

MAYBANK BLUEWATERZ TOTAL RETURN FUND ("the Fund")

Date of Issuance: 8 June 2020

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of Maybank Asset Management Sdn Bhd and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in this Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of Maybank Bluewaterz Total Return Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Maybank Bluewaterz Total Return Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Maybank Bluewaterz Total Return Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

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This Product Highlights Sheet only highlights the key features and risks of the Maybank Bluewaterz Total Return Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

1. What is Maybank Bluewaterz Total Return Fund?

The Fund is Maybank Asset Management Sdn Bhd's feeder fund (fixed income). The Fund aims to achieve long-term consistent positive returns by investing in the Maybank BlueWaterz Total Return Bond Fund ("Target Fund").

2. Fund Suitability

The Fund is suitable for Sophisticated Investors*:

- who seek consistent positive returns in the long-term;
- who are willing to tolerate the risk associated with investing in fixed income securities via a collective investment scheme, i.e. the Target Fund; and
- with a long-term investment horizon.

** Please refer to the definition of "Sophisticated Investors" in the information memorandum for more details.*

3. Investment Objective

The Fund aims to achieve long-term consistent positive returns* by investing in the Target Fund.

Note:

** Long-term consistent positive returns means positive returns for a period of three (3) years and above from the launch of the Fund.*

4. Key Product Features

Class of Units	RM Class	USD Class
Fund Type	Growth.	
Fund Category	Feeder fund (fixed income).	
Benchmark	<p>The Fund's benchmark shall be based on an absolute return of 6.5% per annum of the Fund's net asset value ("NAV"). This is not a guaranteed return and is only a measurement of the Fund's performance.</p> <p><i>Note: For the purpose of the Fund, the benchmark is only used as a yardstick to assess the performance of the Fund as the Target Fund is an absolute return fund and is benchmark unconstrained, i.e. the Target Fund will be actively managed without reference to any specific benchmark.</i></p>	
Launch Date	24 July 2015.	
Investment Style & Strategy	<p>The Fund will invest between 80% - 98% of its NAV in the Class B participating shares of the Target Fund which is denominated in United States Dollar ("USD").</p> <p>The Manager will also invest between 2% - 20% of the Fund's NAV in liquid assets.</p> <p><i>The investment style & strategy is further elaborated in section 3.11 of the information memorandum.</i></p>	

Manager	Maybank Asset Management Sdn Bhd.	
Management Fee	Up to 1.80% per annum of the NAV of the RM Class.	Up to 1.50% per annum of the NAV of the USD Class.
	<i>Note: Currently, the Target Fund charges a management fee of 1.50% per annum of the net asset value of the Target Fund. There will be no double charging of management fee. The management fee charged by the Target Fund will be paid from the portion of management fee received by the Manager.</i>	
Sales Charge	Up to 3.00% of the NAV per unit of the RM Class.	Up to 3.00% of the NAV per unit of the USD Class.
Redemption Charge	Nil.	
Switching Fee	RM10.00 per switch.	USD10.00 per switch.
	<i>Notes: (1) We reserve the right to waive the switching fee. (2) In addition to the switching fee, you will have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.</i>	
Transfer Fee	RM10.00 per transfer.	USD10.00 per transfer.
	<i>Notes: (1) We reserve the right to waive the transfer fee. (2) We reserve the right to decline any transfer request if such transfer will expose us to any liability and/or will contravene any law or regulatory requirements, whether or not having the force of law.</i>	
Trustee	SCBMB Trustee Berhad.	
Trustee Fee	Up to 0.018% per annum of the NAV of the Fund, subject to a minimum fee of RM6,000.00 per annum.	
Minimum Initial Investment*	RM20,000.00	USD 5,000
Minimum Additional Investment*	RM5,000.00	USD 1,000
Minimum Units Held*	20,000 units	5,000 units
Distribution Policy	The Fund is not expected to distribute income. However, incidental distribution can be declared whenever appropriate.	

Note:

*The Manager may change the minimum initial investment, minimum additional investment and minimum units held to any other amount as it decides from time to time.

5. Asset Allocation

Asset Type	% of the Fund's NAV
Target Fund	Between 80% - 98%
Liquid assets	Between 2% - 20%

6. Specific Risks

(1) Credit/default risk

This risk will arise when the issuer of a fixed or floating rate fixed income security fails to make timely payments of interest and/or principal repayments. This may cause the value of the Fund to be adversely affected.

Furthermore, current deposits and/or fixed deposits that the Fund has placed with financial institutions are also exposed to credit/default risk. If the financial institutions become insolvent, the Fund may suffer capital losses with regards to the capital invested and interest foregone, causing the performance of the Fund to be adversely affected.

(2) Country risk

As the Fund invests in the Target Fund which is domiciled in the Cayman Islands, the Fund's investments in the Target Fund may be affected by risks specific to the Cayman Islands. Such risks include adverse changes in the Cayman Islands' economic fundamentals, social and political stability, laws, regulatory systems and foreign investment policies which may be detrimental to the management of the Target Fund.

(3) Currency risk*

As the Fund is a multi-class fund, investors should also be aware of the following currency risk:

(a) Currency risk at the Fund's portfolio level

Since the Fund is denominated in RM and the Fund invests in Class B Participating Shares of the Target Fund which is denominated in USD, investors should be aware that if the RM appreciates against the USD, this will have an adverse effect on the NAV of the Fund and vice versa. Investors should note that any gains or losses arising from the movement of the USD against the RM may therefore increase or decrease the capital gains of the investment. Nevertheless, investors should realise that currency risk is considered as one of the major risks to foreign currency denominated investments due to the volatile nature of the foreign exchange market. In order to manage currency risk, the Manager may employ currency hedging strategies** in attempt to fully or partially hedge the foreign currency exposure into RM.

(b) Currency risk at the Class level

The impact of the exchange rate movement between the base currency of the Fund in RM and the currency denomination of the Class (other than in RM) may result in a depreciation of the investor's holdings as expressed in the base currency of the Fund.

Note:

** Please refer to item (9) of Section 5.3 Risks of the Target Fund for more information pertaining to the risk of foreign currency markets.*

*** "hedging strategies" will expose the Fund to hedging risk as set out in item (6) of Section 5.2 Specific Risks of the Fund.*

(4) Concentration risk

The Fund is a feeder fund which invests in a single collective investment scheme. As such, the performance of the Target Fund will have a mirror effect on the performance of the Fund as any adverse effect on the Target Fund will inevitably affect the Fund as well. As the Fund invests between 80% - 98% of its NAV in the Target Fund, it is subject to concentration risk as the performance of the Target Fund would have a significant impact on the performance of the Fund.

(5) Investment Manager risk*

The Fund invests into a collective investment scheme managed by Maybank Asset Management Singapore Pte. Ltd (“the Investment Manager”), i.e. the Target Fund. Therefore, the Investment Manager has absolute discretion over the Target Fund’s investment technique, operational controls and management. In the event of mismanagement of the Target Fund, the NAV of the Fund, which invest into the Target Fund would be affected negatively. Although the probability of such occurrence is minimal, should the situation arise, the Manager reserves the right to seek an alternative collective investment scheme that is consistent with the objective of this Fund to replace the Target Fund, subject to the approval of the unit holders.

Note:

** Please refer to item (20) of Section 5.3 Risks of the Target Fund for more information pertaining to the risk of relying on the Investment Manager.*

(6) Hedging risk

The Manager will use derivatives to hedge the Fund’s portfolio from certain anticipated losses such as those resulting from unfavourable exchange rate and interest rate movements. However, every hedge comes with a cost. In a move to mitigate the risk of uncertainty of exchange rate and interest rate movements, the Fund is now exposed to the risk of opportunity loss. Once hedged, the Fund cannot take full advantage of favourable exchange rate and interest rate movements. If the exposure which the Fund is hedging against makes money, the act of hedging would have typically reduced the potential returns of the Fund. On the other hand, if the exposure which the Fund is hedging against losses money, the act of hedging would have reduced the loss, if successfully hedged.

(7) Risk relating to payment of redemption proceeds

This risk will arise if the Target Fund is suspended or the Target Fund receives redemption requests aggregating to more than 20% (or such other percentage as the Directors may determine) of the Class B participating shares of the Target Fund in issue or of all the participating shares in issue*. Should any of the above events occur, the Manager may not be able to pay the redemption proceeds to the unit holders within the specified time period, i.e. 15 calendar days, from the Manager’s receipt of the redemption request before the cut-off time of 4.00 p.m. on a business day. However, the Manager will pay the redemption proceeds to the unit holders within 15 calendar days after the receipt of the redemption proceeds by the Manager from the Target Fund. The Target Fund will strive to pay the Manager within the shortest possible time frame. However, there is no specific time frame which has been set currently.

Note:

** Please refer to Section 4.11(a) Redemption of Shares of the Target Fund for details relating to the limitations on redemptions imposed at the Target Fund level.*

(8) Termination Risk

In the event the NAV of the Fund falls below USD100,000 (or its equivalent in RM) or where the Manager determines that it is in the best interests of the unit holders, the Manager may, in its sole opinion and without first obtaining the consent of the unit holders, terminate the trust and wind up the Fund. The termination of the Fund by the Manager shall be in accordance with the provisions of the deed.

Upon the termination of the Fund by the Manager, the Manager shall as soon as practicable, notify the existing unit holders in writing of the following options:

- (a) to receive the net cash proceeds derived from the sale of all the investment and assets of the Fund less any payment for liabilities of the Fund and any cash produce available

for distribution (if any), in proportion to the number of units held by the unit holders respectively; or

- (b) to switch to any other funds managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
- (c) to choose any other alternative as may be proposed by the Manager.

(9) Risk of suspension relating to Target Fund*

During the period when the Target Fund is suspended, the Investment Manager will not accept any subscriptions and/or redemptions and the calculation of the Target Fund's net asset value will be suspended. Due to the above reason, the Manager and Trustee may also suspend the sale and/or redemption of units of the Fund without the consent of the unit holders for the same period the Target Fund is suspended or such other period as may be prescribed by any relevant law. The Manager will inform the unit holders of such suspension in the event it occurs and the Trustee shall notify Securities Commission Malaysia of the suspension immediately in writing in accordance with the provisions in the deed.

All suspended applications for units and requests for redemption shall be deemed to have been received on the first business day after the lifting of the suspension provided always that the Manager may permit a withdrawal of such applications or requests at any time after the commencement of the suspension and before the lifting of the suspension.

Note:

** Please refer to Section 4.11(b) Redemption of Shares of the Target Fund for details relating to the suspension of the issue and redemption of the Class B participating shares of the Target Fund.*

(10) Risk of changes relating to Target Fund

The Target Fund's investment objective, style and strategy may be developed and changed over time, potentially exposing the Target Fund to additional and different risk factors. This poses a risk whereby the investment objective, style and strategy of the Target Fund may no longer be suitable or fit for those of the Fund. To mitigate the risk, the Manager may choose to replace the Target Fund with another collective investment scheme that is consistent with the investment objective, style and strategy of the Fund.

Investors are reminded that the risks listed above may not be exhaustive and if necessary, they should consult their adviser(s), e.g. bankers, lawyers, Shariah advisers, stockbrokers or independent professional advisers for a better understanding of the risks.

For more details, please refer to section 5.1 and section 5.3 in the information memorandum for the general risks of investing in the Fund and the risks of the Target Fund.

7. Valuation of Investment

The Fund is valued once every business day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than 5.00 p.m. on the next business day. The daily price of the Fund for a particular business day will not be published on the next day but will instead be published the next following day (i.e. the price will be two (2) days old).

Investors will be able to obtain the unit price of the Fund from www.maybank-am.com.my. Alternatively, the Manager's client servicing personnel can be contacted at 03-2297 7888.

8. Exiting from Investment

Submission of Redemption Request	The cut-off time for redemption of units shall be at 4.00 p.m. on a business day.
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Payment of Redemption Proceeds	<p>Redemption proceeds will be paid within fifteen (15) calendar days from the Manager's receipt of a redemption request to the unit holder's segregated personal or corporate banking account.</p> <p>Unit holders should note that the time taken to pay the redemption proceeds to the unit holders (i.e. 15 calendar days) may be extended or delayed if:</p> <ul style="list-style-type: none"> (i) the Target Fund is suspended; or (ii) the Target Fund receives redemption requests aggregating to more than 20% (or such other percentage as the directors may determine) of the Class B participating shares of the Target Fund in issue or of all the participating shares in issue. <p>Should any of the above events occur, the Manager may not be able to pay the redemption proceeds to the unit holders within 15 calendar days. However, the Manager will pay the redemption proceeds to the unit holders within 15 calendar days after the receipt of the redemption proceeds by the Manager from the Target Fund.</p>
Remittance of Redemption Proceeds	<p>The Manager shall remit the redemption proceeds to the account held in the name of the unit holder(s).</p>

9. Contact Information

I. For internal dispute resolution, you may contact:

Clients Servicing Personnel

Tel : 03-2297 7888
 Fax : 03-2715 0071
 Email : mamcs@maybank.com.my
 Website : www.maybank-am.com

II. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

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

III. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:

- a. via phone to : 03-6204 8999
- b. via fax to : 03-6204 8991
- c. via email to : aduan@seccom.com.my
- d. via the online complaint form available at www.sc.com.my
- e. via letter to : Consumer & Investor Office
 Securities Commission Malaysia
 No 3 Persiaran Bukit Kiara
 Bukit Kiara, 50490 Kuala Lumpur

IV. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

- a. via phone to : 03-2092 3800
- b. via fax to : 03-2093 2700
- c. via email to : complaints@fimm.com.my
- d. via online complaint form available at www.fimm.com.my
- e. via letter to : Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-01, 6th Floor Wisma Tune
No. 19 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur