shaikh Mohd**

Chief Compliance, Risk and Legal Officer

Shahrin Shaikh Mohd joined AHAM as the Chief Compliance, Risk and Legal Officer in January 2012 and has over nineteen (19) years' experience in the fund management, unit trusts and capital market regulatory framework. He is entrusted by the Board and managing director of AHAM to supervise the overall implementation and communication of risk governance and compliance framework on top of overseeing legal matters and risk management for the company. He is the designated person responsible for the compliance matters of the company. Shahrin began his career with the SC where he spent more than fifteen (15) years in various capacities covering various areas such as reviewing corporate proposals which includes Initial Public Offering ("IPO"), acquisitions, rights issues, unit trusts; development of policies and guidelines as well as supervision and examination of unit trusts and fund management companies. Shahrin's experience includes a one-year stint at the Capital Market Authority of Saudi Arabia as a consultant in reviewing the mutual funds regulatory framework in Saudi Arabia. Shahrin graduated with a double major in Accounting and Finance from the University of Warwick, England.

DESIGNATED FUND MANAGER

➤ **Ms Esther Teo Keet Ying**

Head, Fixed Income Investment

Ms Esther Teo is the Head of Fixed Income Investment. Prior to joining the Manager, Ms Esther Teo was a portfolio manager with HwangDBS Asset Management and responsible for managing fixed income investment of corporate clients and unit trust funds. Prior to this, she was attached with the fixed income division of RHB Asset

Management Sdn. Bhd. covering both institutional and unit trust mandates for 3 years. She began her career in KPMG Malaysia in 1999 as a consultant in financial advisory services specializing in corporate debt restructuring and recovery. Ms Esther graduated from the University of Melbourne, Australia with a Bachelor of Commerce majoring in Accounting and Finance. She has also obtained her licence from the SC since 29 April 2004 to act as a fund manager.

INVESTMENT COMMITTEE

The investment committee (“Committee”) formulates, establishes and implements investment strategies and policies. The Committee will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The Committee will also ensure that the investment guidelines and regulations are complied with. The Committee meets at least once every quarterly or more should the need arise. The Committee comprises of the following individuals:

➤ **Dato’ V. Danapalan** (Chairman, Independent member)

Dato' V. Danapalan holds a B.A. (Hons) from University Malaya and Masters in Public Administration from Pennsylvania State University, United States of America. He was previously the Chairman of the Malaysian Communications and Multimedia Commission (MCMC) until his retirement in March 2006. Prior to joining MCMC, he was a Senior Vice-President at the Multimedia Development Corporation Sdn. Bhd. Before this, he was the Secretary-General at the Ministry of Science, Technology and Environment, a position he held from 1991 to 1998. He currently serves on the Board of Malaysia University of Science and Technology (MUST), Multimedia University (MMU), Sirim QAS Sdn. Bhd., Gibraltar BSN Life Insurance, Telekom Malaysia Berhad, Maybank Foundation and Tun Sambanthan Scholarship Board.

➤ **Puan Maimoonah Binti Mohamed Hussain** (Non-independent member)

Maimoonah Binti Mohamed Hussain graduated from University of Singapore with a Bachelor of Accountancy and was the Director, Debt & Capital Markets of Affin Bank Berhad prior to her appointment as Managing Director at Affin Investment Bank Berhad. Prior to this, she had been the Head of Syndications at Standard Chartered Bank’s debt syndications business for Malaysia, Singapore, Thailand, Indonesia and the Philippines. She was also seconded to Standard Chartered Bank Malaysia Berhad for three (3) years to develop the local as well as cross border debt business. She was prior thereto attached to Morgan Grenfell (Asia) Ltd where she was involved in structured finance and project advisory across South East Asian markets. She also serves as a Director on the Board of Affin Hwang Investment Bank Berhad, Merchant Nominees (Tempatan) Sdn Bhd and Affin Nominees (Asing) Sdn Bhd.

➤ **Mr. Ong Teng Chong** (Non-independent member)

Mr. Ong is currently the Head of Institutional Business (Securities division) at Affin Hwang Investment Bank. Graduated with a Bachelor of Commerce Degree majoring in accounting and finance from Monash University (Clayton campus, Australia), Mr. Ong has around twenty (20) years of working experience in the investment banking industry, specializing in investment research. Mr. Ong has worked at a number of investment banks in Malaysia with the last six years leading the Research and Analytics department of the bank before taking the role of Head of Institutional Business (Securities division) in January 2014. As Head of Research, Mr. Ong has led the overall research team’s improvement in rankings - both clients and external surveys. In the category of equity strategy under his direct coverage, Mr. Ong has ranked well in the AsiaMoney Brokers Polls over the last few years. In addition, Mr. Ong was ranked amongst the top twenty (20) analysts in Malaysia in AsiaMoney Brokers Polls. As Head of Institutional Business, his primary focus today is on building the bank’s institutional brokerage business as well as providing advisory role to the bank’s research and analytics team.

➤ **En. Mohammad Aminullah Bin Basir** (Independent member)

Encik Mohammad Aminullah Bin Basir has vast experience in matters relating to collective investment schemes from his long serving tenure in the Securities Commission Malaysia. Encik Aminullah retired as the Deputy General Manager and Head of Investment Products in the Corporate Finance and Investment Division, after serving for twenty (20) years covering various aspects of the capital market industry such as corporate finance (e.g. initial public offerings, acquisitions and mergers), collective investment schemes (e.g. unit trust funds, real estate investment trusts, exchange traded funds, business trusts) and private retirement scheme. He started his career as an auditor with Ivor Barry and Co, a firm of Chartered Accountants in United Kingdom before returning to Malaysia as an internal auditor with Sime Darby Berhad. Encik Aminullah is a Fellow of the Association of

Chartered Certified Accountants (ACCA), a Chartered Accountant with the Malaysian Institute of Accountants and he is also a certified member of Financial Planning Association of Malaysia (FPAM).

➤ **Mr. Phuah Eng Chye** (Independent member)

Mr. Phuah was previously the Senior General Manager and the Head of the Strategy & Research Department at the SC. For a period of ten (10) years, he was involved in various capital market development and regulatory projects and led the project team that developed the Capital Market Masterplan 2. Prior to joining the SC, he was a regional bank analyst with Dresdner Kleinwort Benson where he was ranked among the top banking analysts in South East Asia. He was also head of Malaysian equities research for PB Securities and K&N Kenanga. He also previously worked as a remisier, a fund manager and as a financial journalist. He graduated with a degree in economics from the University of Manchester, United Kingdom in 1981.

MANAGER'S DELEGATE

AHAM has appointed TMF Trustees Malaysia Berhad to undertake the accounting and valuation function for the Fund by way of a service level agreement. Under the terms of the agreement, management company's delegate will maintain proper accounts, carry out daily valuation/pricing and provide the unit prices for publication in the newspaper. All fees and expenses arising out of this appointment are not charged to the Fund and are solely borne by the Manager as required by the Guidelines.

TMF Trustees Malaysia Berhad was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965, it is a member of TMF Group, with registered Head Office in Netherland.

MATERIAL LITIGATION

As at LPD, AHAM is not engaged in any material litigation and arbitration, including those pending or threatened, and AHAM and its delegate are not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of AHAM and any of its delegates.

THE TRUSTEE

ABOUT THE TRUSTEE

TMF Trustees Malaysia Berhad (Company No. 610812-W) was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965 and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. It's registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia. The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary sector. The group has more than 120 offices in 80 jurisdictions in the world. TMF Trustees started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

As at LPD, the Trustee's operations in Malaysia are supported by a staff strength of eighty seven (87), consisting of eighty one (81) executives and six (6) non-executive. The staffs are mostly comprised of professionals from various disciplines in trusts, legal, accounting and company secretarial.

The Trustee provides various types of trustee business, such as trustee and security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust and custodian for private fund mandate. As at LPD, the Trustee has twenty eight (28) unit trust funds and thirty four (34) wholesale funds under its trusteeship. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, HR administrative and payroll outsourcing services.

Trustee's Financial Position

	31 Mar 16 RM'000 (unaudited)	31 Dec 15 RM'000	31 Dec 2014 RM'000	31 Dec 2013 RM'000
Turnover	1,460	5,128	4,348	3,862
Profit Before Tax	730	2,554	1,679	1,449
Profit After Tax	592	1,892	1,258	1,085
Issued/Paid-up Capital	1,800	1,800	1,800	1,800
Shareholders' Fund	8,076	7,374	5,482	4,224

Board of Directors of the Trustee

Ms. Celine Chan Hooi Li (Chief Executive Officer & Managing Director)

Ms. Shu Wai Ling (Executive Director)

Mr. Soh Ooi Kean Jin (Independent, Non-executive Director)

Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In carrying out these functions and duties, the Trustee has to exercise all due care, skills, diligence and vigilance and is required to act in accordance with the provisions of the Deed, all relevant laws and the SC's Guidelines on Unit Trust Funds. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, all relevant laws and the Guidelines.

Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and SC's Guidelines on Unit Trust Funds.

Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBM") as custodian of the quoted and unquoted investments of the Fund. SCBM is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee

company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with instruction from the Trustee.

SCBM was incorporated in Malaysia on 29 February 1984 under the Companies Act 1965 as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). Standard Chartered Bank Malaysia was granted a license on 1 July 1994 under the Financial Services Act 2013.

Trustee's Disclosure of Material Litigation and Arbitration

As at LPD, the Trustee 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 and adversely affect the financial position or business of the Trustee.

RELATED PARTIES TRANSACTION AND CONFLICT OF INTEREST

Save for the transaction disclosed below, as at 31 December 2015, AHAM is not aware of any existing and/or proposed related party transactions or conflict of interest situations or other subsisting contracts of arrangements involving the Fund.

Related Party Transactions

Name of Party Involved in the Transaction	Nature of Transaction	Name of Related Party	Nature of Relationship
AHAM	Placement of deposits	Affin Hwang Investment Bank Berhad (AffinHwang IB)	AffinHwang IB holds 70% equity interest in the Manager.

Conflicts of Interest

The directors of AHAM have either direct or indirect interest in other corporations carrying on a similar business with AHAM, details of which are as follows:

Name of Director	Name of Corporation or Business	Nature of Interest	
		Shareholding (Direct/ Indirect)	Position
Puan Maimoonah Binti Mohamed Hussain	Asian Islamic Investment Management Sdn. Bhd.	-	Director
Teng Chee Wai	Asian Islamic Investment Management Sdn. Bhd.	-	Director
David Jonathan Semaya	Rongtong Fund Management Co., Ltd.	-	Director
	Nikko Asset Management Australia Limited	-	Director
	Nikko AM Limited	-	Director
	Nikko Asset Management New Zealand Limited	-	Director
	Nikko Asset Management International Limited	-	Director
	Nikko Asset Management Hong Kong Limited	-	Director
	Nikko Asset Management Americas, Inc.	-	Director
	Nikko Asset Management Co., Ltd.	-	Chairman
	Nikko Asset Management Europe Ltd.	-	Director
	Nikko AM Global Holdings Limited	-	Director
	Nikko AM Equities Australia Pty Limited	-	Director
	Nikko AM Americas Holding Co., Inc.	-	Director
	Nikko Asset Management Asia Limited	-	Director
Ambit Investment Advisors Private Limited	-	Director	

The auditors, tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with AHAM and/or the Fund.

Cross trades

AHAM may conduct cross trades between funds it is currently managed provided that all criteria imposed by the regulators are met. Notwithstanding the above, cross trades between the personal account of an employee of AHAM and the Fund's account(s); and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria are monitored by the compliance unit of AHAM, and reported to the AHAM's compliance and risk management committee, to avoid conflict of interests and manipulation that could have a negative impact on investors.

Policy on Dealing with Conflicts of Interest

AHAM has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, AHAM will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders. Where the interests of the directors or the committee members' interests may conflict with that of the Fund, they are to refrain from participating in the decision-making process relating to the matter. AHAM's staff are required to seek prior approval from the managing director before dealing in any form of securities. All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

TAXATION OF THE FUND

Deloitte Tax Services Sdn Bhd
Level 16, Menara LGB
1 Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur

The Board of Directors
Affin Hwang Asset Management Berhad
Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur

Dear Sirs

AFFIN HWANG FLEXIBLE MATURITY INCOME FUND 6

– TAXATION OF THE FUND AND UNITHOLDERS

1. This letter has been prepared for inclusion in this Prospectus in connection with the offer of units Affin Hwang Flexible Maturity Income Fund 6 (hereinafter referred to as “the Fund”).

The following is general information based on Malaysian tax law in force at the time of lodging the Prospectus with the Securities Commission Malaysia (“SC”) and investors should be aware that the tax law may be changed at any time. To an extent, the application of tax law depends upon an investor’s individual circumstances. The information provided below does not constitute tax advice. The Manager therefore recommends that an investor consult his accountant or tax adviser on questions about his individual tax position.

2. Taxation of the Fund

2.1 Income Tax

As the Fund’s Trustee is resident in Malaysia, the Fund is regarded as resident in Malaysia. The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 (“MITA”).

Pursuant to the Section 2(7) of MITA, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transaction conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income (other than income which is exempt from tax) derived from or accruing in Malaysia is liable to income tax. The Fund may be receiving income such as exit fee which will be subject to tax at the prevailing tax rate applicable on the Fund. Gains on disposal of investments by the Fund will not be subject to income tax.

The income tax rate applicable to the Fund is 25%. It has been gazetted in the Finance (No.2) Act 2014 on 30 December 2014 that with effect from year of assessment 2016, the income tax rate applicable to the Fund would be reduced to 24%.

Tax exempt interest as listed in the Appendix attached received by the Fund are not subject to income tax.

With effect from 1 January 2014, Malaysia has fully moved to a single-tier income tax system. The Fund is not liable to tax on any Malaysian sourced dividends paid, credited or distributed to the Fund under the single tier tax system, where the company paying such dividend is not entitled to deduct tax under the MITA. The tax deductibility of expenses incurred by the Fund against such dividend income will be disregarded.

The Fund may receive Malaysian dividends which are tax exempt from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Fund is not subject to income tax on such tax exempt dividend income.

The Fund may also receive dividends, profits and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia by a resident unit trust is exempted from Malaysian income tax. However, such income may be subject to foreign tax in the country from which the income is derived.

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into. Generally, any gain or loss relating to the principal portion will be treated as capital gain or loss. Gains or losses relating to the income portion would normally be treated as revenue gains or losses. The gain or loss on revaluation will only be taxed or claimed upon realisation. Any gain or loss on foreign exchange is treated as capital gain or loss if it arises from the revaluation of the principal portion of the investment.

Generally, income from distribution from Malaysia Real Estate Investment Trusts will be received net of withholding tax of 10%. No further tax will be payable by the Fund on the distribution. Distribution from such income by the Fund will also not be subject to further tax in the hands of the Unit Holders.

Expenses being manager's remuneration, maintenance of register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage, which are not allowed under the general deduction rules, qualify for a special deduction, subject to a minimum of 10% and a maximum of 25% of such expenses pursuant to Section 63B of the MITA.

2.2 Gains on Disposal of Investments

Gains on disposal of investments by the Fund will not be subject to income tax but where the investments represent shares in real property companies, such gains may be subject to Real Property Gains Tax ("RPGT") under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

2.3 Goods and Services Tax ("GST")

GST was implemented in Malaysia effective from the 1 April 2015. GST replaces the current sales and service tax regime and has a standard rate of 6% with some exceptions.

If the Fund is required to register for GST, any fees it charges to unitholders will be subject to GST at 6%.

The issuance of units by the Fund to investors will not be subject to GST, and no GST would be included in the price of the units. To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to GST. To the extent that arranging and intermediary fees are charged to the Fund in relation to these acquisitions (e.g. brokerage), these fees would be subject to 6% GST.

Any distributions made by the Fund to unitholders are also not subject to GST.

The GST paid on acquisitions made by the Fund (e.g. fund manager fees, trustee fees etc.) would either be unrecoverable in whole or in part and would be subject to further analysis to determine the extent that GST can be recovered.

3. Taxation of Unit Holders

3.1 Taxable Distribution

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent such income is distributed to them. Unit Holders are also liable to pay income tax on the taxable income distributions paid by the Fund. Taxable distributions carry a tax credit in respect of the tax chargeable on that part of the Fund. Unit Holders will be subject to tax on an amount equal to the net taxable distribution plus attributable underlying tax paid by the Fund.

Income distributed to Unit Holders is generally taxable as follows in Malaysia :-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2015	Malaysian Tax Rates with effect from Year of Assessment 2016
<p>Malaysian tax residents:</p> <ul style="list-style-type: none"> ▪ Individual and non-corporate Unit Holders ▪ Co-operative societies ▪ Trust bodies ▪ Corporate Unit Holders <ul style="list-style-type: none"> i. A company with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment); ii. Companies other than those in (i) above. 	<ul style="list-style-type: none"> ▪ Progressive tax rates ranging from 0% to 25% ▪ Progressive tax rates ranging from 0% to 24% ▪ 25% ▪ 20% for every first RM500,000 of chargeable income ▪ 25% for chargeable income in excess of RM500,000 ▪ 25% 	<ul style="list-style-type: none"> ▪ Progressive tax rates ranging from 0% to 28% ▪ Progressive tax rates ranging from 0% to 24% ▪ 24% ▪ 19% for every first RM500,000 of chargeable income ▪ 24% for chargeable income in excess of RM500,000 ▪ 24%
<p>Non-Malaysian tax residents:</p> <ul style="list-style-type: none"> ▪ Individual and non-corporate Unit Holders ▪ Corporate Unit Holders and trust bodies 	<ul style="list-style-type: none"> ▪ 25% ▪ 25% 	<ul style="list-style-type: none"> ▪ 28% ▪ 24%

The tax credit that is attributable to the income distributed to the Unit Holders will be available for set off against tax payable by the Unit Holders. There is no withholding tax on taxable distributions made to non-resident Unit Holders.

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 jurisdictions.

3.2 Tax Exempt Distribution

Tax exempt distributions made out of gains from realisation of investments and other exempt income earned by the Fund will not be subject to Malaysian tax in the hands of Unit Holders, whether individual or corporate, resident or non-resident. All Unit Holders do not pay tax on that portion of their income distribution from the Fund's distribution equalisation account.

3.3 Distribution Voucher

To help complete a Unit Holder's tax returns, the Manager will send the Unit Holder a distribution voucher as and when distributions are made. This sets out the various components of the income distributed and the amount of attributable income tax already paid by the Fund.

3.4 Sale, Transfer or Redemption of Units

Any gains realised by a Unit Holder on the sale, transfer or redemption of his units are generally tax-free capital gains unless the Unit Holder is an insurance company, a financial institution or a person trading or dealing in securities. Generally, the gains realised by these categories of Unit Holders constitute business income on which tax is chargeable.

3.5 Reinvestment of Distribution

Unit Holders who receive their income distribution by way of investment in the form of the purchase of new units will be deemed to have received their income distribution after tax and reinvested that amount in the Fund.

3.6 Unit Splits

Unit splits issued by the Fund are not taxable in the hands of the Unit Holders.

3.7 GST

The Unit Holders should not be subject to GST on the following:-

- withdrawal from the Fund
- income distribution from the Fund

However, any fee-based charges related to buying, transferring and switching of units charged to the Unit Holders should be subject to GST at the standard rate of 6%.

Yours faithfully,

Yee Wing Peng
Managing Director

Appendix

Tax Exempt Interest Income of Unit Trusts

1. Interest or discount paid or credited to unit trust and listed closed-end fund in respect of the following will be 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 Malaysia; or
 - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
2. Interest derived by a unit trust from Malaysia and paid or credited by any bank or financial institution licensed under the Banking and Financial Institutions Act 1989 (BAFIA) or the Islamic Banking Act 1983 (IBA) or any development financial institution regulated under the Development Financial Institutions Act 2002. The BAFIA and the IBA have been repealed with the coming into force of the Financial Services Act 2013 and Islamic Financial Services Act 2013 on 30 June 2013. No amendment has been made to the MITA to reflect the above.
3. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") (now known as Bursa Malaysia Securities Berhad ACE Market).
4. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
5. Interest in respect of any savings certificates issued by the Government.
6. Interest in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the Securities Commission Malaysia or approved by the Labuan Financial Services Authority.
7. Gains or profits in lieu of interest from the Sukuk Wakala in accordance with the principle of Wakala Bil Istithmar, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.

8. Gains or profits in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of Wakala Bil Istithmar, other than a convertible loan stock issued by the Malaysia Sovereign Sukuk Berhad.
9. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia is exempted from the payment of income tax pursuant to Income Tax Exemption (No. 6) Order 2003.
10. Income received by the Fund from Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad and Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc is exempted from the payment of income tax.
11. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) Order 2013. For the purpose of this order, "Sukuk Kijang" means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD\$250,000,000) issued or to be issued in accordance with the Shariah principle of Ijarah by BNM Kijang Berhad.
12. Income received by the Fund from Malaysia Building Society Berhad (MBSB).

RELEVANT INFORMATION

INFORMATION AVENUES

How can I keep track of my contribution?

You may obtain the daily Fund price from our website at www.affinhwangam.com. The daily prices are based on information available one (1) Business Day prior to publication.

Alternatively, you may also obtain the Fund prices from major daily newspapers. As the Fund has exposure to investments in foreign jurisdiction, these daily prices are based on information available two (2) Business Days prior to publication.

We will provide you with an annual report and an interim report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units in the Fund.

Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@affinhwangam.com.

COMPLAINTS AVENUES

How do I make a complaint?

You may e-mail us at customercare@affinhwangam.com with the following information:

- particulars of the complainant which include name, correspondence address, contact number, e-mail address (if any) and other relevant information;
- circumstances of the non-compliance or improper conduct;
- parties alleged to be involved in the improper conduct; and
- any other supporting documentary evidence (if any).

If you are dissatisfied with the outcome of the dispute resolution process, please refer your dispute to the following regulatory bodies, details of which are as follows:

Federation of Investment Managers Malaysia:

- via email : legalcomp@fimm.com.my
- via online complaint form : www.fimm.com.my
- via letter :
Complaints Bureau
Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun Damansara Heights
50490 Kuala Lumpur

If it involves monetary dispute, you may lodge a complaint directly to Securities Industry Dispute Resolution Centre (SIDREC):

- via phone : 03-2282 2280
- via fax : 03-2282-3855
- via email : info@sidrec.com.my
- via letter :
Securities Industry Dispute Resolution Center
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

You may also lodge your complaint to the SC even if you have initiated a dispute resolution process with SIDREC:

- via phone to the Aduan Hotline : 03 – 6204 8999
- via fax : 03 – 6204 8991
- via e-mail : aduan@seccom.com.my
- via online complaint form available at www.sc.com.my
- via letter : Investor Affairs & Complaints Department
Securities Commission Malaysia
No. 3, Persiaran Bukit Kiara, Bukit Kiara
50490 Kuala Lumpur

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, it is the responsibility of the Manager to prevent the use of the Fund for money laundering and terrorism financing activities. To this end, we have put in place anti-money laundering policies and procedures to combat such activities. Amongst others, prior to the establishing or conducting business relations, particularly when opening new accounts for customer and entering into a fiduciary transaction with a customer, we will conduct a know your customer (KYC) procedures to identify and verify the client through documents such as identity card, passport, birth certificate, driver's licence, constituent documents or any other official documents, whether in the possession of a third party or otherwise. We will file and retain such documents in accordance with relevant laws.

Thereafter, we will perform a customer due diligence (CDD) to identify the risk profile of each customer and will continuously monitor each customers risk profile should there be any changes. Enhanced customer due diligence (EDD) is performed on customers deemed as high risk and senior management's approval is required before a business relationship or account is opened with such customers.

Where we suspect that a particular transaction may not be genuine, a suspicious transactions form (STF) shall be completed and the matter will be discussed with the senior management. If the senior management ascertains that there is a reasonable ground to suspect the transaction to be a money laundering or terrorism financing activity, a suspicious transaction report will then be submitted to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia.

STATEMENT OF CONSENT

The Trustee, the Trustee's delegate, the Manager's delegate, the auditor and the solicitors have given their consent to the inclusion of their names in the form and context in which such names appear in this Prospectus and have not subsequently withdrawn such consent.

The tax advisers have given their consent to the inclusion of their names and the tax advisers' letter on the taxation of the Fund and Unit Holders in the form and context in which it appears in this Prospectus and have not subsequently withdrawn such consent.

DOCUMENTS AVAILABLE FOR INSPECTION

Unit Holders may inspect without charge, at the business address of the Manager and the Trustee for a period of not less than twelve (12) months from the date of this Prospectus, the following documents or copies thereof, where applicable:

- The Deed and supplemental deed (if any) of the Fund;
- Each material contract disclosed in the Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- The audited financial statements of the Fund for the current financial year (where applicable) and the last three (3) financial years or if the Fund has been established/incorporated for a period of less than three (3) years, the entire period preceding the date of this Prospectus;
- All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Prospectus. Where a summary expert's report is included in the Prospectus, the corresponding full expert's report should be made available for inspection;
- Writ and relevant cause papers for all current material litigation and arbitration disclosed in this Prospectus; and
- Any consent given by experts whose statement appears in this Prospectus.

UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a Unit Trust Fund 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:

- (1) The higher the margin of financing (that is, the amount of money you borrow for every RM of your own money which you put in as deposit or down payment), the greater the loss or gain on your investment.
- (2) 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.
- (3) If Unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where Units are used as collateral) or pay additional amounts on top of your normal instalments. If you fail to comply within the time prescribed, your Units may be sold towards the settlement of your loan.
- (4) 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 carefully study the terms and conditions before you decide to take the 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.

ACKNOWLEDGEMENT OF RECEIPT OF RISK DISCLOSURE STATEMENT

I acknowledge that I have received a copy of this Unit Trust Loan Financing Risk Disclosure Statement and understand its contents.

Signature : _____

Full Name : _____

Date : _____

DIRECTORY OF SALES OFFICES

AFFIN HWANG ASSET MANAGEMENT BERHAD:

HEAD OFFICE

Ground Floor, Menara Boustead
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03 – 2116 6000
Fax : 03 – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@affinhwangam.com
Website: www.affinhwangam.com

SELANGOR

A-7-G Jaya One
No. 72A, Jalan Universiti
46200, Petaling Jaya, Selangor
Tel: 03 - 7620 1290
Fax: 03 - 7620 1298

PENANG

No. 10-C-23 & 10-C-24, Precinct 10
Jalan Tanjung Tokong
10470 Penang
Tel : 04 – 899 8022
Fax : 04 – 899 1916

PERAK

13A Persiaran Greentown 7
Greentown Business Centre
30450 Ipoh, Perak
Tel: 05 - 241 0668
Fax: 05 – 255 9696

JOHOR

1st Floor, No. 93,
Jalan Molek 1/29
Taman Molek
81100 Johor Bahru, Johor
Tel : 07 – 351 5677 / 5977
Fax : 07 – 351 5377

MELAKA

Ground Floor
No. 584 Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 06 -281 2890
Fax: 06 -281 2937

SABAH

Lot No. B-2-09, 2nd Floor
Block B, Warisan Square
Jalan Tun Fuad Stephens
88000 Kota Kinabalu, Sabah
Tel : 088 - 252 881
Fax : 088 - 288 803

SARAWAK

Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching, Sarawak
Tel : 082 – 233 320
Fax : 082 – 233 663

1st Floor, Lot 1291
Jalan Melayu, MCLD
98000 Miri, Sarawak
Tel : 085 - 418 403
Fax : 085 – 418 372

AUTHORISED DISTRIBUTORS:

For more information about our authorised distributors, kindly contact our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@affinhwangam.com.

www.affinhwangam.com