

**RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors of Nomura Islamic Asset Management Sdn. Bhd. (the “Company”) and they 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, there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlight Sheet false or misleading.

**STATEMENT OF DISCLAIMER**

The Securities Commission Malaysia has authorized the issuance of Nomura i-Cash Fund (the “Fund”) and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Company responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**Additional Statement**

The Fund has been certified as being Shariah compliant by the appointed Shariah Adviser.

For the purpose of this Product Highlights Sheet, the words and phrases defined in the Information Memorandum of the Fund shall, subject to any amendment made hereto, be deemed to have the same meaning in this Product Highlights Sheet.

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

## PRODUCT HIGHLIGHTS SHEET

### NOMURA i-CASH FUND

#### BRIEF INFORMATION ON THE PRODUCT

##### 1. What is this Fund about?

This is a Wholesale Islamic Money Market Fund, which seeks to provide Qualified Investors with regular income distributions through investments in Shariah-based deposits, placement of money at call, General Investment Accounts and Islamic Negotiable Instruments.

For more information, kindly refer to Section 3.1 of the Information Memorandum - Information on the Fund.

#### PRODUCT SUITABILITY

##### 2. Who is this Fund suitable for?

The Fund is suitable primarily for those who are generally conservative, risk averse and prefer a short-term investment that complies with Shariah requirements.

***The Fund is not a capital guaranteed or capital protected fund and the returns are not guaranteed.***

#### KEY PRODUCT FEATURES

##### 3. What am I investing in?

The Fund will be managed in accordance with Shariah requirements and thus the investments to be made by the Fund will also follow Shariah requirements. In that respect, the Fund will invest in Shariah-based deposits, placement of money at call, General Investment Accounts and Islamic Negotiable Instruments. The combination of these instruments may allow the Manager to obtain higher returns over a one year investment horizon compared to merely placing monies in Shariah-based deposits. The Manager will actively manage the permitted investments and maturity structure of the investments in the Fund to optimize return for investors in accordance to the interest rates outlook and analysis.

The Fund performance relies on the professional judgment of the Manager to make decisions concerning the Fund's portfolio investments. The basic investment philosophy of the Manager is to seek to provide regular income distributions while preserving capital and maintaining liquidity. The Manager believes that an important way to accomplish this is by analyzing various factors, including the current and anticipated changes in interest rates; and economic statistics that could affect the investments undertaken by the Fund.

The Fund generally adopts a hold-to-maturity policy as the Fund's investments are within one year investment horizon that only provides profits upon their maturity.

There will be no foreign investments in the Fund.

The Fund will invest in Shariah-based deposits with financial institutions. The financial institutions are subject to a minimum credit rating of at least "A3" or "P2" by RAM or an equivalent rating by MARC at the point of placement.

For more information, kindly refer to Section 5.1 of the Information Memorandum - Investment Strategy, Section 5.2 of the Information Memorandum – Asset Allocation and Section 6 of the Information Memorandum – Permitted Investments.

#### 4. Who am I investing with?

Please find below the relevant parties involved in the Fund:-

The Manager – Nomura Islamic Asset Management Sdn. Bhd. (838564-T)

The Trustee – Deutsche Trustees Malaysia Berhad (763590-H)

The Shariah Adviser – IBFIM (763075-W)

The Fund Accounting and Valuation Agent – Deutsche Bank (Malaysia) Berhad (312552-W)

The Auditor – PricewaterhouseCoopers

The Tax Adviser – PricewaterhouseCoopers Taxation Services Sdn. Bhd. (464731-M)

You can refer to the contact details of these parties in Section 2 of the Information Memorandum – Corporate Directory,.

#### 5. What are the possible outcomes of my investment?

The Fund's investments in Shariah-based deposits, placement of money at call, General Investment Accounts and Islamic Negotiable Instruments may allow the Manager to obtain higher returns over a one year investment horizon compared to merely placing monies in Shariah-based deposits.

However, placement of Shariah-based deposits with financial institutions may attract credit risk. In the unlikely event of a credit rating downgrade, the Manager reserves the right to withdraw the Shariah-based deposits in the best interest of the investors within a reasonable time frame taking into consideration prevailing market conditions and factors. A plausible scenario, though highly unlikely may occur whereby the financial institution suffers severe losses and there is no monetary assistance from any third party. In this highly unlikely scenario, the Fund may be left with the only choice of suing the financial institution.

In the best scenario case, if the Manager believes that BNM will raise interest rates in the next 3 months, the Manager would reduce its placement of longer-term Shariah-based deposits and maintain shorter term Shariah-based deposits. Subsequent to the interest rate hike, the Manager can then redeploy funds into longer-term Shariah-based deposits at higher profit rates.

### KEY RISKS

#### 6. What are the key risks associated with this Fund?

Just as there are risks in all kinds of investments, similarly there are risks associated with investing in this Fund. Please find below a list of specific risks and explanations on how it may affect your investments:-

a) Issuer/ credit risk

Whilst the Manager is of the opinion that, based on the instruments that the Fund intends to hold, the circumstances that may lead to the occurrence of this risk is mitigated, nevertheless you should be aware that this risk does exist. The worst case scenario is explained in point 5 above.

b) Reinvestment Risk

This is a risk that future proceeds (profit and/or capital) are reinvested at a lower potential profit rate.

Reinvestment risk is especially evident during periods of falling interest rates where the profit payments are reinvested at a lower profit rate compare to the initial profit rate.

c) Financing risk

Investors should assess the inherent risk of investing with borrowed money, which should include the following:

- The ability to service the financing and the effect of profit rates on the financed amount; and
- If units are used as collateral, investors may be required to provide additional collateral should the Fund's prices fall below a certain level.

Investors are advised to seek Islamic financing to finance their acquisition.

d) Fund Management risk

The performance of the Fund depends on the experience and expertise of the investment managers. The failure to exercise due care or any lapses in judgement on the part of the Manager may jeopardize the performance of the Fund.

e) Non-compliance risk

This is the risk of the Manager or the Trustee, not complying with the Deed of the Fund and all applicable laws or guidelines issued by the regulators whether intentionally or through negligence. The magnitude of such risk and its impact on the Fund and/or Unit Holders are dependent on the nature and severity of the non-compliance. For example, an oversight of the Manager causes the non-compliance which may adversely affect the investment of the Fund especially if the investment of the Fund has to be disposed at a lower price to rectify the non-compliance.

f) Inflation risk

Inflation risk is the risk of potential loss in the purchasing power of your investment due to a general increase of consumer prices. Inflation erodes the nominal rate of your return giving you a lower real rate of return. Inflation is thus one of the major risks to you over a long term period and results in uncertainty over the future value of investments. You are advised to take note that the Fund is not constituted with the objective of matching the inflation rate of Malaysia. The Fund has a specific objective that it seeks to achieve without having regard to the inflation rate. If your investment objective is to match the inflation rate (so as not to lose your purchasing power over time), this Fund may not be suitable for you.

g) Other variable factors risk

The performance of the Fund is driven by many variable factors and the return is not guaranteed. These include financial market conditions, interest rate fluctuation, stability of local currency and general economic environment. The prices of units may go down as well as up. Similarly, distribution (if any) may vary from year to year depending on the performance of the Funds.

## FEES & CHARGES

### 7. What are the fees and charges involved?

There is no Sales Charge and Redemption Fees imposed for this Fund. However, there are fees and charges which you are indirectly charged should you decide to invest in this Fund. Such indirect fees are as follows:-

- A Management fee of up to 0.25% per annum of the NAV of the Fund;
- A Trustee fee of up to 0.025% per annum of the NAV of the Fund subject to a minimum of RM 12,000.00 per annum; and
- Any other expenses in relation to the administration and operations of the Fund.

\* The Manager may from time to time at its sole discretion waive, increase or reduce the amount of any fee payable by the investor or investors in respect of the Fund. Any changes to the above fee shall be

communicated to the existing unit holders and investors by way of a supplementary or replacement Information Memorandum.

## VALUATIONS AND EXITING FROM INVESTMENT

### 8. How often are valuations available?

The price of Units of the Fund is determined by using forward pricing where the price is based on the NAV per Unit of the Fund at the end of a Business Day.

For the Fund, all transactions of Units by an investor/Unit Holder on a Business Day, will be based on the NAV per Unit which is determined at the close of each Business Day. The NAV per Unit of the Fund will be made available from the Manager's office at 03-2027 6668.

### 9. How can I exit from this Fund and what are the risks and costs involved?

Applications for redemption or switching must be submitted to the Manager on a Business Day no later than 10.00 am (or such other later time as the Manager may deem fit in its discretion). Such redemption or switching requests are deemed received only if all documents and forms received by the Manager are duly and correctly completed. Any documents and forms received by the Manager after 10.00 am, (or such other later time as the Manager may deem fit in its discretion) shall be treated as having been received by the Manager on the following Business Day.

Units will be repurchased at the NAV per Unit as at the close of the Business Day when the request is received. There is no Repurchase Charge. Repurchase proceeds will be paid to a Unit Holder within the following Business Day.

There is generally no restriction on the frequency of repurchase; however, there a minimum repurchase amount of 500,000 Units for each repurchase application or such other amount as the Manager may decide from time to time. However, if a Unit Holder is holding less than 500,000 Units or such amount as the Manager may decide from time to time, the Manager is entitled, but not compelled, to consider that a repurchase request has also been made in respect of the remaining Units and can compulsorily repurchase the same.

## CONTACT INFORMATION

### 10. Who should I contact for further information or to lodge a complaint?

Should you be interested to invest in this Fund, have any queries or require further information, please feel free to contact our Marketing and Client Services department at 603-2027 6668 or email to [niam@nomura-iam.com.my](mailto:niam@nomura-iam.com.my).

For internal dispute resolution, you may contact our Compliance Officer at 603-2027 6668 or email to [niam@nomura-iam.com.my](mailto:niam@nomura-iam.com.my).

If you are dissatisfied with the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC):

- a) via phone to : 603-2282 2280
- b) via fax to : 603-2282 3855
- c) via email to : [info@sidrec.com.my](mailto: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

You can direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

- a) via phone to the Aduan Hotline at : 603-6204 8999
- b) via fax to : 603-6204 8991
- c) via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
  
- d) via online complaint form available at [www.sc.com.my](http://www.sc.com.my).
  
- e) via letter to : Investor Affairs & Complaints Department  
Securities Commission Malaysia  
No. 3, Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

## APPENDIX

Business Day	Means a day on which the Bursa Malaysia is open for trading, and/or banks in Kuala Lumpur are open for business.
Fund	Means the wholesale fund known as the Nomura i-Cash Fund.
General Investment Account (GIA)	Refers to investment account based on either Mudharabah or Murabahah that works on profit sharing basis and fixed profit income basis respectively.
Manager/ Company	Refers to Nomura Islamic Asset Management Sdn Bhd
NAV	<p>Means Net Asset Value. 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 the valuation point.</p> <p>For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the management fee and trustee fee for the relevant day.</p>
Qualified Investor	<p>Refers to:-</p> <ol style="list-style-type: none"> <li>a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed three million ringgit or its equivalent in foreign currencies, excluding the value of the individual's primary residence;</li> <li>b) an individual who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months;</li> <li>c) an individual who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies in the preceding twelve months;</li> <li>d) a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts;</li> <li>e) a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies;</li> <li>f) a unit trust scheme or prescribed investment scheme;</li> <li>g) a private retirement scheme;</li> <li>h) a closed-end fund;</li> <li>i) a company that is registered as a trust company under the Trust Companies Act 1949 [Act 100] which has assets under management exceeding ten million ringgit or its equivalent in foreign currencies;</li> <li>j) a corporation that is a public company under the Companies Act 1965 [Act 125] which is approved by the Commission to be a trustee under the Act and has assets under management exceeding ten million ringgit or its equivalent in foreign currencies;</li> <li>k) a statutory body established by an Act of Parliament or an enactment of any State;</li> <li>l) a pension fund approved by the Director General of Inland</li> </ol>

- Revenue under section 150 of the Income Tax Act 1967 [Act53];
- m) a holder of a Capital Markets Services Licence;
  - n) a licensed institution;
  - o) an Islamic bank;
  - p) an insurance company licensed under the Insurance Act 1996 [Act 553];
  - q) a takaful operator registered under the Takaful Act 1984 [Act312];
  - r) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010 [Act 704];  
and
  - s) an Islamic bank licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010 [Act 705].
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Refers to Securities Commission Malaysia.

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