

INFORMATION MEMORANDUM

RELATING TO

NOMURA RINGGIT BOND FUND 2

This Information Memorandum is dated 24 July 2020.

MANAGER

Nomura Asset Management Malaysia Sdn. Bhd.
(Registration No. 200601028939 (748695-A))
A company incorporated in Malaysia

TRUSTEE

Deutsche Trustees Malaysia Berhad
(Registration No. 200701005591 (763590-H))
A company incorporated in Malaysia and registered as a trust company under the Trust Companies Act 1949

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

UNITS OF NOMURA RINGGIT BOND FUND 2 CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS AS PRESCRIBED UNDER THE SECURITIES COMMISSION MALAYSIA GUIDELINES ON UNLISTED CAPITAL MARKET PRODUCTS UNDER THE LODGE AND LAUNCH FRAMEWORK.

THIS INFORMATION MEMORANDUM IS 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.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGES 12 AND 13.

RESPONSIBILITY STATEMENTS / STATEMENTS OF DISCLAIMER

RESPONSIBILITY STATEMENT

This Information Memorandum has been seen and approved by the directors of Nomura Asset Management Malaysia Sdn. Bhd. (“Manager”) and they collectively and individually accept full responsibility for the accuracy of all information contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

STATEMENTS OF DISCLAIMER

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Manager and takes no responsibility for the contents of this Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the contents of this Information Memorandum.

Additionally, prospective investors should not treat the contents of this Information Memorandum as advice relating to investment, law or taxation and must rely on their own legal counsel, accountants, and/or other professional advisers as to legal, tax and related matters concerning the Fund and investments therein.

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1. GLOSSARY

The terms defined here are specific to the Fund and are not of general application and may not be applicable to all other funds under the management of Nomura Asset Management Malaysia Sdn. Bhd.

<i>Bursa Malaysia</i>	Means the stock exchange managed and operated by Bursa Malaysia Berhad.
<i>Business Day</i>	Means a day on which the Bursa Malaysia is open for trading, and/ or banks in Kuala Lumpur are open for business. The Manager may declare certain Business Days a non-Business Day when deemed necessary, such as in the event of a market disruption.
<i>CMSA</i>	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
<i>days</i>	Means calendar days unless otherwise stated.
<i>Deed</i>	Means the principal deed entered into between the Manager and the Trustee and any supplemental(s) thereto. By virtue of an investor purchasing Units and becoming a Unit Holder, he is deemed to have agreed to be bound by the provisions of the Master Deed.
<i>Fund</i>	Means the wholesale fund known as the Nomura Ringgit Bond Fund 2.
<i>financial institutions</i>	Means licensed commercial banks, licensed investment banks, development financial institutions or licensed Islamic banks in Malaysia.
<i>Government</i>	Means Government of Malaysia.
<i>Guidelines</i>	<i>Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework</i> issued by the SC as may be amended from time to time, including the guidance notes and circulars issued pursuant thereto.
<i>Information Memorandum</i>	Refers to this offer document in respect of the Nomura Ringgit Bond Fund 2; and includes any addendum to the Information Memorandum, supplemental or replacement Information Memorandum, as the case may be.
<i>Initial Offer Period</i>	Refers to a period of not more than one (1) day from the launch date of the Fund.
<i>Latest Practicable Date (LPD)</i>	Means 30 June 2020 and is the latest practicable date for the purposes of ascertaining certain information deemed relevant in this Information Memorandum.
<i>long term</i>	Means a period of more than five (5) years.

<i>Manager or Management Company or NIAM</i>	Refers to Nomura Asset Management Malaysia Sdn Bhd.
<i>MARC</i>	Refers to Malaysian Rating Corporation Berhad.
<i>NAV</i>	Means Net Asset Value.
<i>Net Asset Value of the Fund or NAV of the Fund or Fund's NAV</i>	Means the value of the Fund which 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. 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.
<i>NAV per Unit</i>	Means the value of the Fund at a particular valuation point divided by the total number of Units of that Fund in circulation at the same valuation point.
<i>RAM</i>	Refers to RAM Rating Services Berhad.
<i>Repurchase Charge</i>	Means a fee imposed pursuant to a repurchase request. It is represented as a percentage of the NAV per unit.
<i>relevant authorities</i>	Means any governmental or statutory authority with the power to regulate the securities industry (including fund management and unit trust industries) in Malaysia and/or having jurisdiction over the Manager and/or the Trustee and includes, without limitation, the SC.
<i>relevant laws</i>	Means all laws, rules, regulations, guidelines and directives passed or issued by any relevant authority relating to or connected with the fund management in Malaysia.
<i>Ringgit Malaysia/ RM</i>	Means the lawful currency of Malaysia.
<i>Sales Charge</i>	Means a fee payable by an investor for his/her purchase of Units. It is represented as a percentage of the NAV per Unit.
<i>SC</i>	Refers to Securities Commission Malaysia established under the Securities Commission Act 1993.
<i>special resolution</i>	Means a resolution passed by a majority of not less than 3/4 of Unit Holders voting at a meeting of Unit Holders.
<i>Sophisticated Investor</i>	Means any person who falls within any of the categories of investors set out in Part I, Schedule 6 and 7 of the CMSA.
<i>Trustee</i>	Refers to Deutsche Trustee Malaysia Berhad.
<i>Unit or Units</i>	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or rights of a Unit Holder in the Fund and means a unit of the Fund and, where applicable, includes a fraction of the unit.

<i>Units in Circulation</i>	Means Units created and fully paid for and which has not been cancelled. It is the total number of Units issued at a particular valuation point.
<i>Unit Holder(s)</i>	Means, in relation to each of the Fund, the person or persons for the time being who is registered pursuant to the Deed as a holder / holders of that Fund.
<i>Wholesale Fund</i>	has the meaning ascribed to it in the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC.
<i>you</i>	Refers to a Unit Holder of the Fund.

2. CORPORATE DIRECTORY

MANAGER

NOMURA ASSET MANAGEMENT MALAYSIA SDN. BHD.

Business Address/ Registered Address

Suite No. 12.2, Level 12, Menara IMC

No. 8, Jalan Sultan Ismail

50250 Kuala Lumpur

Wilayah Persekutuan

Malaysia

Tel: 03-2027 6688

Fax: 03-2027 6624

Email: marketing@nomura-asset.com.my

MANAGER'S DELEGATE (FUND ACCOUNTING & VALUATION AGENT)

DEUTSCHE TRUSTEES MALAYSIA BERHAD (200701005591 (763590-H))

Business Address

Level 18-20, Menara IMC

8 Jalan Sultan Ismail

50250 Kuala Lumpur

TEL: 03 - 2053 6788

FAX: 03 – 2031 8710

MANAGER'S DELEGATE (REGISTRAR AND TRANSFER AGENT)

KFIN TECHNOLOGIES (MALAYSIA) SDN. BHD. (FOMERLY KNOWN AS KARVY FINTECH (MALAYSIA) SDN. BHD.) (201601007727 (1178655-U))

Business Address

Suite 16.1, Level 16, Menara IMC

No. 8, Jalan Sultan Ismail

50250 Kuala Lumpur

Tel: 03-2022 4900

Fax: 03-2022 4099

TRUSTEE

DEUTSCHE TRUSTEES MALAYSIA BERHAD (200701005591 (763590-H))

Business Address

Level 20, Menara IMC

8 Jalan Sultan Ismail

50250 Kuala Lumpur

Tel: 03 - 2053 7522

Fax: 03 - 2053 7526

SOLICITORS

SOON GAN DION & PARTNERS

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

Damansara Utama

47400 Petaling Jaya

Selangor Darul Ehsan

Tel: 03-7726 3168

Fax: 03-7726 3445

3. KEY DATA

3.1 INFORMATION ON THE FUND							
Name of Fund	Nomura Ringgit Bond Fund 2						
Fund Category	Wholesale Fixed Income Fund						
Fund Type	Income						
Launch Date	28 July 2020						
Initial Offer Price	RM1.00						
Initial Offer Period	One (1) day commencing from the Launch Date or such other period as may be determined by the Manager.						
Objective	The Fund seeks to generate regular income by investing in fixed income securities whilst carefully considering capital preservation on behalf of its investors.						
Asset Allocation	<p>The Fund's asset allocation is as follows:</p> <table border="1"> <thead> <tr> <th>Asset Type</th> <th>% of the Fund's NAV</th> </tr> </thead> <tbody> <tr> <td>Fixed Income securities denominated in Ringgit Malaysia.</td> <td>0% to 100%</td> </tr> <tr> <td>Deposits and placement of money at call with financial institutions.</td> <td>0% to 100%</td> </tr> </tbody> </table>	Asset Type	% of the Fund's NAV	Fixed Income securities denominated in Ringgit Malaysia.	0% to 100%	Deposits and placement of money at call with financial institutions.	0% to 100%
Asset Type	% of the Fund's NAV						
Fixed Income securities denominated in Ringgit Malaysia.	0% to 100%						
Deposits and placement of money at call with financial institutions.	0% to 100%						
Investment Strategy	<p>In order to achieve the investment objective of the Fund, the Fund Manager considers the different sources of returns and liquidity profiles from an array of fixed income instruments denominated in Ringgit Malaysia.</p> <p>(please refer to Section 5.1 for more details)</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>The Fund is not a capital guaranteed or capital protected fund and the returns are not guaranteed.</i></p> </div>						
Benchmark	<p>Malayan Banking Berhad 12 months Fixed Deposit Account rate</p> <p>Investors are advised that the selection of the Malayan Banking Berhad 12 months Fixed Deposit Account rate does not imply that the risk profile of the benchmark is the same as that of the Fund.</p>						
Financial Year End	31 March						
Income Distribution Policy	The Fund will distribute income on a monthly basis, subject to availability of income.						

	<p>If the distribution available is too small or insignificant, the Manager may choose not to distribute the income as the distribution may not be beneficial to the Unit Holders as the total cost to be incurred in such distribution may be higher than the amount available for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.</p> <p>Please refer to Section 11 for the details on Income Distribution Policy.</p>
Cooling-Off	There is no cooling-off right available to investors of this Fund.
3.2 TRANSACTION DETAILS / FEES AND CHARGES	
Minimum Initial Investment	RM500,000.00 or such amount as the Manager may decide from time to time.
Minimum Additional Investment	RM250,000.00 or such amount as the Manager may decide from time to time.
Minimum Units held	250,000 Units or such amount as the Manager may decide from time to time.
Frequency of Repurchase and Minimum Units Repurchased	<p>There is generally no restriction on the frequency of repurchase; however there is a minimum repurchase amount of 250,000 Units for each repurchase application or such other amount as the Manager may decide from time to time. If the repurchase request leaves you with less than 250,000 Units (minimum holdings), the Manager has the discretion whether to repurchase all of your remaining Units.</p> <p>The Manager, reserve the right to defer any repurchase requests if such request would adversely affect the Fund or the interest of other Unit Holders of the Fund.</p>
Payment of Repurchase Proceeds	Three (3) Business Day after a repurchase request is received by the Manager.
Sales Charge per Unit	Nil
Repurchase Charge per Unit	Nil
Switching Fee	Nil
Transfer Fee	None until further notice
Annual Management Fee	Up to 0.25% per annum of the NAV of the Fund.
Annual Trustee Fee	0.03% per annum of the NAV of the Fund with a minimum of RM12,000

3.4 OTHER INFORMATION	
Designated Representative of the Manager	Joel Lim Soo Min
The Trustee	Deutsche Trustee Malaysia Berhad
Deed	Deed dated 1 st July 2020

The fees, charges and expenses quoted in this Information Memorandum are exclusive of and may be subject to taxes or duties as may be imposed by the government or other authorities from time to time.

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4. PURPOSE AND OBJECTIVE

The Nomura Ringgit Bond Fund 2 is a wholesale fixed income fund which seeks to generate regular income by investing in fixed income securities whilst carefully considering capital preservation on behalf of its investors.

5. INVESTMENT STRATEGY

5.1 Investment Strategy

To meet the investment objectives of the Fund, the Fund Manager carefully considers the sources of returns and liquidity profiles of fixed income securities denominated in Ringgit Malaysia. The Fund seeks to capture the following sources of returns:

Income from Malaysian government debt securities and other fixed income securities denominated in Malaysian Ringgit, and/or deposit/placement at call with licensed financial institutions by the Bank Negara Malaysia

Capital appreciation from price movements mainly from Malaysian government debt securities, but not limited to, other fixed income securities denominated in Ringgit Malaysia

For liquidity purpose, the Fund may also invest in fixed income instruments which are relatively liquid in nature including deposit placements with banks.

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

Specific risks associated with this Fund and investments are as elaborated in Section 8 of the Information Memorandum.

5.2 Asset Allocation

The Fund's asset allocation is as follows:

Asset Type	% of the Fund's NAV
Fixed Income securities denominated in Ringgit Malaysia.	0% to 100%
Deposits and placement of money at call with financial institutions.	0% to 100%

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

6. PERMITTED INVESTMENTS

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

- (a) Deposits and placement of money at call with licensed financial institutions by the Bank Negara Malaysia;
- (b) Malaysian Government Securities and any other securities issued or guaranteed by the Government of Malaysia;
- (c) Fixed income securities in Ringgit Malaysia; and
- (d) Any other form of investments which are in line with the Fund's objective as may be agreed between the Manager and the Trustee from time to time.

7. INVESTMENT LIMITS AND RESTRICTIONS

Detailed below are the investment scope and limits applicable to the Fund pertaining to a prudent spread of risk management. The aim of these restrictions on investments is to set the minimum limits for investments that may be held by the Fund.

- (a) Fixed income securities in Ringgit Malaysia are subject to a minimum credit rating of "A1" by RAM or an equivalent rating by MARC at the point of investment. This restriction shall not apply to securities that are issued or guaranteed by the Government of Malaysia.
- (b) For commercial papers in Ringgit Malaysia, the issuer(s) is subject to a minimum long-term credit rating of "A1" or a minimum short-term rating of "P1" by RAM or an equivalent rating by MARC at the point of investment.
- (c) No borrowing is allowed against the securities held by the Fund. The Fund is not allowed to be levered at any time.

Should the Fund ceases to comply with any limits or restrictions due to the change in the nature or structure of any investment, the Manager will not make any further acquisition to which the relevant limit or restriction is breached. The Manager shall, within six (6) months from the date of the breach, take all necessary steps and actions to rectify the breach. However, should the Manager after making all possible efforts believe that any other action to be taken would be detrimental to the Fund and its Unit Holders, the Manager, with the approval of the Trustee, is allowed to extend the rectification period to another six (6) months or such other periods to be agreed between the Manager and the Trustee. Such extension shall be communicated to the Unit Holders in the periodic reports.

8. RISKS FACTORS

All types of investments carry some degree of risk. It is not always possible to protect against all types of risk that can occur. For example, political changes and natural disasters can have a rapid effect on the outlook for economies and currencies. Therefore, before making an investment decision, an investor should consider the different types of risk that may affect the Fund or the investor individually as detailed below.

8.1 General Risks Of Investing In Wholesale Funds

Just like any other form of investment, investments in wholesale funds also carry some risks. Risk is the term used to describe the probability that an investment may provide a return which differs from the expectation of the investor. One should consider, amongst others, the following when investing in wholesale funds:

(a) 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 interest 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.

(b) 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 jeopardise the performance of the Fund.

(c) 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.

(d) 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.

(e) 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 Fund.

8.2 Specific Risks Of The Fund

(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.

Placement of deposits with financial institutions may also attract such risk. 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.

Investing in fixed income or money market instruments are also subject to this risk. In the event that the issuer of such instrument defaults in payment at maturity, the value of the Fund may be adversely affected. This may be managed by holding a diversified portfolio of fixed income and money market instruments and monitoring the issuers' fundamentals on an ongoing basis.

(b) Reinvestment risk

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

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

(c) Interest Rate risk

This is the risk that changes in interest rates may adversely affect the valuation of the Fund's investments. Where interest rate rises, the price of the Fund's investments in fixed income instruments would generally decline and this may lower the overall market value of the said investments. The reverse may apply if interest rates fall.

Investors are advised to read the Information Memorandum and obtain professional advice before subscribing to the Fund.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect your investments against all risks.

The investments of the Fund carry risks and we recommend that you read the whole Information Memorandum to assess the risks of the Fund.

9. THE MANAGER OF THE FUND

9.1 Corporate Profile

Nomura Asset Management Malaysia Sdn. Bhd. (NAMM) was incorporated on 27 September 2006 and is licensed under the Capital Markets and Services Act 2007 for the regulated activity of fund management. NAMM is a wholly-owned subsidiary of Nomura Asset Management Co., Ltd. (NAM Tokyo). As of LPD, Nomura Asset Management group operates in 13 offices globally.

NAMM is a full-fledged asset management company with on the ground resources to support the investment management, middle- and back-office functions. NAMM manages local equities, fixed income and developed markets equities from Kuala Lumpur as well as leverages on its global network of resources for other investment capabilities including Japanese equities, regional and emerging markets equities and global fixed income, amongst others.

As at LPD, the total value of funds under management of NAMM stood at approximately RM 15.1 billion.

9.2 Role Of The Manager

The Manager 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.

9.3 Board Of Directors

The Board of Directors is responsible for the overall management of the Manager and the Fund. The Board not only ensures corporate governance is practised but policies and guidelines are adhered to. The Board will sit at least four (4) times every year, or more should the need arise.

9.4 Key Management Staff

Ms. Nor Rejina Abdul Rahim – Managing Director

Ms. Rejina is the Managing Director of NAMM and the Country Head for Malaysia. She joined NAMM in October 2006 and was instrumental in driving the development of Nomura Asset Management's business in Malaysia. Rejina started off her career as a legal officer with a local stock broking house before joining a local fund management outfit in 1998 where she was exposed to various roles from compliance, legal, risk management, product development to marketing and client services. Rejina has actively contributed towards the development of compliance for both the unit trust and asset management industry through close works with the industries' associations and the Securities Commission.

Rejina holds a LLB (Hons) from University of Kent at Canterbury, United Kingdom. She also holds a Capital Markets Services Representative License and is the Secretary for the Malaysian Association of Asset Managers.

Mr. Joel Lim Soo Min – Designated Fund Manager

He joined the Nomura Asset Management Fixed Income team in August 2013. He has been involved in credit analysis, macroeconomic research and portfolio management. Prior to joining Nomura Asset Management, he was an equity analyst with a local asset management firm for 2 years.

He earned a Bachelor of Actuarial Studies from the Australian National University, Australia. He holds a Capital Markets Services Representative's License for fund management under CMSA.

9.5 The Manager's Delegate

Fund Valuation Functions

The Manager has appointed Deutsche Trustees Malaysia Berhad Deutsche Bank (Malaysia) Berhad as the fund valuation and fund accounting agent. Deutsche Trustees Malaysia Berhad ("DTMB") (Registration No. 200701005591 (763590-H)) incorporated in Malaysia on 22 February 2007 and commenced business in May 2007.

Its roles and responsibilities as the fund valuation and fund accounting agent are:

- maintaining records and books of account of all transactions carried out by the Manager (or any authorised party) for the Funds (including without limitation, records of all dividends,

interest and income received, expenses and distributions of the Funds) and such other records as will sufficiently explain the financial position of the Funds, and enable true and fair profit and loss accounts and balance sheets to be prepared from time to time in accordance with the provisions of the Service Level Agreement. Such records and books shall be kept separate from the other records and books of DB and other clients of DB and be kept in such form and manner as may be prescribed by the Manager from time to time so as to enable them to be conveniently and properly audited;

- preparing reports including the portfolio valuation report, statement of assets and liabilities, statement of income and expenditure, transaction schedules and such other reports at such frequency, in accordance with the provisions of the Service Level Agreement;
- calculating the net asset value (per unit or per share) of the Funds, in accordance with the provisions of the Service Level Agreement;
- preparing reports, financial statements and otherwise coordinate, cooperate and render assistance to the Funds' trustee, auditors and tax advisers;
- making available to the Funds' tax agents all information as may be required for tax filing purposes;
- preparing all necessary reports on any transactions in respect of the Funds as may be required by the relevant authority. Such reports shall include all additional reports relating or incidental to the Services as may be required by the Securities Commission, and agreed upon by DB from time to time.

Registrar and Transfer Agent

The Manager has appointed Kfin Technologies (Malaysia) Sdn. Bhd. (formerly known as Karvy Fintech (Malaysia) Sdn. Bhd.) ("Kfin") as the registrar and transfer agent for the Fund. Kfin was incorporated in Malaysia on 8 March 2016 and has its business address at Suite 16.01, Level 16, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

Its roles and responsibilities as registrar and transfer agent for the Fund include maintaining the register of Unit Holders, transaction processing, reconciliation and preparing relevant communication to Unit Holders.

All fees and expenses arising out of this appointment are not charged to the Fund and are solely borne by the Manager.

9.6 Disclosure Of Material Litigation And Arbitration

As at LPD, there is no material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business and/or financial position of the Manager.

10. PRICING POLICY

10.1 Policy In Respect Of Valuation Point And Computation Of Net Asset Value And Net Asset Value Per Unit

The NAV of the Fund is determined at the close of each Business Day and is the total value of all assets of the Fund (which includes, amongst others investments and cash held by the Fund including income derived by the Fund which has not been distributed to Unit Holders), less all liabilities of the Fund (which includes, amongst others, any amount owing or payable by the Fund including any valid provisions that the Trustee or the Manager considers necessary to be made).

Illustration 1: Computation of NAV and NAV per Unit

The following is an illustration using hypothetical figures of a valuation carried out for the Fund.

Net Asset Value of the Fund	RM981,906,688.68
Units in Circulation	981,000,000 Units
Therefore, NAV per Unit is	<u>RM981,906,688.68</u> 981,000,000 Units = RM1.00092424941 (before rounding adjustments) = RM1.0009 (rounded to 4 decimal points)

10.2 Pricing Of Units

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 after the transaction applications are received by the Manager.

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 6688.

If at any time there is no Unit Holder resulting in there being no Units in circulation to the Fund and the Fund's NAV being zero, the Manager shall have the sole right and discretion to issue new Units in the Fund for sale and price each Unit of the Fund for sale to new investors at RM1.00 per Unit.

A transaction of Units of the Fund by an investor/Unit Holder is considered as carried out on a particular Business Day only if the payment (in cleared funds) together with completed application form and relevant supporting documents are received by the Manager not later than 4:00 pm (or such other later time as the Manager may deem fit in its discretion) on that same Business Day. In the event the same is only received by the Manager after 4:00 pm (or such other later time as the Manager may deem fit in its discretion), the transaction is considered as carried out on the following Business Day. Any payment made on a non-Business Day shall be treated as payment made on the following Business Day.

Applications for repurchase or switching must be submitted to the Manager on a Business Day no later than 4:00 pm (or such other later time as the Manager may deem fit in its discretion). Such repurchase 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 4:00 pm, (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.

10.3 Bases Of Valuation

In undertaking any of the Fund's investments, the Manager will ensure that all the assets of the Fund under its management will be valued appropriately, that is, at fair market value.

Fixed Deposit

Valuation of fixed deposits placed with financial institutions will be done by reference to the principal value of the fixed deposits and the interests accrued thereon for the relevant period.

Money Market Instruments

Valuation of money market instruments shall be determined daily based on the accretion of discount or amortisation of premium on a yield to maturity basis.

Fixed Income Securities (Government Bonds or Corporate Bonds)

Valuation of fixed income securities will be valued daily using fair value prices quoted by a Bond Pricing Agency (“BPA”) registered with the SC. If the Manager is of the view that the price quoted by the BPA for a fixed income security differs from the ‘market price’ by more than 20 basis points, the Manager may use another ‘market price’ deemed appropriate provided that the Manager adheres to the requirements stipulated by the SC.

For fixed income securities where prices are not available from the BPA, fair valuation will be based on the average prices provided by 3 financial institutions at least fortnightly.

Where fair market valuation is not available from the above sources, publicly or where the use of a quoted market price is inappropriate, the fixed income securities will be valued at fair value determined in good faith by the Manager, on methods or bases which has been verified by the Fund’s auditors.

Any Other Investment

Fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Investors are advised that certain types of securities are required to be held until such securities mature for the “actual value” to be realised. Any sale of such securities prior to its maturity may attract costs and penalties that would result in a value which is less than its “actual value”. As such, any valuation of such securities (prior to its maturity) is merely indicative of what the value might be and does not represent the “actual value” of such securities.

11. INCOME DISTRIBUTION POLICY

The Fund will distribute its income at least on a monthly basis, subject to availability of income.

If the distribution available is too small or insignificant, the Manager may choose not to distribute the income as the distribution may not be beneficial to the Unit Holders as the total cost to be incurred in such distribution may be higher than the amount available for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.

All income distribution will be made in the form of cash. However, you may, when filling up the application form for the purchase of Units, elect the mode of distributions in cash payment or additional Units by way of reinvestment by simply ticking the appropriate column in the application form. You may also inform the Manager, at any time before the distribution date, of your desire to receive either cash payment or additional Units via reinvestment. In the event the Unit Holders did not indicate any preference, all distributions shall be forwarded to the Unit Holders via reinvestment.

Distribution, which is less than or equal to the amount of RM1,000.00 would be automatically reinvested based on the NAV of the income payment date which is two (2) Business Days after the income distribution date. If you cease to be a Unit Holder after an income distribution is declared but before the distribution date, and therefore still entitled

to the income distribution, it will be processed as per the option selected during subscription only. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders.

Reinvestment Process

If you elect to receive income distribution by way of reinvestment, the Manager shall create Units for you based on the NAV of the income payment date which is two (2) Business Days after the income distribution date.

There will not be any cost to Investors for reinvestments in new additional Units.

Cash Payment Process

If you elect to receive income distribution by way of cash payment, the Manager shall transfer the money to your designated bank account unless a specific instruction is received to do otherwise.

The money shall be transferred to the Unit Holder two (2) Business Days after the income distribution date.

Unclaimed Moneys

Distribution proceeds which remain unclaimed for 6 months or more, will automatically be reinvested into the Fund based on the prevailing NAV per Unit of the Fund. Any repurchase moneys payable to Unit Holders which remain unclaimed after twelve (12) months as prescribed by the Unclaimed Moneys Act 1965 (“UMA”) (as may be amended from time to time) will be handled in accordance to the UMA.

12. PERIODIC REPORTING TO INVESTORS

The Fund will adopt the following:

- Monthly statement of accounts, which provides the latest updates of the investors’ investment accounts, will be sent to Unit Holders.
- Quarterly reports consisting of financial statements, information on fund performance and volatility, risk, market outlook, changes in key investment personnel, illiquid holdings and details on portfolio exposure will be sent to Unit Holders.
- Annual report consisting of audited financial statements, information on fund performance and volatility, risk, market outlook, changes in key investment personnel, illiquid holdings and details on portfolio exposure will be sent to Unit Holders.
- Reports may be in hardcopy or softcopy format.

13. FREQUENCY OF REPURCHASE AND CREATION OF UNITS

13.1 Subscription For Units

Units of the Fund are available for subscription by Sophisticated Investors as from the date of the Information Memorandum. During the Initial Offer Period, Units will be sold at RM1.00 each and will be issued only upon the Manager’s designated account being credited with the subscription amount together with all the duly completed requisite documents.

After the Initial Offer Period, Units will be sold at the NAV per Unit as at the close of the Business Day on which the subscription amount is credited into the Manager’s designated

account subject to the receipt by the Manager of the duly completed requisite documents. The cut-off time is 4:00pm (or such other later time as the Manager may deem fit in its discretion) which means applications and subscription amount received after 4:00pm will be deemed to have been received on the following Business Day.

The minimum initial investment by an investor is RM500,000.00 or such amount as the Manager may decide from time to time while subsequent investments by the same investor can be in any amount of RM250,000.00 or such amount as the Manager may decide from time to time.

The Manager may at its sole discretion decline any application for subscription.

Units can be bought on any Business Day at the Manager's office between 9.00am to 5.30pm. However, the cut off time is 4:00 pm (or such other time as the Manager may deem fit in its discretion) which means subscription amount received after 4:00 pm will be deemed to have been received on the following Business Day.

13.2 Minimum Units Held

Unit Holders must hold at least 250,000 Units (or such amount as the Manager may decide from time to time) in order to remain as a Unit Holder in the Fund.

13.3 Repurchase Of Units

Unit Holders may liquidate their investments partially or wholly by requesting the Manager to repurchase their Units; requests are irrevocable. 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 three (3) Business Day after the day the repurchase request is received by the Manager and provided that all documentations are completed and verifiable or such other period as may be agreed by the Manager and the Trustee in the event the Fund do not have sufficient cash or other liquid assets to make payment.

There is generally no restriction on the frequency of repurchase; however, there a minimum repurchase amount of 250,000 Units for each repurchase application or such other amount as the Manager may decide from time to time. If a Unit Holder is holding less than 250,000 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.

If due to circumstances beyond the Manager's control and in the Manager's sole opinion, liquidation of the assets of the Fund for the purpose of raising proceeds for repurchase request cannot be effected without prejudicing the interests of Unit Holders, the timing for payment of such repurchase proceeds may be extended if the Manager considers it necessary in the interests of the Unit Holders, where the timing for payment of such repurchase proceeds shall not exceed twenty-one (21) days unless a longer period is agreed between the Manager and the Trustee.

However, if the request to the Trustee to repurchase or cancel the Units results in the sale of assets of the Fund, or sale of assets which cannot be liquidated at an appropriate price or on adequate terms and is as such not in the interest of existing Unit Holders, the Trustee may refuse the said request in accordance to the Deed.

Units can be sold on any Business Day at the Manager's office between 9:00 am to 5:30pm. However, the cut off time is 4:00 pm which means applications received after 4:00 pm will be deemed to have been received on the following Business Day.

13.4 Switching

No switching fee charged for switching between the funds managed by the Manager. However, the Manager reserves the right to reject any switching request:-

- (i) that it regards as disruptive to efficient portfolio management; or
- (ii) if deemed by the Manager to be contrary to the best interest of either of the funds; or
- (iii) if it would result in that Unit Holder holding Units in the Fund which is less than minimum holding after the switch.

Unit Holders may exercise the switching facility on any Business Day by completing and sending a switching request in the form as prescribed by the Manager to the office of the Manager.

A switch is processed as a withdrawal from one Fund and an investment into another. If the Manager receives a valid switch request before 4:00 pm (or such other time as the Manager may deem fit in its discretion), the Manager will process it using the NAV per Unit calculated for that Business Day. If the Manager receives the request at or after 4:00 pm, then it will be processed using the NAV per Unit calculated for the following Business Day.

13.5 Transfer Facility

Unit Holders may transfer your units to another eligible Sophisticated Investor subject to such terms and conditions stipulated in the Deed. Unit Holders may be charged a Transfer Fee for each transfer. However, we may refuse to register any transfer of unit at our absolute discretion. The minimum holdings (in units) in the Fund shall apply to the transferor and transferee. Transfer instructions are to be furnished to the Fund Manager in accordance to the Fund's cut-off time for transactions.

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13.6 Transaction Details And Operational Requirements

TRANSACTIONS	OPERATIONAL REQUIREMENTS
<p>MAKING AN INITIAL INVESTMENT</p>	<p><i>Individual investor (single or joint applicant)</i></p> <ul style="list-style-type: none"> • completed Account Opening Form; • completed Transaction Form; • FATCA and CRS declaration form; • photocopy of identity card or passport (if applicant is a Malaysian resident or foreigner); • completed Investor Suitability Assessment Form; and • payment for the investment in cleared funds. <p><i>Corporate investor</i></p> <ul style="list-style-type: none"> • completed Account Opening Form; • completed Transaction Form; • FATCA and CRS declaration form; • a copy each of the company’s resolution and certificate of incorporation (certified by a director or company secretary); and list of authorised signatories, specimen signatures and certified true copy of NRIC or Passport of Authorised Signatories; • Form 24, 44, 49 and other similar and /or relevant documents; • Certified true copy of Annual Return Report (listed company) / Annual Return Form (non-listed company) • completed Investor Suitability Assessment Form; and • payment for the investment in cleared funds. <p><i>An investor is recognised as a registered Unit Holder by the Manager upon acceptance and receipt of payment together with completed relevant forms and other relevant supporting documents by the Manager. The Manager will then issue a notification confirming the investment within 5 Business Days upon receipt of the aforesaid documents. In respect of a foreign investor, the Manager will issue a notification confirming the investment within 8 Business Days upon receipt of the aforesaid documents.</i></p>
<p>MAKING AN ADDITIONAL INVESTMENT</p>	<p><i>Individual investor (single or joint applicant) / Corporate Investor</i></p> <ul style="list-style-type: none"> • completed Transaction Form; and • payment for the investment in cleared funds. <p><i>The additional investments are recognised by the Manager upon its receipt of payment together with the relevant form. The Manager will then issue a notification confirming the investment within 5 Business Days upon receipt of the aforesaid documents. In respect of a foreign investor, the Manager will issue a notification confirming the investment within 8 Business Days upon receipt of the aforesaid documents.</i></p>

TRANSACTIONS	OPERATIONAL REQUIREMENTS
REPURCHASE OF UNITS	<p><i>Individual investor (single or joint applicant)/ Corporate Investor</i></p> <ul style="list-style-type: none"> • completed Transaction Form <p><i>Repurchase can be made in part (provided the applicable Minimum Holding is not breached) or entirely on any Business Day.</i></p> <p><i>If the Minimum Holding is breached, the Manager will have the discretion to determine whether a repurchase request needs to be made in respect of the remaining units.</i></p> <p><i>Unit Holders may receive the repurchase proceeds within four (4) Business Days from the date the Manager is in receipt of the duly completed relevant form.</i></p>
SWITCHING	<p><i>Individual investor (single or joint applicant)/Corporate Investor</i></p> <ul style="list-style-type: none"> • completed Transaction Form. <p><i>The Manager will then issue a notification confirming the transaction within 5 Business Days upon receipt of the aforesaid documents.</i></p>
TRANSFER	<p><i>Individual investor (single or joint applicant)/Corporate Investor</i></p> <ul style="list-style-type: none"> • completed Transaction Form; and • <i>All the Investor on-boarding forms (Listed above) In case if the Transferee is not holding an account with UTMC</i> <p><i>The Manager will then issue a notification confirming the transaction within 5 Business Days upon receipt of the aforesaid documents.</i></p>

14. MANAGEMENT AND OTHER FEES

14.1 Annual Management Fee

An annual management fee of up to 0.25% per annum of the NAV of the Fund is calculated and accrued daily and is charged to the Fund; this fee is collected by the Manager on a monthly basis.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund for the day is RM300 million, the accrued management fee for that day would be:

$$\frac{\text{RM}300,000,000 \times 0.25\%}{365 \text{ days}} = \text{RM } 2,054.79 \text{ per day}$$

14.2 Annual Trustee Fee

An annual trustee fee of 0.03% per annum of the NAV of the Fund is calculated and accrued daily and is charged to the Fund with minimum fee of RM12,000 per annum; this fee is collected by the Trustee on a monthly basis.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund for the day is RM300 million, the accrued trustee fee for that day would be:

$$\frac{\text{RM}300,000,000 \times 0.03\%}{365 \text{ days}} = \text{RM } 246.57 \text{ per day}$$

14.3 Other Expenses

Fund expenses are deducted from the Fund as and when they are incurred. The Fund will bear all direct and indirect expenses relating to the running of the Fund (including but not limited to tax agent, audit, trustee and settlement/transaction fees, etc). Expenses of the Fund may vary over time. The Manager will make all reasonable efforts to keep the costs of running the Fund at a reasonable level. Expenses associated with the management and administration of the Fund, such as general overheads and costs for services expected to be provided by the Manager, will not be charged to the Fund.

Expenses related to the issuance of this Information Memorandum will be borne by the Manager.

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

The fees, charges and expenses quoted in this Information Memorandum are exclusive of and may be subject to taxes or duties as may be imposed by the government or other authorities from time to time.

15. BENCHMARK

The Fund's performance shall be benchmarked against Malayan Banking Berhad 12 months Fixed Deposit Account rate. Investors are advised that the risk profile of the benchmark may not be the same as the risk profile of the Fund.

The information on the benchmark can be obtained from www.maybank2u.com.my.

16. TRUSTEE

16.1 Profile

Deutsche Trustees Malaysia Berhad ("DTMB") (Company No. 763590-H) was incorporated in Malaysia on 22 February 2007 and commenced business in May 2007. DTMB is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

DTMB is a member of Deutsche Bank Group ("Deutsche Bank"). Deutsche Bank provides commercial and investment banking, retail banking, transaction banking, and asset and wealth management products and services to corporations, governments, institutional investors, small and medium-sized businesses, and private individuals.

16.2 Experience In Trustee Business

DTMB is part of Deutsche Bank's Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 186 collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB's trustee services are supported by Deutsche Bank (Malaysia) Berhad ("DBMB"), a subsidiary of Deutsche Bank, financially and for various functions, including but not limited to financial control and internal audit.

16.3 Duties And Responsibilities Of The Trustee

DTMB'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 performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the relevant provisions of the Deed, the Act and all relevant laws.

16.4 Trustee's Delegate

The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over 30 markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB's roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian, to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

16.5 Trustee's Material Litigation And Arbitration

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

17. RIGHTS AND LIABILITIES OF UNIT HOLDERS

Money invested by an investor in the Fund will purchase a number of units, which represents the Unit Holder's interest in the Fund. Each Unit held in the Fund represents an equal undivided beneficial interest in the assets of the Fund. However, the Unit does not give a Unit Holder an interest in any particular part of the Fund or a right to participate in the management or operation of the Fund (other than through Unit Holders' meetings).

A Unit Holder will be recognised as a registered Unit Holder in the Fund on the Business Day where his/her details is entered onto the register of Unit Holders.

17.1 Rights Of Unit Holders

A Unit Holder has the right, among others, to the following:

- To inspect the register, free of charge, at any time at the registered office of the Manager, and obtain such information pertaining to his Units as permitted under the Deed, Guidelines and relevant laws;
- To receive the distribution of the Fund (if any), participate in any increase in the capital value of the Units and to other rights and privileges as set out in the Deed;
- To call for Unit Holders' meetings;
- To vote for the removal of the Trustee or the Manager through a special resolution; and
- To receive annual reports, quarterly reports or any other reports of the Fund.

Unit Holders' rights may be varied by changes to the Deed, the Guidelines or judicial decisions or interpretation.

17.2 Liabilities And Limitations Of Unit Holders

Liabilities

- (i) The liability of a Unit Holder is limited to the purchase price per Unit. A Unit Holder need not indemnify the Trustee or the Manager if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or Manager in respect of the Fund.

- (ii) The recourse of the Trustee, the Manager and any creditor is limited to the assets of the Fund.

Limitations

A Unit Holder cannot:

- (i) interfere with any rights or powers of the Manager and/or Trustee under the Deed;
- (ii) exercise a right in respect of an asset of the Fund or lodge a caveat or other notice affecting the asset of the Fund or otherwise claim any interest in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to the Unit Holder.

For full details of the rights of a registered Unit Holder of the Fund, please refer to the Deed.

17.3 Fees And Charges Permitted By The Deed

The Deed provides information on the fees and charges for the Fund payable by the Unit Holder, either directly or indirectly such as annual management fee and annual trustee fee.

All current fees and charges are disclosed in the Information Memorandum. Any changes to the annual management fee and annual trustee fee may be provided by a supplementary Information Memorandum and a supplemental deed should there be an increase in the fees from that permitted in the Deed, and a meeting of Unit Holders must be called for approving the changes.

17.4 Expenses Permitted By The Deed

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

- commissions/fees paid to brokers/dealers in affecting dealings in the investments of the Fund;
- fees and other expenses properly incurred by the auditor tax agent;
- management fees;
- trustee fees;
- fees for the valuation of any investments of the Fund by independent valuers;
- taxes and other duties charged on the Fund by the Government and other authorities;
- expenses incurred in the printing of, purchasing of stationery and postage of the annual and interim reports;
- cost incurred for the modification of the Deed, other than those for the benefit of the Manager or Trustee;
- cost incurred for any Meeting of the Unit Holders, other those convened by, or for the benefit of, the Manager or Trustee;
- bank charges;
- any tax such as goods and services tax, sale and service tax 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 reasonable and legitimate administration expenses approved by the Trustee.

The Manager and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed.

17.5 Power Of The Trustee To Remove, Retire Or Replace The Manager

The Manager will be removed by the Trustee on the grounds that:

- the Manager goes into liquidation (except for the purpose of amalgamation or reconstruction or some other purpose approved by the relevant authorities); or has had a receiver appointed; or has ceased to carry on business; or is in breach of its obligations under the Deed, CMSA or the Guidelines; or
- 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 after consultation with the SC and with the approval of the Unit Holders by way of a special resolution; or
- if a petition has been presented for the winding up against the Management Company (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, the Management Company become or is declared insolvent); or
- of a special resolution is duly passed by the Unit Holders that the Manager be removed.

In any of the above said grounds, the Manager for the time being shall upon receipt of such notice by the Trustee cease to be the Manager and the Trustee shall by writing under its seal appoint another corporation to be the Manager of the Fund subject to such corporation entering into a deed(s) with the Trustee and thereafter act as Manager during the remaining period of the Fund.

17.6 Retirement, Removal Or Replacement Of The Manager

The Manager may retire upon giving twelve (12) months' notice to the Trustee of its desire to do so, or such shorter period as the Manager and Trustee may agree, in favour of another corporation.

The Manager may be removed by the Trustee under certain circumstances outlined in the Deed. These include:

- if the Manager shall have gone into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or cease to carry on business or if a receiver shall be appointed over the whole or any part of the undertaking or assets of the Manager or if any encumbrancer shall take possession of any of its assets;
- if a special resolution is duly passed by the Unit Holders that the Manager be removed;
- if the Manager is in breach of any of its obligations under the Deed; or
- 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 the 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 SC and with the approval of the Unit Holders.

The Manager may be replaced by another corporation appointed as manager by special resolution of the Unit Holders at a Unit Holder's meeting convened in accordance with the Deed either by the Trustee or the Unit Holders.

17.7 Power Of The Manager To Remove/Replace The Trustee

The Trustee will be removed in the event that:

- the Trustee goes into liquidation;
- the Trustee is placed under receivership, ceases to exist, fails or neglects its duties;
- the Trustee ceases to be registered with the SC to be a trustee for collective investment schemes; or
- if a special resolution is duly passed by the Unit Holders that the Trustee be removed.

Additionally, the Manager is legislatively empowered under Section 299 of the CMSA to remove a Trustee under specific circumstances set out therein.

The Trustee may be replaced by another corporation appointed as trustee by special resolution of the Unit Holders at a Unit Holder's meeting convened in accordance with the Deed either by the Manager or the Unit Holders.

17.8 Retirement Or 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 shorter period as the Manager and the Trustee may agree, and may by Deed appoint in its stead a new trustee which is registered with the SC.

The Trustee may be removed and another trustee may be appointed by special resolution of the Unit Holders at a Unit Holders' meeting convened in accordance with the Deed or as stipulated in the CMSA.

The Manager shall take reasonable steps to remove and replace the Trustee as soon as practicable after becoming aware of any such circumstances as stated under the heading "Power of Manager to remove/replace Trustee".

17.9 Termination / Winding Up Of The Fund

The Fund may be terminated by the Manager in its absolute discretion by giving not less than three (3) months' notice in writing to the Trustee and the Unit Holders as hereinafter provided (i) if the Net Asset Value of the Fund shall be at such level as the Manager considers it impossible or impracticable to continue the Fund or (ii) if any law shall be passed which renders it illegal or in the reasonable opinion of the Manager impracticable or inadvisable to continue the Fund or (iii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund.

17.10 Meetings Of Unit Holders

A Unit Holder has the right to call for a Unit Holders' meetings under the following circumstances:

- (i) to consider the most recent financial statements of the Fund;
- (ii) to require the retirement or removal of the Manager or Trustee;
- (iii) to give to the Trustee such directions as the meeting thinks proper; or

(iv) to consider any other matter in relation to the Deed,

subject always that the direction to call for such meeting is made by not less than fifty (50) Unit Holders or one-tenth (1/10), whichever is less of all Unit Holders and the direction is given to the Manager or Trustee in writing at its registered office.

18. POLICY ON REBATES AND SOFT COMMISSION

The Manager will not retain any rebate from, or otherwise share in any commission with, any broker/ dealer in consideration for directing dealings in the investments of the Fund. Any rebate on brokerage fees or shared commissions is to be credited into the accounts of the Fund (where such brokerage fees or shared commissions are paid out or to be paid out of that Fund). Goods and services (“Soft Commission”) received from brokers are retained by the Manager or its delegate only if the goods and services are of demonstrable benefit to the Unit Holders such as research materials and computer software incidental to the investment management of the Fund.

19. POLICY ON CROSS TRADES

The Manager shall only undertake sale and purchase transactions between the Fund with another fund/client of the Manager (cross-trades) where the:

- a) Sale and purchase decisions are in the best interest of both clients/ Fund;
- b) Transactions are executed through a broker/ dealer on an arm’s length and fair value basis;
- c) Reason for such transactions is documented prior to execution of trades;
- d) Activity is identified to both clients/ Fund in their respective periodic transaction reports or statements; and
- e) Written authorisation to conduct such activity has been obtained in advance from clients.

Cross trades between staff personal account and the Fund’s account(s), and cross trades between proprietary account(s) and the Fund’s account(s) are prohibited.