MAYBANK CONSTANT INCOME FUND 5
(Constituted by way of deed on 22 July 2016)

Launch Date: 19 September 2016
Manager: Maybank Asset Management Sdn. Bhd. (421779-M)
Trustee: TMF Trustees Malaysia Berhad (610812-W)

This Prospectus is dated 19 September 2016.
This Fund is open for sale during the Offer Period Only.

THIS FUND IS NOT A CAPITAL GUARANTEED FUND OR A CAPITAL PROTECTED FUND AS DEFINED UNDER THE GUIDELINES ON UNIT TRUST FUNDS IssUED BY THE SECURITIES COMMISSION MALAYSIA.
INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 13.
Message from the Chief Executive Officer

Dear investors,

Thank you for expressing an interest in our MAYBANK CONSTANT INCOME FUND 5 (the “Fund”).

The Fund is a 3 year close-ended fund that aims to provide Unit Holders with income* through investments in a portfolio of Fixed Income Securities.

* Income will be paid out via cash payment mode.

To achieve the Fund’s objective, the Fund will invest a minimum of 80% of the Fund’s NAV in RM denominated Fixed Income Securities and/or foreign currency Fixed Income Securities (foreign currency Fixed Income Securities are Fixed Income Securities denominated in currencies other than RM). The remaining balance of the Fund’s NAV will be invested in Liquid Assets.

Its indicative asset allocation is as follows:

Minimum of 80% of the Fund’s Net Asset Value
- Investments in foreign currency and/or RM denominated Fixed Income Securities.

Remaining balance of the Fund’s Net Asset Value
- Investments in Liquid Assets.

The specific risks of investing in this Fund are company specific risk, default risk, counterparty risk, country risk, currency risk, interest rate risk, mismatch risk, derivatives risk, non-commencement risk, redemption risk, reinvestment risk and below investment-grade risk. These specific risks and other general risks are elaborated in Chapter 4 Risk Factors of the Prospectus.

This Fund is suitable for you if:
- you have a moderate to high risk appetite;
- you have an investment horizon of 3 years; and
- you are seeking income distribution on an annual basis.

If you invest in the Fund, you will incur a sales charge of up to 3.00% of the offer price of the Fund. Other fees and charges that may be incurred when you invest in the Fund are elaborated in Chapter 6 Fees, Charges and Expenses of the Prospectus.

If you are interested in the Fund, have any queries or require further information, please contact our client servicing personnel at 03-2297 7888 at any time during office hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday on a Business Day. Alternatively, you may e-mail your enquiries to mamcs@maybank.com.my. Our directory is provided in Chapter 18 Directory of the Prospectus.

We look forward to being of service to you.

Best wishes,

Badrul Hisyam bin Abu Bakar
Managing Director/Chief Executive Officer
Responsibility Statements

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

Statements of Disclaimer

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

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

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

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

Additional Statements

No Units will be issued or sold based on this Prospectus after the Offer Period.

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

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Fund.
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(1) DEFINITIONS

In this Prospectus, the following abbreviations or words shall have the following meanings unless otherwise stated:

**Act** means the Capital Markets and Services Act 2007 including all amendments thereto and all rules, regulations and guidelines issued thereunder.

**Bursa Malaysia** means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (635998-W).

**Business Day** means a day on which Bursa Malaysia is open for trading and this information can be obtained from Bursa Malaysia’s website at www.bursamalaysia.com. We may declare a certain Business Day as a non-Business Day if one or more of the foreign markets in which the Fund is invested in are closed for business.

**Commencement Date** means the seventh (7th) Business Day immediately following the end of the Offer Period or such earlier date as may be determined by us in the event we determine that it is in the best interest of the Unit Holders.

**Deed** means the deed in respect of the Fund and any other supplemental deed that may be entered into between us and the Trustee and registered with the SC.

**FIMM** means the Federation of Investment Managers Malaysia.

**Forward Pricing** means the Net Asset Value per Unit for the Fund calculated at the next valuation point after a redemption request is received by us.

**Fund/MCIF5** means the MAYBANK CONSTANT INCOME FUND 5.

**Fitch** means Fitch Ratings.

**Fixed Income Security(ies)** means debt instruments which includes but are not limited to bonds, convertible bonds, floating rate instruments, fixed rate instruments, zero coupon securities as well as other instruments which has fixed income like features such as a fixed stream of income over a certain duration and carry a credit rating (referred to as “fixed-income-like-instruments”). These fixed-income-like-instruments would include but are not limited to hybrid securities, preferred securities or shares, preference shares and capital securities.

**Guidelines** means the Guidelines on Unit Trust Funds issued by the SC and as amended, substituted or replaced from time to time.

**GST** means goods and services tax which is applicable to any taxable supply of goods or services in accordance with the Goods and Services Tax Act 2014.

**Liquid Assets** means money market instruments and/or current deposits or fixed deposits placed with financial institutions with maturities of not more than one (1) year.

**LPD** means latest practicable date as at 31 May 2016.
Manager/ Maybank AM/ we/ means Maybank Asset Management Sdn Bhd (421779-M).
us/ our

MAMG means Maybank Asset Management Group Berhad (106441-K).

MAMS means Maybank Asset Management Singapore Pte. Ltd.

MARC means Malaysian Rating Corporation Berhad.

Maturity Date means the third (3rd) anniversary of the Commencement Date; if that date is not a Business Day, the Maturity Date shall be the first Business Day following the date that is the third (3rd) anniversary of the Commencement Date.

Maybank means Malayan Banking Berhad (3813-K).

Moody’s means Moody’s Investors Service.

Net Asset Value or NAV means the total value of the Fund’s assets minus its liabilities at the valuation point. For the purpose of computing the annual management fee and annual trustee fee, it should include the management fee and the trustee fee for the relevant day.

NAV per Unit means the NAV of the Fund divided by the total number of Units in circulation at the valuation point.

Offer Period means the period during which the Fund is open for sale and Units will be sold at the fixed offer price of RM1.00 per Unit.

Prospectus means this prospectus for the Fund.

RAM means RAM Rating Services Berhad.

Redemption Price means the price payable by the Manager to a Unit Holder pursuant to a redemption request by the Unit Holder and will be the NAV per Unit of the Fund. The redemption price shall be exclusive of the exit fee (if any).

RM means Ringgit Malaysia.

SC/ Securities Commission means the Securities Commission Malaysia.

Selling Price means the price payable by an investor or a Unit Holder for the purchase of a Unit of the Fund and will be fixed at RM1.00 per Unit throughout the Offer Period. The selling price shall be exclusive of the sales charge.

S&P’s means Standard & Poor’s Ratings Services.

Trustee means TMF Trustees Malaysia Berhad (610812-W).

Unit or Units means a measurement of the right or interest of a Unit Holder in the Fund and means a unit of the Fund.

Unit Holders/ you/ yourselves means the person registered as a holder of a Unit or Units including persons jointly registered for the Fund.

U.S. (United States) means:
Person(s) | (a) a U.S. citizen (including those who hold dual citizenship or a greencard holder);
(b) a U.S. resident alien for tax purposes;
(c) a U.S. partnership;
(d) a U.S. corporation;
(e) any estate other than a non-U.S. estate;
(f) any trust if:
   (i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and
   (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust;
(g) any other person that is not a non-U.S. Person; or
(h) any definition as may be prescribed under the Foreign Account Tax Compliance Act, as may be amended from time to time.
MANAGER
Maybank Asset Management Sdn Bhd (421779-M)

REGISTERED OFFICE
5th Floor, Tower A
Dataran Maybank
No. 1 Jalan Maarof
59000 Kuala Lumpur
Tel No: 03 - 2297 7870
Fax No: 03 - 2032 1572

BUSINESS OFFICE
Level 12, Tower C
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur
Tel No: 03 - 2297 7888
Fax No: 03 - 2297 7998
Email: mamcs@maybank.com.my
Website: http://www.maybank-am.com.my

BOARD OF DIRECTORS
Datuk Mohaiyani Binti Shamsudin (non-independent non-executive director/ chairman)
Datuk Karownakaran @ Karunakaran a/l Ramasamy (non-independent non-executive director)
Loh Lee Soon (independent non-executive director)
Nor’ Azamin bin Salleh (non-independent non-executive director)
Badrul Hisyam bin Abu Bakar (non-independent executive director/managing director)
Mohd Shariff Bin Sulaiman (independent non-executive director)

INVESTMENT COMMITTEE MEMBERS
Datuk Karownakaran @ Karunakaran a/l Ramasamy (non-independent member)
Suhaimi bin Ilias (non-independent member)
Dali Sardar (independent member)
Mohd Shariff Bin Sulaiman (independent member)

COMPANY SECRETARY
Wan Maizuni Wan Mohamad (LS0009762)
5th Floor, Tower A
Dataran Maybank
No. 1 Jalan Maarof
59000 Kuala Lumpur

INVESTMENT ADVISOR
Maybank Asset Management Singapore Pte. Ltd.

REGISTERED OFFICE
50 North Canal Road
#03-01
Singapore 059304

BUSINESS OFFICE
9 Temasek Boulevard
#13-01, Suntec Tower Two
Singapore 038989
Tel No: +65 6432 1488
Fax No: +65 6339 1003

MANAGER’S DELEGATE
(for back office functions)
Malayan Banking Berhad (3813-K)
REGISTERED OFFICE
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

BUSINESS OFFICE
8th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel No.: 03 - 2070 8833
Fax No.: 03 - 2715 8226

TRUSTEE
TMF Trustees Malaysia Berhad (610812-W)

REGISTERED ADDRESS AND
BUSINESS OFFICE
10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee
50250 Kuala Lumpur
Tel No: 03 - 2382 4288
Fax No: 03 - 2026 1451

TRUSTEE’S DELEGATE
Standard Chartered Bank Malaysia Berhad

REGISTERED OFFICE AND
BUSINESS OFFICE
Level 16, Menara Standard Chartered
30, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No: 03 – 2117 7777
Fax No: 03 – 2711 6060

AUDITORS
Ernst & Young
Level 23A, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

TAX ADVISER
Ernst & Young Tax Consultants Sdn Bhd
Level 23A, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

SOLICITORS
Wei Chien & Partners
Level 29, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur.

PRINCIPAL BANKER
Malayan Banking Berhad (3813-K)
Menara Maybank, Jalan Tun Perak
50050 Kuala Lumpur

FEDERATION OF
INVESTMENT
MANAGERS
Federation of Investment Managers Malaysia (FIMM)
19-06-1, 6th Floor, Wisma Tune
No. 19 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur
Tel No: 03-2093 2600
Fax No: 03-2093 2700
### (3) KEY DATA

This section is only a summary of the salient information about the Fund. Investors should read and understand the whole prospectus before making any investment decision.

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* Income will be paid out via cash payment mode.

### Investment Strategy

The Fund seeks to achieve its investment objective by investing a minimum of 80% of the Fund’s NAV in RM denominated Fixed Income Securities and/or foreign currency Fixed Income Securities (foreign currency Fixed Income Securities are Fixed Income Securities denominated in currencies other than RM). However as the Fund approaches the Maturity Date, we may choose to invest in Liquid Assets to facilitate the payout of the proceeds to Unit Holders after the Maturity Date.

**RM denominated Fixed Income Securities**

The Fund will invest in RM denominated Fixed Income Securities with a minimum rating of “A-” by MARC or its equivalent rating by RAM at the point of purchase. If any of the RM denominated Fixed Income Securities have been downgraded to a rating lower than “BBB” by MARC or its equivalent rating by RAM, we shall dispose the downgraded Fixed Income Security as soon as practicable. However, if such prompt action may be detrimental to the Fund, we may continue to hold the downgraded Fixed Income Security for up to ninety (90) days.

This treatment will be the same for issuer rating when there is no Fixed Income Security rating.

The Fund’s investment in RM denominated Fixed Income Securities which are issued by government and/or government linked agencies need not be rated.

**Foreign currency Fixed Income Securities**

The Fund will invest in foreign currency Fixed Income Securities with a minimum rating of “BB-” by S&P or its equivalent rating by Moody’s and/or Fitch. Should the ratings be different amongst S&P, Moody’s and Fitch, the second highest rating shall be applicable. When there are only two (2) ratings available, the lower rating shall be applicable.
If any of the foreign currency Fixed Income Securities have been downgraded to a rating lower than “BB-” by S&P or its equivalent rating by Moody’s and/or Fitch as determined using the second highest or lower rating methodology, we shall dispose the downgraded Fixed Income Security as soon as practicable. However, if such prompt action may be detrimental to the Fund, or if we remain comfortable with the default risk after conducting credit assessment by taking into consideration of both quantitative and qualitative factors and concluded that the probability of default is low, we may continue to hold the downgraded Fixed Income Securities up to the maturity date of the Fixed Income Securities or the Maturity Date of the Fund, whichever is earlier.

This treatment will be the same for issuer rating when there is no Fixed Income Security rating.

In determining the applicable rating for the respective RM denominated and foreign currency Fixed Income Securities, the issuer rating assigned by a relevant rating agency may be used instead of the Fixed Income Security rating only when there is no Fixed Income Security or issuer rating assigned by the same rating agency and we are of the opinion that the issuer’s rating is a representation of the Fixed Income Security rating i.e. in the event of any insolvency of the issuer, the Fixed Income Securities of that issuer shall rank in equal seniority in rights of payment or claim with all other non-secured and non-guaranteed obligations of that issuer.

Fixed Income Securities are deemed unrated if there are no issue or issuer rating from any rating agencies. The Fund may invest in unrated Fixed Income Securities but limited to no more than 15% of the Fund’s NAV. In such instances, we will conduct our own internal credit assessment to assess the eligibility of the Fixed Income Security.

The Fund may employ currency hedging strategies to fully or partially hedge the foreign currency exposure to manage the currency risk. Furthermore, the Fund may also fully or partially hedge the interest rate risk inherent in the investment of Fixed Income Securities.

*The investment strategy is further elaborated in Section 5.6 below.*

<table>
<thead>
<tr>
<th>Asset Allocation</th>
<th>MCIF5</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset Type</strong></td>
<td><strong>Range</strong></td>
<td></td>
</tr>
<tr>
<td>Foreign currency and/or RM denominated Fixed Income Securities</td>
<td>Minimum of 80% of the Fund’s NAV</td>
<td></td>
</tr>
<tr>
<td>Liquid Assets</td>
<td>Remaining balance of the Fund’s NAV</td>
<td></td>
</tr>
</tbody>
</table>

| Specific Risks of the Fund | Company specific risk, default risk, counterparty risk, country risk, currency risk, interest rate risk, mismatch risk, derivatives risk, non-commencement risk, redemption risk, reinvestment risk and below investment-grade risk. | 14 |

---

**Table:** Asset Allocation

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign currency and/or RM denominated Fixed Income Securities</td>
<td>Minimum of 80% of the Fund’s NAV</td>
</tr>
<tr>
<td>Liquid Assets</td>
<td>Remaining balance of the Fund’s NAV</td>
</tr>
<tr>
<td>Fund Information</td>
<td>MCIF5</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Investor Profile</strong></td>
<td>This Fund is suitable for you if:</td>
</tr>
<tr>
<td></td>
<td>• you have a moderate to high risk appetite;</td>
</tr>
<tr>
<td></td>
<td>• you have an investment horizon of 3 years; and</td>
</tr>
<tr>
<td></td>
<td>• you are seeking income distribution on an annual basis.</td>
</tr>
<tr>
<td><strong>Distribution Policy</strong></td>
<td>The Fund will declare income distribution annually, subject to the</td>
</tr>
<tr>
<td></td>
<td>availability of income, during the tenure of the Fund.</td>
</tr>
<tr>
<td></td>
<td>*Note: The Fund’s income distributions are non-guaranteed and</td>
</tr>
<tr>
<td></td>
<td>subject to the continuing abilities of the issuers of the Fund’s</td>
</tr>
<tr>
<td></td>
<td>investments to meet their respective financial obligations.*</td>
</tr>
<tr>
<td><strong>Mode of Distribution</strong></td>
<td>As this Fund is a close-ended fund, income distribution will only be</td>
</tr>
<tr>
<td></td>
<td>made via <strong>cash payment mode</strong>. You may receive income payment</td>
</tr>
<tr>
<td></td>
<td>either:</td>
</tr>
<tr>
<td></td>
<td>(a) by way of cheque; or</td>
</tr>
<tr>
<td></td>
<td>(b) by way of telegraphic transfer,</td>
</tr>
<tr>
<td></td>
<td>based on your instructions as stated in the account opening form on</td>
</tr>
<tr>
<td></td>
<td>the income payment date (which is within ten (10) calendar days</td>
</tr>
<tr>
<td></td>
<td>from the ex-distribution date).</td>
</tr>
<tr>
<td></td>
<td>Please note that cheques will be issued in the name of the first</td>
</tr>
<tr>
<td></td>
<td>applicant as stated in the account opening form. All bank charges</td>
</tr>
<tr>
<td></td>
<td>for the telegraphic transfer will be borne by you. The transfer</td>
</tr>
<tr>
<td></td>
<td>charges will be deducted directly from the transferred amount</td>
</tr>
<tr>
<td></td>
<td>before being paid to your bank account.</td>
</tr>
<tr>
<td><strong>Performance Benchmark</strong></td>
<td>The prevailing 3-year Maybank fixed deposit rate as at the</td>
</tr>
<tr>
<td></td>
<td><strong>Commencement Date.</strong></td>
</tr>
<tr>
<td></td>
<td><em>(Source: <a href="http://www.maybank2u.com">www.maybank2u.com</a>)</em></td>
</tr>
<tr>
<td></td>
<td>*Note: The risk profile of the Fund is different from the risk</td>
</tr>
<tr>
<td></td>
<td>profile of the performance benchmark.*</td>
</tr>
<tr>
<td><strong>Trustee</strong></td>
<td>TMF Trustees Malaysia Berhad</td>
</tr>
<tr>
<td><strong>Financial Year End</strong></td>
<td>The last day of the 12th month period starting from the</td>
</tr>
<tr>
<td></td>
<td><strong>Commencement Date of the Fund.</strong></td>
</tr>
<tr>
<td><strong>Launch Date</strong></td>
<td>19 September 2016.</td>
</tr>
<tr>
<td>Fund Information</td>
<td>MCIF5</td>
</tr>
<tr>
<td>------------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Offer Period</strong></td>
<td>A period of not more than 45 calendar days from the date of the Prospectus or such shorter period as determined by us. The Offer Period may be shortened by us in the event the Fund is fully subscribed or where we determine that it is in the best interest of the Unit Holders, subject to the Trustee’s approval. Units of the Fund are only available for purchase during the Offer Period.</td>
</tr>
<tr>
<td><strong>Offer Price</strong></td>
<td>RM1.00 per Unit.</td>
</tr>
<tr>
<td><strong>Commencement Date</strong></td>
<td>The seventh (7th) Business Day immediately following the end of the Offer Period or such earlier date as may be determined by us in the event we determine that it is in the best interest of the Unit Holders. We will inform you of the Commencement Date by sending a communiqué to you.</td>
</tr>
<tr>
<td><strong>Viable Fund Size</strong></td>
<td>RM30 million or such other amount as we and Trustee may jointly deem to be uneconomical to proceed with the Fund.</td>
</tr>
<tr>
<td><strong>Tenure and Maturity Date</strong></td>
<td>The tenure of the Fund is 3 years. The Maturity Date is the third (3rd) anniversary of the Commencement Date. If that date is not a Business Day, the Maturity Date shall be the first Business Day following the date that is the third (3rd) anniversary of the Commencement Date.</td>
</tr>
</tbody>
</table>

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

**Note:** All fees, charges and expenses stated herein are exclusive of GST. You and/or the Fund (as the case may be) are responsible to pay the applicable amount of GST in addition to the fees, charges and expenses stated herein.

This table describes the fees/charges that you may DIRECTLY incur when you buy or redeem Units of the Fund.

<table>
<thead>
<tr>
<th>Fund Information</th>
<th>MCIF5</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Charge</strong></td>
<td>Up to 3.00% of the offer price of the Fund will be imposed by us.</td>
<td>25</td>
</tr>
<tr>
<td>Fund Information</td>
<td>MCIF5</td>
<td>Page</td>
</tr>
<tr>
<td>------------------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td><strong>Exit Fee</strong></td>
<td></td>
<td>26</td>
</tr>
<tr>
<td>Period from the Commencement Date</td>
<td>Exit fee based on the redemption amount</td>
<td></td>
</tr>
<tr>
<td>Up to the first anniversary</td>
<td>3.50%</td>
<td></td>
</tr>
<tr>
<td>The next Business Day following the first anniversary up to the second anniversary</td>
<td>2.50%</td>
<td></td>
</tr>
<tr>
<td>The next Business Day following the second anniversary up to the third anniversary</td>
<td>1.50%</td>
<td></td>
</tr>
<tr>
<td>Maturity Date</td>
<td>Nil</td>
<td></td>
</tr>
</tbody>
</table>

The exit fee is non-negotiable and will be retained by the Fund for the benefit of the remaining Unit Holders. The exit fee will not be applicable for Unit Holders exercising their cooling-off right or who redeem their Units prior to the Commencement Date.

<table>
<thead>
<tr>
<th>Switching Fee</th>
<th></th>
<th>27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not applicable (Switching is not allowed).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transfer Fee</th>
<th></th>
<th>26</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM10 per transfer.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>We reserve the right to waive or reduce the transfer fee at our absolute discretion.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*We reserve the right to waive or reduce the sales charge at our absolute discretion. You may also negotiate for a lower sales charge. All sales charges and exit fee will be rounded up to two (2) decimal places. Sales charges will be retained by us but exit fee will be retained by the Fund.

This table describes the fees that you may INDIRECTLY incur when you invest in the Fund.

<table>
<thead>
<tr>
<th>Fund Information</th>
<th>MCIF5</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Management Fee</strong></td>
<td>Nil.</td>
<td>27</td>
</tr>
<tr>
<td><strong>Trustee Fee</strong></td>
<td>0.03% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), accrued daily and payable monthly to the Trustee.</td>
<td>27</td>
</tr>
<tr>
<td><strong>Fund Expenses</strong></td>
<td>Commissions or fees paid to dealers or brokers, audit fees, administrative charges such as printing of annual or interim report, tax certificates, postage and other services properly incurred in the administration of the Fund.</td>
<td>27</td>
</tr>
<tr>
<td>Fund Information</td>
<td>MCIF5</td>
<td>Page</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Minimum Initial Investment</td>
<td>RM1,000 or such other amount as determined by us.</td>
<td>33</td>
</tr>
<tr>
<td>Minimum Additional Investment</td>
<td>RM1,000 or such other amount as determined by us.</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td><em>Note: Additional investments may be made during the Offer Period only.</em></td>
<td></td>
</tr>
<tr>
<td>Minimum Redemption</td>
<td>1,000 Units.</td>
<td>33</td>
</tr>
<tr>
<td>Restriction on Frequency of Redemption</td>
<td>There are no restrictions on the frequency of redemption.</td>
<td>33</td>
</tr>
<tr>
<td>Minimum Holdings</td>
<td>1,000 Units.</td>
<td>33</td>
</tr>
<tr>
<td>Payment of Redemption Proceeds</td>
<td>Redemption proceeds will be paid within ten (10) calendar days of the Manager’s receipt of a redemption request.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The cut-off time for redemption request shall be at <em>4.00 p.m.</em> on a Business Day.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Any redemption request received before the cut-off time on a Business Day will be processed on the same Business Day based on the same day’s pricing of the Fund.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Any redemption request received after the cut-off time on a Business Day will be treated as having been received on the next Business Day and will be processed on the next Business Day based on the next day’s pricing of the Fund.</td>
<td></td>
</tr>
<tr>
<td>Transfer of Units</td>
<td>Transfer of ownership of Units is allowed for this Fund.</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>Transfer of ownership from the account of the deceased Unit Holder to his/her personal representative will only be undertaken through the process of estate administration and death claims procedures.</td>
<td></td>
</tr>
<tr>
<td>Switching between funds</td>
<td>The switching facility is not available.</td>
<td>33</td>
</tr>
<tr>
<td>Cooling-Off Period</td>
<td>Six (6) Business Days commencing from the date the application for Units is received by us.</td>
<td>34</td>
</tr>
</tbody>
</table>
Unit prices and distributions payable, if any, may go down as well as up.

You should read and understand the contents of this Prospectus and, if necessary, consult your adviser(s).

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

*Note: All fees, charges and expenses stated herein are exclusive of GST. You and/or the Fund (as the case may be) are responsible to pay the applicable amount of GST in addition to the fees, charges and expenses stated herein.*

For information concerning certain risk factors which should be considered by prospective investors, see “Risk Factors” commencing on page 13.

If you are interested in the Fund, have any queries or require further information, please contact our client servicing personnel at 03-2297 7888 at any time during office hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday on a Business Day. Alternatively, you may email your enquiries to mamcs@maybank.com.my.
(4) RISK FACTORS

All investments carry some degree of risk. In relation to this, returns are not guaranteed to Unit Holders. If an investor expects a high return on investment, usually, the risk that the investor would have to bear would also be high, and vice versa. The choice of investing in the Fund is made at the discretion of the investors. There is a chance whereby the Fund chosen by you may not suit your needs and circumstances. You should rely on your own evaluation to assess the merits and risks when investing in the Fund.

Our role as the Manager of the Fund is to invest in a portfolio of assets which is adequately suited to potentially achieve the objective of the Fund, while at the same time working towards mitigating the risk of the portfolio of assets as much as possible, through careful asset allocation and security selection, as well as through diversification, i.e. spreading risk across a basket of multiple assets or securities which have low or negative correlations with one another.

Before making an investment in the Fund, you should consider the various risks that may affect the Fund and your investment.

4.1 General Risks of Investing in the Fund

<table>
<thead>
<tr>
<th>GENERAL RISKS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Risk</strong></td>
</tr>
<tr>
<td>Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund’s NAV. The Manager will monitor the financial markets closely and act on any adverse news accordingly.</td>
</tr>
<tr>
<td><strong>Inflation Risk</strong></td>
</tr>
<tr>
<td>This is the risk that investors’ investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors’ purchasing power even though the value of the investment in monetary terms has increased.</td>
</tr>
<tr>
<td><strong>Liquidity Risk</strong></td>
</tr>
<tr>
<td>Liquidity risk refers to the ease of liquidating a Fixed Income Security depending on the Fixed Income Security’s volume traded in the market. If the Fund holds Fixed Income Securities that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such Fixed Income Securities at unfavourable prices. This risk is mitigated by diversifying the investment in a wide range of Fixed Income Securities and avoiding Fixed Income Securities with poor liquidity.</td>
</tr>
<tr>
<td><strong>Manager’s Risk</strong></td>
</tr>
<tr>
<td>This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant law or Guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the Fund. In order to mitigate this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by the Manager.</td>
</tr>
<tr>
<td><strong>Non-compliance Risk</strong></td>
</tr>
<tr>
<td>This risk refers to the possibility that the Manager may not follow the provisions set out in this Prospectus or the Deed or the laws, rules, guidelines or internal operating policies which governs the Fund.</td>
</tr>
</tbody>
</table>
## GENERAL RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-compliance</td>
<td>Non-compliance may occur directly due to factors such as human error or system failure and can also occur indirectly due to amendment on the relevant regulatory frameworks, laws, rules, and other legal practices affecting the Fund. This risk may result in operational disruptions and potential losses to the Fund. The Manager aims to reduce this risk by placing stringent internal policies and procedures and compliance monitoring processes to ensure that the Fund is in compliance with the relevant fund regulations or guidelines.</td>
</tr>
<tr>
<td>Loan Financing Risk</td>
<td>This risk occurs when investors take a loan or financing to finance their investment. The inherent risk of investing with borrowed money includes investors being unable to service the loan repayments. In the event Units are used as collateral, an investor may be required to top-up the investors’ existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.</td>
</tr>
<tr>
<td>Capital and Returns Are Not Guaranteed</td>
<td>Investors should be aware that there is no guarantee of any returns i.e. income distribution or capital appreciation by investing in the Fund. Unlike fixed deposits placed directly by the investors into any financial institutions which carry a specific rate of return, the Fund does not provide a fixed rate return.</td>
</tr>
</tbody>
</table>

## 4.2 Specific Risks of the Fund

<table>
<thead>
<tr>
<th>Risk</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Risk</td>
<td>This risk arises when a company is exposed to adverse conditions or negative sentiments such as management issues, deteriorating business fundamentals or loss of competitiveness which is specific to a single company. As a consequence, the price of Fixed Income Securities issued by such company might fall and subsequently affects the Fund’s performance. The impact of a specific company may be reduced as the Fund invests in a wide portfolio of investments consisting of Fixed Income Securities issued by different companies thereby spreading the element of this risk through diversification.</td>
</tr>
<tr>
<td>Default Risk</td>
<td>This risk refers to the possibility that the issuer of the Fixed Income Security or money market instrument is unable to make timely or full payments of principal and/or interest when due. In the event of a default in payment of principal and/or interest, this may cause a reduction in the value of the Fund. The Manager will endeavour to take the necessary steps to deal with the investments in the best interest of the Unit Holders including to dispose the defaulted investments within a time frame deemed reasonable by the Manager. Current deposits and/or fixed deposits that the Fund has placed with financial institutions are also exposed to 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. Placement</td>
</tr>
<tr>
<td>SPECIFIC RISKS</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td><strong>Counterparty Risk</strong></td>
<td>Counterparty risk refers to a risk that relates to the credit standing of counterparties when over-the-counter transactions (such as that of derivatives or Fixed Income Securities) are carried out and is generally not applicable to transactions performed through exchanges. In the event where counterparties of a contract fail to live up to its contractual obligations, the Fund will suffer from financial losses. The Fund seeks to reduce this risk by performing fundamental credit research and analysis to determine the creditworthiness of counterparties, prior to commencement of the investment.</td>
</tr>
<tr>
<td><strong>Country Risk</strong></td>
<td>Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund or prices of Units to fall. The Manager attempts to mitigate this risk by diversifying its country exposures. In respect of this Fund, should a country’s conditions be unfavourable to the Fund, the Manager may change Fixed Income Securities allocations in a country accordingly for the best interest of the Fund.</td>
</tr>
<tr>
<td><strong>Currency Risk</strong></td>
<td>As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment. In order to reduce this risk, the Manager intends to use derivatives to hedge the foreign currency exposure. However, investors should be aware that the Fund may not enjoy the upside of the exchange rate movement once it is hedged.</td>
</tr>
<tr>
<td><strong>Interest Rate Risk</strong></td>
<td>Interest rate risk refers to the impact of interest rate changes on the valuation of the Fixed Income Securities. When interest rates rise, Fixed Income Securities prices generally decline and this may lower the market value of the Fund’s investment in Fixed Income Securities. The reverse may apply when interest rates fall. In the event that the Fixed Income Securities are held until maturity, the concern regarding price fluctuations arising from interest rate changes may be minimal due to the lock in of price and yields. The impact of this risk is mitigated as the Fund will attempt to invest in Fixed Income Securities with maturities close to 3 years to match the maturity of the Fund.</td>
</tr>
<tr>
<td><strong>Mismatch Risk</strong></td>
<td>Mismatch risk arises when the Fund buys a Fixed Income Security with tenure longer than 3 years. Given that the Fund is to liquidate all its Fixed Income Security holdings on its third (3rd) anniversary</td>
</tr>
<tr>
<td>SPECIFIC RISKS</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td><strong>of the Commencement Date, there is a risk whereby the Fixed Income Security holdings with a maturity of more than 3 years may be sold at an unfavourable price depending on the market condition at the point of time. In such a case, the mismatch of maturities may potentially result in a loss to the Fund due to the selling of its Fixed Income Securities at a market price which is lower than the par value of the Fixed Income Security had the Fixed Income Security be held until maturity. The Fund seeks to mitigate this risk by investing in Fixed Income Securities which closely match the Fund’s maturity of 3 years.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Derivatives Risk</strong></td>
<td></td>
</tr>
<tr>
<td>Derivatives, if any, will only be used for the purpose of hedging 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, 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.</td>
<td></td>
</tr>
<tr>
<td><strong>Non-Commencement Risk</strong></td>
<td></td>
</tr>
<tr>
<td>This is the risk that the Fund does not commence as expected. Hence, at any time before or on the Commencement Date of the Fund, the Manager reserves the right not to commence the Fund in the event the capital raised by the Fund is below RM30 million or such other amount as the Manager and Trustee may jointly deem to be uneconomical to proceed with the Fund. In such instances, the Manager shall return the amount subscribed to investors together with the sales charge, and investors may have to reinvest the monies returned to them into other investments.</td>
<td></td>
</tr>
<tr>
<td><strong>Redemption Risk</strong></td>
<td></td>
</tr>
<tr>
<td>Investors are reminded to stay committed to their investment until the Maturity Date which falls on the third (3rd) anniversary of the Commencement Date. Exiting the Fund prior to the Maturity Date will incur exit fee.</td>
<td></td>
</tr>
<tr>
<td><strong>Reinvestment Risk</strong></td>
<td></td>
</tr>
<tr>
<td>Reinvestment risk may occur when there is divestment of a Fixed Income Security due to the issuer rating being downgraded or to fulfil redemption request. Reinvestment risk also arises when an issuer of Fixed Income Security exercises its right to pay the principal on an obligation earlier than the expected maturity date. The Fund may not be able to reinvest in a suitable replacement Fixed Income Security and consequently the Fund may experience lower returns due to reinvesting in lower yielding Fixed Income Securities especially during times of declining interest rates.</td>
<td></td>
</tr>
<tr>
<td><strong>Below Investment-Grade Risk</strong></td>
<td></td>
</tr>
<tr>
<td>The Fund may invest up to 100% in foreign Fixed Income Securities with a minimum rating of BB- by S&amp;P or its equivalent rating by Moody’s or Fitch. Investors should be aware that Fixed Income Securities rated below BBB- are considered below investment-grade Fixed Income Securities (also known as “junk Fixed Income Securities” or “high yield Fixed Income Securities”) and are generally considered to be speculative and more sensitive to adverse changes in market condition. Below investment-grade Fixed Income Securities are generally being subject to greater levels of interest</td>
<td></td>
</tr>
<tr>
<td>SPECIFIC RISKS</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td>rate risk and default risks as compared to investment-grade Fixed Income Securities. Such Fixed Income Securities generally experience greater price volatility in comparison to those of higher credit quality and usually lacks liquidity in secondary market, which in turn may adversely affect the value of these Fixed Income Securities and that of the Fund.</td>
<td></td>
</tr>
</tbody>
</table>

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

5.1 Investment Objective of MCIF5

The Fund aims to provide Unit Holders with income* through investments in a portfolio of
Fixed Income Securities.

* Income will be paid out via cash payment mode.

Any material changes to the investment objective of the Fund would require the Unit Holders’
approval.

5.2 Offer Price

The offer price is set at RM1.00 per Unit. The offer price will be the Selling Price and the
Redemption Price throughout the Offer Period.

5.3 Offer Period

A period of not more than 45 calendar days from the date of the Prospectus or such shorter
period as determined by us.

The Offer Period may be shortened by us in the event the Fund is fully subscribed or where we
determine that it is in the best interest of the Unit Holders, subject to the Trustee’s approval.
Units of the Fund are only available for purchase during the Offer Period.

5.4 Maturity of the Fund

The Fund will mature on the third (3rd) anniversary of the Commencement Date. If that date is
not a Business Day, the Maturity Date shall be the first Business Day following the date that is
the third (3rd) anniversary of the Commencement Date.

5.5 Performance Benchmark

The performance of the Fund is benchmarked against the prevailing 3-year Maybank fixed
deposit rate as at the Commencement Date (Source: www.maybank2u.com).

Note: The risk profile of the Fund is different from the risk profile of the performance
benchmark.

We will inform you of the prevailing 3-year Maybank fixed deposit rate as at the
Commencement Date via a communique after the Fund commence. Alternatively, you may
also contact us directly to enquire of it.

5.6 Investment Strategy

The Fund seeks to achieve its investment objective by investing a minimum of 80% of the
Fund’s NAV in RM denominated Fixed Income Securities and/or foreign currency Fixed Income
Securities (foreign currency Fixed Income Securities are Fixed Income Securities denominated
in currencies other than RM). However as the Fund approaches the Maturity Date, we may
choose to invest in Liquid Assets to facilitate the payout of the proceeds to Unit Holders after
the Maturity Date.
**RM denominated Fixed Income Securities**

The Fund will invest in RM denominated Fixed Income Securities with a minimum rating of “A-” by MARC or its equivalent rating by RAM at the point of purchase. If any of the RM denominated Fixed Income Securities have been downgraded to a rating lower than “BBB” by MARC or its equivalent rating by RAM, we shall dispose the downgraded Fixed Income Security as soon as practicable. However, if such prompt action may be detrimental to the Fund, we may continue to hold the downgraded Fixed Income Security for up to ninety (90) days.

This treatment will be the same for issuer rating when there is no Fixed Income Security rating.

The Fund’s investment in RM denominated Fixed Income Securities which are issued by government and/or government linked agencies need not be rated.

**Foreign currency Fixed Income Securities**

The Fund will invest in foreign currency Fixed Income Securities with a minimum rating of “BB-” by S&P or its equivalent rating by Moody’s and/or Fitch. Should the ratings be different amongst S&P, Moody’s and Fitch, the second highest rating shall be applicable. When there are only two (2) ratings available, the lower rating shall be applicable.

Below is the illustration on the treatment of different ratings for foreign currency Fixed Income Securities:

**Example 1 - Where three ratings are available based on Fixed Income Securities or issuer rating**

When the ratings amongst S&P, Moody’s or Fitch are different, the second highest rating shall be applicable.

<table>
<thead>
<tr>
<th>Fixed Income Security Rating</th>
<th>Issuer Rating</th>
<th>Rating used to determine applicable rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>Nil</td>
<td>Baa3 (BBB- equivalent)*</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>BB+</td>
<td>BB+</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB-</td>
<td>BBB-</td>
</tr>
</tbody>
</table>

**Applicable Rating**

|                     | Fitch           | BBB-                                      |

* subject to the Manager’s opinion that the issuer rating is a representation of the Fixed Income Security rating i.e. the Fixed Income Security is of equal seniority in rights of payment as non-secured non-guaranteed obligations of the issuer.

**Example 2 - Where only two ratings are available based on Fixed Income Security or issuer rating**

When there are only two ratings available, the lower rating shall be applicable.

<table>
<thead>
<tr>
<th>Fixed Income Security Rating</th>
<th>Issuer Rating</th>
<th>Rating used to determine applicable rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>Nil</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Applicable Rating | S&P | BB+
---|---|---
Fitch | BBB- | BBB-

* subject to the Manager’s opinion that the issuer rating is a representation of the Fixed Income Security rating i.e. the Fixed Income Security is of equal seniority in rights of payment as non-secured non-guaranteed obligations of the issuer.

If any of the foreign currency Fixed Income Securities have been downgraded to a rating lower than “BB-” by S&P or its equivalent rating by Moody’s and/or Fitch as determined using the second highest or lower rating methodology, we shall dispose the downgraded Fixed Income Security as soon as practicable. However, if such prompt action may be detrimental to the Fund, or if we remain comfortable with the default risk after conducting credit assessment by taking into consideration of both quantitative and qualitative factors and concluded that the probability of the default is low, we may at our discretion based on our understanding of the credit fundamentals of the issuer, continue to hold the downgraded Fixed Income Securities up to the maturity date of the Fixed Income Securities or the Maturity Date of the Fund, whichever is earlier.

This treatment will be the same for issuer rating when there is no Fixed Income Security rating.

In determining the applicable rating for the respective RM denominated and foreign currency Fixed Income Securities, the issuer rating assigned by a relevant rating agency may be used instead of the Fixed Income Security rating only when there is no Fixed Income Security or issuer rating assigned by the same rating agency and we are of the opinion that the issuer’s rating is a representation of the Fixed Income Security rating i.e. in the event of any insolvency of the issuer, the Fixed Income Securities of that issuer shall rank in equal seniority in rights of payment or claim with all other non-secured and non-guaranteed obligations of that issuer.

Fixed Income Securities are deemed unrated if there are no issue or issuer rating from any rating agencies. The Fund may invest in unrated Fixed Income Securities but limited to no more than 15% of the Fund’s NAV. In such instances, we will conduct our own internal credit assessment to assess the eligibility of the Fixed Income Security.

The Fund may employ currency hedging strategies to fully or partially hedge the foreign currency exposure to manage the currency risk. Furthermore, the Fund may also fully or partially hedge the interest rate risk inherent in the investment of Fixed Income Securities.

The Fund may invest in Fixed Income Securities issued by issuers of a country where the regulatory authority is a member of the International Organization of Securities Commissions (IOSCO). The markets that the Fund seeks to invest in include, but are not limited to, the following:

- Hong Kong
- Singapore
- Thailand
- Korea
- China
- Indonesia
- India
- Malaysia
- Philippines
- Taiwan
• Australia
• New Zealand

When investing in foreign markets which require prior permission or approval such as in the form of an investment license or investor code or investor registration, the Fund should obtain such necessary permission or approval in order to invest in such markets.

The remaining balance of the Fund’s NAV will be invested in Liquid Assets.

Trading Policy

We will actively monitor and trade individual Fixed Income Securities within the portfolio in the best interest of the Unit Holders and in order to safeguard the assets and total returns for the Fund and to manage liquidity needs.

Temporary Defensive Positions

We may take temporary defensive positions that may be inconsistent with the Fund’s investment strategy in attempting to respond to adverse market, political or economic conditions. Under such situations, the Fund may hold up to all of the Fund’s NAV in Liquid Assets. The defensive positions may be adopted for a time period as we consider appropriate in consultation with the Trustee.

When the Fund’s matures

We shall redeem or sell the Fixed Income Securities and money market instruments and return all the proceeds to you (based on the number of Units you hold) within thirty (30) calendar days from the Maturity Date, after deducting the applicable Fund’s expenses and fees.

5.7 Asset Allocation

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign currency and/or RM denominated Fixed Income Securities</td>
<td>Minimum of 80% of the Fund’s NAV</td>
</tr>
<tr>
<td>Liquid Assets</td>
<td>Remaining balance of the Fund’s NAV</td>
</tr>
</tbody>
</table>

5.8 Investor Profile

This Fund is suitable for you if:
• you have a moderate to high risk appetite;
• you have an investment horizon of 3 years; and
• you are seeking income distribution on an annual basis.

5.9 Risk Management Strategies

Risk management is an integral part of our investment management process. As the Fund invests a minimum of 80% of the Fund’s NAV in Fixed Income Securities, default risk is an important consideration for us. Periodic credit review on the Fixed Income Securities holdings shall be conducted by us. The Fund’s exposure will also be spread across various sectors, counterparties and companies as a diversification strategy.
In order to minimise instances of a mismatch between the Maturity Date of the Fund and that of the Fixed Income Securities it holds, we will also strive to invest in Fixed Income Securities that matches the Maturity Date of the Fund.

We may also employ hedging strategies to reduce currency risks via the engagement in certain transactions involving the use of derivatives.

In order to ensure that the Fund is managed in accordance with the Guidelines and the Deed, proper procedures and parameters are in place to manage the risks that are applicable to the Fund. Regular monitoring, reviews and reporting are also undertaken by us to ensure that the Fund’s investment objective is met.

5.10 Borrowings and Securities Lending

The Fund may not borrow cash or other assets in connection with its activities. However, the Fund may borrow cash on a temporary basis for the purpose of meeting redemption requests for Units and for short term bridging requirements subject to the following:

(a) the Fund’s cash borrowing is only on a temporary basis and that borrowings are not persistent;

(b) the borrowing period shall not exceed one month;

(c) the aggregate borrowings of the Fund shall not exceed 10% of the Fund’s NAV at the time the borrowing is incurred; and

(d) the Fund may only borrow from financial institutions.

The Fund may participate in the lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC.

5.11 Permitted Investments

The Fund is permitted to invest in the following:

(a) Fixed Income Securities;

(b) Money market instruments;

(c) Placement in local and foreign currency deposits with financial institutions;

(d) Derivatives such as foreign currency swap or forward contracts for hedging purposes only; and

(e) Any other investment which is in line with the objective of the Fund.

5.12 Investment Restrictions

Investment Spread Limits

(a) The value of the Fund’s placement in deposits with any single institution must not exceed 20% of the Fund’s NAV.

(b) The Fund’s exposure to the derivatives position shall not exceed the Fund’s NAV at all times.

(c) The value of the Fund’s over-the-counter (OTC) derivative transaction with any single
counter-party shall not exceed 10% of the Fund’s NAV.

(d) The aggregate value of the Fund’s investments in transferable securities, money market instruments, deposits and OTC derivatives issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund’s NAV.

(e) The value of the Fund’s investment in debentures issued by any single issuer must not exceed 20% of the Fund’s NAV.

(f) The single issuer limit in item (e) may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal.

(g) For the purpose of item (d), where the single issuer limit is increased to 30% pursuant to item (f), the aggregate value of the Fund’s investment must not exceed 30%.

(h) The value of the Fund’s investments in debentures issued by any group of companies must not exceed 30% of the Fund’s NAV.

(i) The limits and restrictions on the investments of the Fund do not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

Investment Concentration Limits

- The Fund’s investments in debentures must not exceed 20% of the debentures issued by any single issuer.

- The Fund’s investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. The limit does not apply to money market instruments that do not have a pre-determined issue size.

Investment Restrictions

- The Fund will invest in Fixed Income Securities issued and/or offered in Malaysia with a minimum rating of “A-” by MARC or its equivalent rating by RAM at the point of investment.

- The Fund will invest in foreign currency Fixed Income Securities with a minimum rating of “BB-” by S&P or its equivalent rating by Moody’s or Fitch at the point of investment.

- The Fund will not invest more than 15% of the Fund’s NAV in unrated Fixed Income Securities.

The above stated limits and restrictions shall be complied with at all times based on the most up-to-date value of the Fund’s investments and instruments. However, a 5% allowance in excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (as a result of an appreciation or depreciation in value of investments or as a result of the redemption of Units or payment made from the Fund). Once the relevant limit is breached, no further acquisitions of the particular securities involved shall be made and we should, within a reasonable period of not more than three (3) months from the date of the breach take all necessary steps and actions to rectify the breach.
5.13 Bases of Valuation of Investments

Fixed Income Securities

Investments in listed Fixed Income Securities are valued daily based on the market price quoted on the exchange at the close of the exchange. However, if:

(a) valuation based on the market price does not represent the fair value of the listed Fixed Income Securities, for example during abnormal market conditions; or
(b) no market price is available, including in the event of a suspension in the quotation of listed Fixed Income Securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee;

the Fixed Income Securities would be valued at fair value, as determined in good faith by us based on methods or bases approved by the Trustee after appropriate technical consultation.

Investments in local unlisted Fixed Income Securities denominated in RM are valued daily at the price quoted by a bond pricing agency (BPA) registered with the SC. Where we are of the view that the price quoted by BPA for a specific unlisted Fixed Income Securities differs from the market price by more than 20 basis points, we may use the market price, provided that we:

(a) records its basis for using a non-BPA price;
(b) obtain necessary internal approvals to use the non-BPA price; and
(c) keep an audit trail of all decisions and basis for adopting the market yield.

Investments in foreign unlisted Fixed Income Securities are valued daily at fair value by reference to the average indicative yield quoted by three (3) independent and reputable institutions.

Placement in Deposits

Placements in deposits with financial institutions are valued daily by reference to the principal value of such investments and the interest accrued thereon for the relevant period.

Money Market Instruments

Investments in money market instruments are valued daily at cost, adjusted for amortisation of premium or accretion of discount over their par value at the time of acquisition, less provision for any diminution in value.

Derivatives

Derivative positions will be valued daily at fair value, as determined in good faith by us based on methods or bases which have been verified by the auditor and approved by the Trustee.

Foreign Exchange Translation

Foreign exchange translation of foreign investments for a particular Business Day is determined based on the bid exchange rate quoted by Bloomberg or Reuters at UK time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 a.m. midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.
(6) FEES, CHARGES AND EXPENSES

Fees/Charges

The following describes the fees/charges that you may directly incur:

6.1 Sales Charge

A sales charge may be imposed by us on the purchase of Units of the Fund during the Offer Period.

The sales charge shall be a percentage of the offer price of the Fund and is disclosed as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>MCIF5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Charge*</td>
<td>Up to 3.00% of the offer price of the Fund</td>
</tr>
</tbody>
</table>

*We reserve the right to waive or reduce the sales charge at its absolute discretion. You may also negotiate for a lower sales charge. All sales charges will be rounded up to two (2) decimal places and will be retained by us.

Note: Sales charge stated above is exclusive of GST.

Illustration - Computation of sales charge

Example:

If you wish to invest RM10,000.00 in the Fund which imposes a sales charge of 3.00% of the offer price of the Fund, the total amount of sales charge will be:

3.00% x 10,000.00 = RM300.00

A GST of 6% will be applicable to the sales charge as follows:

6.00% x RM300 = RM18.00

The total amount to be paid by you for your investment will therefore be:

RM10,000.00 + RM300.00 + RM18.00 = RM10,318.00 (inclusive of sales charge and GST).
6.2 Exit Fee

<table>
<thead>
<tr>
<th>FUND</th>
<th>MCIF5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exit Fee</strong>*</td>
<td><strong>Period from the Commencement Date</strong></td>
</tr>
<tr>
<td></td>
<td>Up to the first anniversary</td>
</tr>
<tr>
<td></td>
<td>The next Business Day following the first anniversary up to the second anniversary</td>
</tr>
<tr>
<td></td>
<td>The next Business Day following the second anniversary up to the third anniversary</td>
</tr>
<tr>
<td></td>
<td>Maturity Date</td>
</tr>
</tbody>
</table>

*The exit fee is non-negotiable and will be retained by the Fund for the benefit of the remaining Unit Holders. The exit fee will not be applicable for Unit Holders exercising their cooling-off right or who redeem their Units prior to the Commencement Date. All exit fee will be rounded up to two (2) decimal places.

Illustration - Computation of exit fee

**Example:**

If you wish to redeem RM10,000.00 from the Fund within the first anniversary from the Commencement Date, the exit fee will be:

\[ 3.50\% \times RM10,000.00 = RM350.00 \]

You will therefore receive the redemption proceeds of:

RM10,000.00 - RM350.00 = **RM9,650.00**

6.3 Transfer Fee

A transfer fee of RM10 per transfer will be imposed on you.

A GST of 6% will be applicable to the transfer fee.

We reserve the right to waive or reduce the transfer fee at its absolute discretion.

**An illustration of the applicable GST:**

\[ RM10.00 \times 6\% = RM0.60 \]

Total amount payable by you (inclusive of GST) will be **RM10.60**.
6.4 **Switching Fee**

Not applicable (Switching is not allowed).

**Fees And Expenses**

The fees and expenses indirectly incurred by you when investing in the Fund are as follows:

6.5 **Management Fee**

Nil.

6.6 **Trustee Fee**

The Trustee is entitled to a trustee fee of 0.03% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), accrued daily and payable monthly to the Trustee.

**Illustration - Computation of trustee fee**

**Example:**

Assuming that the NAV of the Fund is RM100 million for that day, the accrued trustee fee (exclusive of GST) for the Fund for that day would be:

\[
\text{RM100,000,000} \times 0.03\% \quad = \quad \text{RM82.19 per day}
\]

\[
\frac{\text{RM100,000,000} \times 0.03\%}{365 \text{ days}} = \text{RM82.19 per day}
\]

A GST of 6% will be applicable to the trustee fee.

\[
\text{GST applicable to the trustee fee for that day} = \text{trustee fee for that day} \times \text{GST}
\]

\[
= \text{RM82.19} \times 6\%
\]

\[
= \text{RM4.93} \quad \text{(rounded to 2 decimal points)}
\]

Trustee fee for that day charged by the Fund inclusive of GST

\[
= \text{RM82.19} + \text{RM4.93}
\]

\[
= \text{RM87.12}
\]

6.7 **Fund Expenses**

In administering the Fund, only fees and expenses that are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These include (but not limited to) the following:

(i) commissions or fees paid to dealers or brokers in effecting dealings in the investments of the Fund;

(ii) taxes and other duties charged on the Fund by the government and/or other authorities;

(iii) costs, fees and expenses properly incurred by the auditors appointed for the Fund;

(iv) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
(v) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;

(vi) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;

(vii) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;

(viii) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;

(ix) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;

(x) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;

(xi) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;

(xii) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

(xiii) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;

(xiv) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;

(xv) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund;

(xvi) expenses and charges incurred in connection with the printing and postage for the annual and interim reports, tax certificates, reinvestment statements and other services associated with the administration of the Fund; and

(xvii) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer.

Expenses related to the issuance of this Prospectus will be borne by us.

Note: All fees, charges and expenses stated herein are exclusive of GST. You and/or the Fund (as the case may be) are responsible to pay the applicable amount of GST in addition to the fees, charges and expenses stated herein.
6.8 Policy on Rebates and Soft Commissions

The Manager or any delegate thereof will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund.

However, soft commissions may be retained by us and our delegate for payment of goods and services such as research material, data and quotation services and investment management tools, which are of demonstrable benefit to Unit Holders.

There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Fund.
(7) TRANSACTION INFORMATION

7.1 Valuation Point

The Fund must be valued at least once every Business Day. The valuation of the Fund will be carried out in a fair and accurate manner.

However, certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia. Accordingly, the valuation of the Fund will be conducted by 4.00 p.m. on the next Business Day, when the closing prices of the foreign markets would be available. As such, the daily price of the Fund for a particular Business Day will be published two (2) Business Days later.

For currency translation of foreign securities to the Fund’s base currency (RM) shall be based on the bid exchange rate quoted by Bloomberg or Reuters at UK time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 a.m. midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.

7.2 Computation of NAV and NAV per Unit

The NAV of the Fund is determined by deducting the value of the Fund’s liabilities from the value of the Fund’s assets, at a valuation point. For the purpose of computing the management fee and trustee fee, the NAV of the Fund should be inclusive of the management fee and the trustee fee for the relevant day.

Please note that the example below is for illustration only:

<table>
<thead>
<tr>
<th>RM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Investment</td>
</tr>
<tr>
<td>Add : Other Assets (including cash) &amp; Income</td>
</tr>
<tr>
<td>Less : Liabilities</td>
</tr>
<tr>
<td>NAV before deducting management fee and trustee fee for the day</td>
</tr>
<tr>
<td>Less : Management fee for the day</td>
</tr>
<tr>
<td>Less : Trustee fee for the day (at 0.03% per annum calculated based on the NAV)</td>
</tr>
<tr>
<td>RM101,200,000 X 0.03% / 365 days</td>
</tr>
<tr>
<td>Less : GST on trustee fee for the day (RM83.18 x 6%)</td>
</tr>
<tr>
<td>Total NAV</td>
</tr>
</tbody>
</table>

The NAV per Unit of the Fund is calculated by dividing the total NAV of the Fund by the number of Units in circulation at the end of each Business Day.
Assuming there are 100,000,000 Units of the Fund in circulation at the point of valuation, the NAV per Unit of the Fund shall therefore be calculated as follows:

<table>
<thead>
<tr>
<th>RM</th>
<th>101,199,911.83</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divide:</td>
<td>100,000,000</td>
</tr>
<tr>
<td>NAV per Unit of the Fund</td>
<td>1.0120*</td>
</tr>
</tbody>
</table>

*NAV per Unit will be rounded up to four (4) decimal places for the purposes of publication of the NAV per Unit.

7.3 Pricing of Units

Single Pricing Regime

We adopt a single pricing regime in calculating a Unit Holder’s purchase and redemption of Units. This means that all purchases and redemptions are transacted on a single price (i.e. NAV per Unit). During the Offer Period, the Selling Price of a Unit and the Redemption Price of a Unit is equivalent to the offer price. After the Offer Period, Forward Pricing will be used to determine the Redemption Price of a Unit, which is the NAV per Unit for the Fund as at the next valuation point after the redemption request is received by us.

Selling Price of Units

Units will only be sold at the offer price during the Offer Period. We may impose a sales charge of up to 3.00% of the offer price of the Fund.

Calculation of Selling Price

Illustration - Sale of Units with sales charge

Example:

If you wish to invest RM10,000.00 in the Fund before 4.00 p.m. on 31 January 2016, and if the sales charge is 3.00% of the offer price of the Fund, the total amount to be paid by you and the number of Units issued to you will be as follows:

Sales charge payable by you = 3.00% x 10,000.00 = RM300.00

A GST of 6% will be applicable to the sales charge.

6.00% x RM300 = RM18.00

The total amount to be paid by you for your investment will therefore be:

RM10,000.00 + RM300.00 + RM18.00 = RM10,318.00 (inclusive of sales charge and GST)

In the event that the offer price for the Fund at the end of the Business Day on 31 January 2016 = RM1.0000

The number of Units that will be issued to you will be:

RM10,000.00 divided by RM1.0000 = 10,000.00 Units

Investors are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.
Redemption Price of Units

The Redemption Price of a Unit of the Fund is the NAV per Unit at the next valuation point after the redemption request is received by us (Forward Pricing).

Calculation of Redemption Price

Illustration - Redemption of Units with exit fee

*Example:*

If you wish to redeem 10,000.00 Units from the Fund before 4.00 p.m. within the first anniversary from the Commencement Date and the exit fee is 3.50% of the NAV per Unit, the total amount to be paid to you will be as follows:

In the event that the NAV per Unit for the Fund at the end of the Business Day on 31 January 2016 = RM1.0000

Amount redeemed would be: 10,000 Units x RM1.000 = **RM10,000**

Exit fee would be: 3.50% x RM10,000 = **RM350**

The total amount to be paid to you will be: RM10,000 - RM350 = **RM9,650.00**

Therefore you will receive **RM9,650.00** as redemption proceeds.

7.4 Incorrect Pricing

We shall ensure that the Fund and the Units are correctly valued and priced according to the Deed and all relevant laws. Where there is an error in the valuation of the Fund, any incorrect pricing of Units which is deemed to be significant will involve the reimbursement of money in the following manner:

(a) if there is an over valuation and pricing in relation to the redemption of Units, the Manager shall reimburse the Fund; and

(b) if there is an under valuation and pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the NAV per Unit and the amount to be reimbursed is RM10.00 or more.

*There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Fund.*
(8) TRANSACTION DETAILS

8.1 How and where to Purchase and Redeem Units of the Fund

You can purchase and redeem Units of the Fund at our business office and our appointed institutional unit trust advisers (IUTAs). Please refer to Section 18 of this Prospectus for further details.

8.2 Investment

The minimum initial investment for the Fund is RM1,000 or such other amount as determined by us and the minimum additional investment is RM1,000 or such other amount as determined by us. Additional investments may be made during the Offer Period only.

You are recognised as Unit Holders only after you have been registered in the Unit Holders’ register. The registration takes effect from the date we receive and accept the application to purchase Units from you together with the payment thereof.

8.3 Redemption of Units

You may redeem part or all of your Units by simply completing the redemption request form and returning it to us. You shall be paid within 10 calendar days from the date the redemption request is received by us. For partial redemption, the Unit holdings after the redemption must not be less than 1,000 Units. If the Unit holdings of a Unit Holder are, after a redemption request, below the minimum Unit holdings for the Fund, a request for full redemption is deemed to have been made. The minimum redemption for Units is 1,000 Units.

Other than the above conditions, there are no restrictions on the frequency of redemption.

8.4 Transfer of Units

Transfer of ownership of Units is allowed for this Fund.

Transfer of ownership from the account of the deceased Unit Holder to his/her personal representative will only be undertaken through the process of estate administration and death claims procedures.

8.5 Switching between Funds

The switching facility is not available for this Fund.

8.6 Cut-Off Time for Investment and Redemption of Units

The cut-off time shall be at 4.00 p.m. on a Business Day.

Any applications received before the cut-off time on a Business Day will be processed on the same Business Day based on the Forward Pricing of the Fund.

Any applications received after the cut-off time on a Business Day will be treated as having been received on the next Business Day and will be processed on the next Business Day based on the next Forward Pricing of the Fund.

Please note that the application to purchase Units (investment) can be made during Offer Period only.

The above is in accordance with the standards issued by FIMM on the dealing cut-off time.
8.7 Notice of Cooling-off Period

A cooling-off right refers to the right of the Unit Holder to obtain a refund of his investment in the Fund if he so requests within the cooling-off period. A cooling-off right is only given to an investor, other than those listed below, who is investing in any of the Manager’s funds for the first time:

(i) a corporation or institution;
(ii) a staff of the Manager; and
(iii) persons registered with a body approved by the SC to deal in unit trusts.

The cooling-off period shall be for a total of six (6) Business Days commencing from the date the application for Units is received by us.

The refund for every Unit held by the investor pursuant to the exercise of his cooling-off right shall be the sum of:

(a) the Unit price on the day the Units were first purchased; and
(b) the sales charge per Unit originally imposed on the day the Units were first purchased.

Unit Holders shall be refunded within ten (10) days from receipt of the cooling-off application.

*Investors are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.*

8.8 Distribution of Income

The Fund will declare income distribution annually, subject to the availability of income, during the tenure of the Fund.

*Note: The Fund’s income distributions are non-guaranteed and subject to the continuing abilities of the issuers of the Fund’s investments to meet their respective financial obligations.*

Mode of Distribution

As this Fund is a close-ended fund, income distribution will only be made via cash payment mode. You may receive income payment either:

(a) by way of cheque; or
(b) by way of telegraphic transfer,

based on your instructions as stated in the account opening form on the income payment date (which is within ten (10) calendar days from the ex-distribution date).

Please note that cheques will be issued in the name of the first applicant as stated in the account opening form. All bank charges for the telegraphic transfer will be borne by you. The transfer charges will be deducted directly from the transferred amount before being paid to your bank account.

8.9 Viable Fund Size

The Fund has a viable fund size of RM30 million or such other amount as we and Trustee may jointly deem to be uneconomical to proceed with the Fund.
We may terminate the Fund after consulting the Trustee and with prior notification to SC, if at any time before or on the Fund’s Commencement Date, the amount of capital raised by the Fund is less than RM30 million or such other amount as we and Trustee may jointly deem to be uneconomical to proceed with the Fund.

You will be refunded your amount invested in the Fund including the sales charge paid with eligible profit (if any) less bank and administrative charges (if any). You will not be charged any exit fee.

8.10 Unclaimed Monies

Any monies payable to you which remain unclaimed for one (1) year will be handled in accordance with the requirements of the Unclaimed Moneys Act, 1965.

You may claim back the unclaimed money that has been submitted in accordance with the requirements of the Unclaimed Moneys Act, 1965 from the Registrar of Unclaimed Moneys.

8.11 Anti-Money Laundering Policies and Procedures

We have established a set of policies and procedures to prevent money laundering activities and to report transactions if it appears to be suspicious, in compliance with the provisions of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities, 2001 (“AMLA”). In view of this, we have the duty to ensure the following are strictly adhered to:-

(i) Compliance with laws: We shall ensure that laws and regulations are adhered, the business is conducted in conformity with high ethical standards and that service is only provided where there is good reason to suppose that no transactions are associated with money laundering activities;

(ii) Co-operation with law enforcement agencies: We shall co-operate fully with law enforcement agencies. This includes taking appropriate measures such as disclosure of information by us to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia;

(iii) Policies, procedures and training: We shall adopt policies consistent with the principles set out under the AMLA and ensure that the staff is informed of these policies and provide adequate training to such staff on matter provided under the AMLA; and

(iv) Know your customer: We shall obtain satisfactory evidence of the customer’s identity and have effective procedure for verifying the trustworthiness of the information provided by customers.

8.12 Material Contracts

As at LPD, there are no material contracts (including contracts not reduced in writing), not being contracts entered in the ordinary course of business which have been entered into by us within two (2) years preceding the date of this Prospectus.

8.13 Goods and Services Tax Act 2014

All fees and charges payable to the Manager and the Trustee are subject to GST as may be imposed by the government or other authorities from time to time. Where GST is applicable to the extent that services is provided to the Fund and/or the Unit Holders, the amount of
GST payable on any related fee, charge and/or expense will be borne by the Unit Holder and/or the Fund, as the case may be, in addition to the applicable fees, charges and expenses stated in the Prospectus.
9 THE MANAGER

9.1 Background Information

The Manager is a member of Malayan Banking Berhad Group (“Maybank Group”). The Manager was established on 5 March 1997 following the corporatization of the Investment Department of Maybank Investment Bank Berhad (“MIB”). MIB, which was incorporated on 28 September 1973, is the investment banking arm of the Maybank Group.

The Manager is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”), a wholly-owned subsidiary of Maybank. The Manager is a holder of a capital markets services licence under the Act.

The Manager has over 30 years of experience including the period prior to its corporatization at MIB in managing investments ranging from equities, fixed income securities, money market instruments to unit trust funds and wholesale funds mainly on behalf of corporations, institutions, insurance and takaful companies and individuals. As at LPD, the Manager’s total assets under management is approximately RM20.38 billion which includes twenty-eight (28) wholesale funds and eleven (11) unit trust funds.

As at LPD, the Manager has staff strength of fifty-one (51) personnel comprising of fifty (50) executives and one (1) non-executive.

9.2 Functions, Duties and Responsibilities of the Manager

The Manager is subject to the provisions of the Deed and shall carry out all activities as may be deemed necessary for the management of the Fund and its business. The Manager shall, in managing the Fund, undertake primary management activities in relation to the Fund, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

In addition, the Manager has covenanted with the Trustee, among others, to do the following:

(i) carry out and conduct its business activities in a proper and diligent manner and manage and administer the Fund in a proper, diligent and efficient manner in accordance with the Deed, the Act, the securities laws, the relevant guidelines and other applicable laws at all times and acceptable and efficacious business practice within the unit trust industry;

(ii) manage the Fund’s assets and liabilities for the benefit of Unit Holders;

(iii) set the investment policies of the Fund and submit proposals to the Trustee on the acquisition, divestment or enhancement of assets of the Fund;

(iv) issue an annual report and interim report of the Fund to Unit Holders within two (2) months of the Fund’s financial year end and the end of the period it covers, respectively;

(v) ensure that the Fund is managed within the ambit of the Deed, the Act, other securities laws, the Guidelines and other applicable laws;

(vi) observe high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of the Unit Holders;

(vii) act with due care, skill and diligence in managing the Fund, and effectively employ the resources and procedures necessary for the proper performance of the Fund;
(viii) ensure that the Deed and the Prospectus are at all times in compliance with the Act, the securities laws, the relevant guidelines and other applicable laws at all times;

(ix) take all necessary steps to ensure that the investments and other assets of the Fund are adequately protected and properly segregated; and

(x) unless otherwise specified in writing by SC, ensure that the Fund has, at all times, an appointed trustee.

9.3 Summary of Financial Position of the Management Company

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Issued and paid-up capital</strong></td>
<td>10,001,000</td>
<td>10,001,000</td>
<td>10,001,000</td>
</tr>
<tr>
<td><strong>Shareholders’ funds</strong></td>
<td>53,267,238</td>
<td>50,602,914</td>
<td>50,840,922</td>
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<tr>
<td><strong>Turnover</strong></td>
<td>20,037,380</td>
<td>25,062,147</td>
<td>39,798,711</td>
</tr>
<tr>
<td><strong>Profit before tax/ (loss)</strong></td>
<td>2,532,578</td>
<td>4,332,455</td>
<td>9,228,178</td>
</tr>
<tr>
<td><strong>Profit after tax/ (loss)</strong></td>
<td>5,534,608</td>
<td>4,837,365</td>
<td>6,236,476</td>
</tr>
</tbody>
</table>

9.4 Board of Directors of the Manager

The Manager has an experienced board of directors with background in the financial industry. The business and affairs of the Manager shall be managed under the direction and oversight of the board of directors. Board meetings are held at least four (4) times annually or more frequently should the circumstances require.

The profile of the board of directors is as follows:

Datuk Mohaiyani Shamsudin (chairman/ non-independent non-executive director)

Datuk Mohaiyani binti Shamsudin, a Malaysian, aged 68, was appointed as chairman and non-independent non-executive director of Maybank AM on 21 March 2012.

She was with Amanah Chase Merchant Bank Berhad before starting her own stockbroking company, Mohaiyani Securities Sdn. Bhd. in 1985. During her active involvement in the stock broking industry, she served as deputy chairman of the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Berhad) and chairman of Association of Stockbroking Companies Malaysia. She also serves as Director of the Capital Market Development Fund as well as a member and trustee of the National Heart Institute Foundation, NUR Foundation, Perdana Leadership Foundation and National Council of Women’s Organisations Malaysia.

Apart from Maybank AM, her other board memberships within Maybank Group include MAMG, Maybank, Maybank Investment Bank Berhad and Maybank Kim Eng Holdings Ltd.

She holds a BA (Economics), Knox College, Galesburg, Illinois, USA and a MBA (Finance), Cornell University, Ithaca, New York, USA.
Datuk Karownakaran @ Karunakaran a/l Ramasamy (*non-independent non-executive director*)

Datuk Karownakaran @ Karunakaran a/l Ramasamy, a Malaysian, aged 66, was appointed as an independent non-executive director of Maybank AM on 17 November 2010.

He joined the Malaysian Investment Development Authority (“MIDA”) in 1972 and retired in 2008 as the Director General. He was a member of the cabinet committee on investment for high impact projects chaired by the deputy prime minister. He was also appointed by the prime minister as a member of “PEMUDAH” (Pasukan Petugas Khas Pemudahcara Perniagaan), a special taskforce to facilitate business, to improve public services delivery systems in terms of processes, procedures, legislation and human resource.

Apart from Maybank AM, his other board memberships within Maybank Group include Maybank, Etiqa Insurance Berhad, Etiqa Takaful Berhad, MAMG, Maybank Ageas Holdings Berhad, Maybank Private Equity Sdn Bhd and Maybank (Cambodia) Plc. He is also the chairman of the investment committee of MAMG.

In addition, he is a Director of Bursa Malaysia Berhad, IOI Corporation Bhd and Integrated Logistics Bhd.

He holds Bachelor of Economics (Accounting) (Honours) from the University of Malaya and completed a post graduate course in industrial project planning with University of Bradford, United Kingdom.

Loh Lee Soon (*independent non-executive director*)

Mr. Loh Lee Soon, a Malaysian, aged 61, was appointed as an independent non-executive director of Maybank AM effective 17 February 2011.

He started his career with Peat Marwick Mitchell & Co as an auditor from 1974 until 1982. Thereafter, he established his auditing and information technology consultancy firm in 1984. He has also held senior management positions in UEM Group, KPMG Consulting, Oracle Corporation Malaysia, specializing in information technology and management consulting. At present, he is an independent director in Scicom (MSC) Berhad.

Apart from Maybank AM, his other board memberships within the Maybank Group include MAMG, Maybank International (L) Ltd (MILL), Maybank International Trust (L) Ltd, Etiqa Insurance Berhad and Etiqa Takaful Berhad. He is the chairman of the audit committee of Maybank Ageas Holdings Berhad and MILL, a member of the audit committee of MAMG, and the chairman of the risk management committee of MAMG.

He is a member of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants.

Nor’ Azamin bin Salleh (*non-independent non-executive director*)

Nor’ Azamin bin Salleh, a Malaysian, aged 50, was appointed as the director of Maybank AM on 1 October 2010.

Azamin is currently the chief executive officer of MAMG where he spearheads Maybank’s regional asset management business. He joined Maybank AM as chief executive officer and managing director on 1 October 2010. On 2 September 2013, Azamin was promoted to chief executive officer of MAMG to focus on the regional expansion and growth of Maybank AM. Subsequently, on 3 January 2014, he relinquished his position as chief executive officer and assumed a non-executive director role in Maybank AM. He is also appointed to oversee the overall businesses of Maybank Asset Management Singapore Pte. Ltd. (“MAMS”) as the Chief Executive Officer / Executive Director with effect from 31 October 2015.

Azamin brings with him over 20 years of experience in finance, operations, sales & marketing and management. He has worked in leading asset management companies such as Asian Islamic Investment Management Sdn Bhd (“AllMAN”) - a subsidiary of DBS Asset Management
Pte Ltd, Commerce Asset Fund Managers Sdn Bhd and Avenue Invest Berhad. In the past several years, he was actively involved in the growth of Islamic Investment Management in Malaysia. Prior to joining Maybank AM, he was the executive director/chief executive officer of ALLMAN.

He holds a Bachelor of Commerce degree from the Australian National University and a Masters of Business Administration from the Open University Business School, United Kingdom. In addition, he is a Chartered Accountant (Malaysia), Certified Practicing Accountant (Australia) and Certified Financial Planner (CFP).

**Badrul Hisyam bin Abu Bakar** *(non-independent executive director/managing director)*

Badrul Hisyam bin Abu Bakar, a Malaysian, aged 43, was appointed as non-independent executive director of Maybank AM on 7 November 2013. He was appointed as the chief executive officer/managing director of Maybank AM on 3 January 2014.

Badrul Hisyam bin Abu Bakar joined Maybank AM on 1 December 2010. He graduated from New York University, United States of America with a Bachelor of Science, majoring in finance and economics in 1996. He brings with him more than 18 years’ experience working in numerous asset management companies such as HLG Asset Management Sdn Bhd, Commerce Asset Fund Managers Sdn Bhd, Avenue Asset Management Sdn Bhd, Tune Money Capital Sdn Bhd and BIMB Investment Management Berhad. Prior to joining Maybank AM, he was the chief investment officer of BIMB Investment Management Sdn Bhd. He is the holder of a capital market services representative licence under the Act.

**Mohd Shariff bin Sulaiman** *(independent non-executive director)*

En. Mohd Shariff bin Sulaiman, a Malaysian, aged 61, was appointed as an independent non-executive director of Maybank AM on 14 November 2014.

He has more than 25 years of experience in portfolio and financial management. He spent 21 years with PETRONAS from 1989 to 2010, holding various positions in the group treasury department before retiring as senior manager, domestic equity investments. He started his career in 1976, as an executive officer of bank examination department in Bank Negara Malaysia. In 1983, he joined Sumitomo Bank and subsequently moved to TA Securities Berhad in 1989 as a dealer representative.

He is also the member of the investment committee of MAMG. He obtained his Masters of Business Administration from Central Michigan University, USA.

### 9.5 Role of the Investment Committee

The investment committee of the Fund is responsible for the following:

(i) To provide general guidance on matters pertaining to policies on investment management.

(ii) To select appropriate strategies to achieve the proper performance of the Fund in accordance with the Fund management policies.

(iii) To ensure that the strategies selected are properly and efficiently implemented at the management level.

(iv) To ensure that the Fund is managed in accordance with the investment objectives, Deed, product specifications, relevant guidelines and securities laws, internal restrictions and policies, as well as acceptable and efficacious practices within the industry.
(v) To actively monitor, measure and evaluate the investment management performance, risk and compliance level of Investment Department and all funds under the management of the company.

(vi) To not make nor influence investment decisions of the licensed persons or perform any other action that is in breach of any applicable laws, rules and regulations pertaining to portfolio manager’s license.

The Fund’s investment committee’s meetings are held four (4) times a year and more frequently should the circumstances require.

9.6 The Investment Committee Members

The profiles of the Fund’s investment committee are as follows:

Datuk Karownakaran @ Karunakaran a/l Ramasamy (*non-independent member*)

Please refer to Section 9.4 above.

Suhaimi bin Ilias (*Non-Independent member*)

Suhaimi bin Ilias has 20 years of experience in economics research. He graduated with a Bachelor of Arts (Economics) and Master of Arts (Hons) in Economics from Cambridge University.

Prior to joining Maybank Investment Bank in March 2007, Suhaimi was with Affin Investment Bank since 1998. Before that, he worked at the central bank’s (Bank Negara Malaysia) Economics Department for five years, starting his career as an economist at the Macro Economic Division that is responsible for monitoring and analysing developments in the Malaysian economy as well as undertaking growth forecasts and formulating the country’s growth and development policies. He later moved to the World Economy Division as regional economist.

Although he has left public service to join the private sector, Suhaimi remains interested in and contributed to economic policy making. For example, he was a member of the External Consultant Group to the Globalisation Task Force, a unit under the National Economic Action Council (NEAC) between 2001 and 2003, and Malaysian Investment Development Authority (“MIDA”)’s Technical Resource Group that prepared the inputs for the Third Industrial Master Plan for Non-Financial Services Sector in 2006. He also participated in the discussions on the National Budget, the 10th Malaysia Plan (2011-2015) and was involved with MIDA’s Technical Committee on Investment.

Dali Kumar @ Dali bin Sardar (*independent member*)

Dali graduated with BA (Economics), Knox College, Galesburg, Illinois, USA and MBA from the American Graduate School of International Management (Thunderbird), Glendale, United States of America.

He started his career since 1982 with Citicorp/Citibank group of companies holding various management titles with his final position at Citibank Malaysia as the managing director of Citicorp Capital Sdn. Bhd. in January 1994 until early 1996.

Dali is the founder and director of DTA Capital Partners Sdn Bhd which was established in 1996 as a boutique corporate finance set-up involved in venture fund management, direct equity investments, debt raising, mergers and acquisitions, pre-initial public offering planning and various forms of corporate and financial restructuring. Prior to venturing into his own business, he was the chief executive officer of Utama Merchant Bank Berhad from February to September 1996.
He was previously the chairman of the Malaysian Venture Capital Association as well as treasurer of the Asia Pacific Venture Capital & Private Equity Association. He currently sits on several boards of public companies in Malaysia and Singapore and is a director of Maybank Islamic Berhad and Maybank Private Equity Sdn. Bhd.

**Mohd Shariff Bin Sulaiman** *(independent member)*

Please refer to Section 9.4 above.

### 9.7 Key Personnel of the Manager

The profiles of the Manager’s key personnel are as follows:

**Badrul Hisyam bin Abu Bakar**

Please refer to Section 9.4 above for his profile.

**Abdul Razak bin Ahmad**

Abdul Razak bin Ahmad joined Maybank AM in November 2014 as chief investment officer. Prior to this, he was chief executive officer/executive director of a local asset management company where he served for over 4 years. He has more than twenty years’ experience in the financial industry, mainly asset management, unit trust business, corporate banking and treasury. He has held senior management positions and directorships in three investment management organizations in Malaysia. He holds a Bachelor Degree of Science majoring in Business Administration (Finance) Magna Cum Laude from University of Southwestern Louisiana, USA. He is a holder of capital markets services representative’s licence for fund management and investment advice from the SC. He is also a Certified Financial Planner (CFP).

**Fatimatul Zainulha Mohamed Isa**

Fatimatul, Head of Compliance, joined Maybank AM in June 2013. As the Head of Compliance, Fatimatul is responsible for compliance matters, maintenance of high standards of business conduct and internal controls within Maybank AM. She is also responsible in the role of a liaison between regulators and Maybank AM.

Fatimatul brings with her over 17 years of extensive experience in the securities and asset management industries. She started her career as a dealer with Credit Agricole W.I Carr Indosuez Securities and forayed into asset management as an equity portfolio executive in the investment department of RHB Asset Management Berhad. She moved into the area of compliance as a manager at KAF Seagroatt & Campbell. After which she moved to BIMB Investment Management Berhad as the compliance officer overseeing the Shariah-compliant unit trust funds.

She holds a degree in law (LLB Hons) from Manchester Metropolitan University, England. She is a registered compliance officer with the SC. She has attended courses on Shariah namely on “Fundamental & Shariah” and “Shariah Compliance Audit in Islamic Bank Revised” with Islamic Banking & Finance Institute Malaysia (IBFIM) to equip herself on Shariah knowledge.

**Christopher Geh Chong Beng**

Christopher Geh, Regional Head of Sales and Marketing, joined Maybank AM on 2 May 2012.

After graduating in 2001, he worked in the USA with numerous global companies such as Bank of America and Amazon.com in the areas of accounting and finance.

He returned to Malaysia in 2002 and worked with SBB Mutual, Hwang DBS, Prudential Fund Management, AmlInvestment Services and RHB Investment Services, specializing in strategic initiatives, product development and distribution.
He oversees the regional strategy in areas of distribution and marketing for the company. In this capacity, Christopher is responsible for leading, managing and developing the operational sales plan for the team. This includes the implementation of new strategic initiatives across the region.

He graduated with a bachelor of Business Administration majoring in finance from Seattle University, USA. He is a holder of capital markets services representative’s licence under the Act.

**Wan Khatijah Wan Ahmad**

Wan Khatijah Wan Ahmad has been appointed as Head of Fund Accounting and Operations, Maybank AM with effect from 20 March 2013.

She has more than fifteen years of experience in leading financial institutions such as AIA Shared Services Sdn Bhd, CIMB Trustee Berhad and Prudential Assurance Malaysia Berhad. Wan Khatijah has gained extensive experience in the areas of investment operations, fund valuation and investment system implementation and integration.

She started at Commerce Asset Fund Managers Sdn Bhd as a Fund Accountant and was promoted to operations manager where she was responsible for the fund accounting and operations department. During her tenure as a manager at CIMB Trustee Berhad, she was managing operational matters for 25 unit trust funds and 3 real estate investment trust funds.

She graduated from Hull University, England with a BSc in Accounting.

The profile of the designated fund manager for the Fund is as follows:

**Hetty Marini Syed Ahmad alias Tun Ngah**

Hetty Marini has about eight (8) years of investment experience in fixed income with four (4) years as a fixed income fund manager and prior to that she was a credit analyst since joining Maybank AM in 2007. Prior to joining MAMS, she spent nearly four (4) years with the UEM Group in various subsidiaries having joined the group upon completing her studies as she was a Renong scholar. She holds a Bachelor of Commerce majoring in Finance from University of Queensland and an M.B.A. from University Malaya. She has been a capital markets services representative’s licence holder since 2009 and a Pasaran Kewangan Malaysia Certificate license holder since 2012.

9.8 Material litigation

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

9.9 Investment Advisor

**Functions of investment advisor**

The Manager has appointed Maybank Asset Management Singapore Pte. Ltd. (“MAMS”) as the investment advisor for this Fund. MAMS shall provide investment advisory services to the Manager in accordance with the investment objective of the Fund and its Deed, and subject to investment restrictions of the Fund.
Background of MAMS

Maybank Asset Management Singapore Pte. Ltd. ("MAMS") is a unit of MAMG ("Parent Company"), the asset management arm of Maybank. MAMS was incorporated on 30 June 2008 and holds a capital market services license for fund management from the Monetary Authority of Singapore. MAMS’s principal activity is in fund management and investment advisory. It is the regional investment centre for MAMG for fixed income and equities, as well as alternative asset classes. Together with its Parent Company in Malaysia, MAMS’ vision is to become one of the leading Asian investment franchise operating a platform of choice for Asian investment solutions.

As of LPD, MAMS has a total staff force of twenty (20) employees.

Board of Directors

Loh Lee Soon
Goh Keat Jin
Nor’ Azamin bin Salleh

Designated investment advisor

Judy Leong - Lead Portfolio Manager
Head of Fixed Income - Credits

Judy Leong has investment experience in the fixed income industry for 15 years and has been with the financial industry for 18 years. She started managing Singapore bonds and Asian asset-backed portfolios in 2002, followed by Asian United States Dollar ("USD") credit in 2005 and Asian local currency credit from 2009. Prior to a career in fixed income portfolio management, Judy was working as an equity analyst and a structured credit analyst. Her previous employers included BNP Paribas Investment Partners ("BNPPIP"), Fischer Francis Trees & Watts, and Deutsche Bank AG. Her last employment prior to joining MAMS was with BNPPIP where she was the Senior Portfolio Manager leading the Singapore Dollar bond portfolios and co-managing the USD and local currencies portfolios.

Judy graduated with a Distinction in MBA Finance from CASS Business School in London (1996). She is a CFA charterholder.

She is the designated investment advisor for the Fund.

9.10 Manager’s Delegate

Background of Maybank Securities Services

Maybank Securities Services ("MSS") is a business unit within Maybank. Maybank was incorporated in Malaysia on 31 May 1960 and has been offering registrar and transfer agency services since late 2007. In 2013, Maybank expanded its suite of services to include fund accounting and valuation services through MSS.

Roles and Duties of MSS

Registrar and Transfer Agent

The Manager has appointed MSS as the registrar and transfer agent for the Fund. MSS’ roles and duties as the registrar and transfer agent encompass maintaining the register of Unit Holders, handling of account opening, static data setups, financial transaction processing, reconciliation processing, corporate actions, agency maintenance and preparing relevant reports or communication to investors and regulators.

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

The Manager has appointed MSS to undertake the fund accounting and valuation function for the Fund. MSS is responsible for maintaining proper accounts, carrying out daily valuation and pricing and sending the Unit prices for publication in the newspaper. MSS will provide a report to the Manager at the end of each Business Day on the NAV of the Fund including the daily purchases and sales transactions.

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

TMF Trustees Malaysia Berhad (Company No. 610812-W) (“TMF”) was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965 and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. Its registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia.

The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary sector. The group has more than 120 offices in 80 jurisdictions in the world. TMF started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

10.2 Financial Highlights

The following is a summary of the past performance of the Trustee based on audited accounts for the last 3 years:

<table>
<thead>
<tr>
<th></th>
<th>31 May 2016 RM’000 (unaudited)</th>
<th>31 Dec 2015 RM’000</th>
<th>31 Dec 2014 RM’000</th>
<th>31 Dec 2013 RM’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>2,430</td>
<td>5,128</td>
<td>4,348</td>
<td>3,862</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>985</td>
<td>2,554</td>
<td>1,679</td>
<td>1,449</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>755</td>
<td>1,892</td>
<td>1,258</td>
<td>1,085</td>
</tr>
<tr>
<td>Issued/Paid-up Capital</td>
<td>1,800</td>
<td>1,800</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Shareholders’ Fund</td>
<td>8,238</td>
<td>7,374</td>
<td>5,482</td>
<td>4,224</td>
</tr>
</tbody>
</table>

10.3 Experience in Trustee Business

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

The Trustee provides various types of trustee business, such as trustee and security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust and custodian for private fund mandate. As at LPD, the Trustee has 28 unit trust funds and 32 wholesale funds under its trusteeship. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, HR administrative and payroll outsourcing services.
10.4 Board of Directors

The following table sets out information regarding the board of directors of the Trustee:

<table>
<thead>
<tr>
<th>Name</th>
<th>Directorship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms. Celine Chan Hooi Li</td>
<td>Chief Executive Officer &amp; Managing Director</td>
</tr>
<tr>
<td>Ms. Shu Wai Ling</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Mr. Soh Ooi Kean Jin</td>
<td>Independent, Non-executive Director</td>
</tr>
</tbody>
</table>

10.5 Profile of Key Personnel

**Ms. Celine Chan Hooi Li - Chief Executive Officer & Managing Director**

Celine was appointed as the Chief Executive Officer & Managing Director of the Trustee on 9 July 2015. She is a graduate from RMIT Melbourne, Australia with a Bachelor of Business (Accounting). She started her working career as an accountant in one of the major accounting firms before moving into a start-up, a records management company, and growing it into a leading player in Malaysia. She was the Chief Executive Officer of one of the largest share registrar company in Malaysia prior to joining the Trustee.

Celine has more than 20 years of experience in the service industry, being in senior management leadership positions in various industries, including logistics, information technology, business process outsourcing and capital markets.

**Ms. Shu Wai Ling - Director, Fund Services**

Wai Ling is an associate member of the Institute of Chartered Secretaries and Administrators (ACIS). She has over 20 years of work experience in investment settlement and operations, fund administration including fund accounting, fund valuation and investment compliance. She was the head of operations in an investment management company and an insurance company, responsible for the investment operation and fund accounting. She then progressed to the position of head of business development in an established trust company with more than 150 unit trust funds under their trusteeship. With her exposure in these financial institutions, she has extensive experience and knowledge in business processes in the administration of investment fund and implementation of fund accounting and valuation.

10.6 Duties and Responsibilities of the Trustee

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

10.7 Trustee’s Statement of Responsibility

The Trustee has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and the Guidelines.
10.8 Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad (“SCBM”) as custodian of the quoted and unquoted investments of the Fund. SCBM is responsible for the Fund’s assets settlement and custodising the Fund’s asset. The assets are held in the name of the Fund through the custodian’s wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with instruction from the Trustee.

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

10.9 Trustee's Disclosure of Material Litigation and Arbitration

As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceeding which might materially affect the financial position or business of the Trustee or any of its delegates.
(11) SALIENT TERMS OF THE DEED

11.1 UNIT HOLDERS’ RIGHTS AND LIABILITIES

A Unit Holder is a person registered in the register as a holder of Units or fractions of Units in the Fund which automatically accord him rights and interest in the Fund.

Note: Investors who invest through an Institutional Unit Trust Adviser (IUTA) under a nominee structure will not be registered as Unit Holders in the Manager’s register of Unit Holders for the Fund.

Unit Holders’ Rights

A Unit Holder has the right, amongst others:

1. to receive distributions, if any, of the Fund;
2. to participate in any increase in the NAV of Units of the Fund;
3. to call for Unit Holders’ meetings and to vote for the removal of the Trustee or the Manager through special resolution;
4. to receive annual and interim reports on the Fund; and
5. to exercise such other rights and privileges as provided for in the Deed.

A Unit Holder would not, however, have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or to question the exercise by the Trustee (or the Manager on the Trustee’s behalf) of the rights of the Trustee as trustee of the investments of the Fund.

Unit Holders’ Liabilities

1. No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased.

2. A Unit Holder shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

11.2 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

<table>
<thead>
<tr>
<th>Fund</th>
<th>Maximum Sales Charge (based on the offer price of the Fund)</th>
<th>Maximum Exit Fee (based on the NAV per Unit of the Fund)</th>
<th>Maximum Management Fee (based on the NAV of the Fund)</th>
<th>Maximum Trustee Fee (based on the NAV of the Fund)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCI F5</td>
<td>5.00%</td>
<td>5.00%</td>
<td>3.00% per annum</td>
<td>0.03% per annum (excluding foreign custodian fees and charges)</td>
</tr>
</tbody>
</table>

Any increase of the fees and/or charges above the maximum stated in the Deed shall require Unit Holders’ approval.
11.3 PROCEDURES TO INCREASE THE DIRECT AND INDIRECT FEES AND CHARGES

Sales Charge

The Manager may not charge a sales charge at a rate higher than that disclosed in the Prospectus unless:
(a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;
(b) a supplemental prospectus or replacement prospectus stating the higher rate is issued thereafter; and
(c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental prospectus or replacement prospectus is issued.

Exit Fee

The Manager may not charge an exit fee at a rate higher than that disclosed in the Prospectus unless:
(a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;
(b) a supplemental prospectus or replacement prospectus stating the higher rate is issued thereafter; and
(c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental prospectus or replacement prospectus is issued.

Management Fee

The Manager may not charge an annual management fee at a rate higher than that disclosed in the Prospectus unless:
(a) the Manager has come to an agreement with the Trustee on the higher rate in accordance with clause 13.1.3 of the Deed;
(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
(c) a supplemental prospectus or replacement prospectus stating the higher rate is issued thereafter; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental prospectus or replacement prospectus is issued.

Trustee Fee

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in the Prospectus unless:
(a) the Manager has come to an agreement with the Trustee on the higher rate;
(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
(c) a supplemental prospectus or replacement prospectus stating the higher rate is issued thereafter; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental prospectus or replacement prospectus is issued.

11.4 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

The Manager shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee six (6) months’ notice in writing of its desire so to do, or such shorter period as the Manager and the Trustee may agree upon, and subject to the fulfilment of the conditions as stated in the Deed.
Subject to the provisions of any relevant law, the Trustee shall take all reasonable steps to remove the Manager:

(a) if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a special resolution;

(b) unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or

(c) if the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business.

In any of the events set out above, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund by the mere fact of the Manager’s receipt of the notice. The Trustee shall, at the same time, by writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

11.5 RETIREMENT, REMOVAL AND REPLACEMENT OF THE TRUSTEE

The Trustee may retire upon giving six (6) months’ notice to the Manager of its desire to do so, or such shorter period as the Manager and the Trustee shall agree, and may by deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

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 Act.

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

(a) the Trustee has ceased to exist;

(b) the Trustee has not been validly appointed;

(c) the Trustee was not eligible to be appointed or to act as trustee under any relevant law;

(d) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law;

(e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment;

(f) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or

(g) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law.
11.6 TERMINATION OF THE FUND

The Fund may be terminated or wound up should the following events occur:

(a) A special resolution is passed at a Unit Holders’ meeting to terminate or wind up the Fund, following occurrence of events stipulated under section 301(1) of the Act and the court has confirmed the resolution, as required under section 301(2) of the Act;
(b) A special resolution is passed at a Unit Holders’ meeting to terminate or wind up the Fund;
(c) The Fund has reached its Maturity Date as specified in the Deed; and
(d) The effective date of an approved transfer scheme (if any) has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset or property.

11.7 UNIT HOLDERS’ MEETING

A Unit Holders’ meeting may be called by the Manager, Trustee and/or Unit Holders. Any such meeting must be convened in accordance with the Deed and/or the Guidelines.

Every question arising at any Unit Holders’ meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if it be a question which under the Deed requires a special resolution, in which case a poll shall be taken. On a show of hands every Unit Holder who is present in person or by proxy shall have one vote.

The quorum for a meeting of Unit Holders of the Fund is five (5) Unit Holders, whether present in person or by proxy, however:

(a) if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy; or
(b) if the Fund has only two (2) Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be one (1) Unit Holder, whether present in person or by proxy.

If the meeting has been convened for the purpose of voting on a special resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation of the Fund at the time of the meeting.

11.8 PERMITTED EXPENSES

(a) commissions or fees paid to dealers or brokers in effecting dealings in the investments of the Fund;
(b) taxes and other duties charged on the Fund by the government and/or other authorities;
(c) costs, fees and expenses properly incurred by the auditors appointed for the Fund;
(d) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
(e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
(f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened by/or for the benefit of the Manager and/or the Trustee;
(g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;

(h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;

(i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;

(j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;

(k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;

(l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

(m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;

(n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;

(o) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund;

(p) expenses and charges incurred in connection with the printing and postage for the annual or interim report, tax certificates, reinvestment statements and other services associated with the administration of the Fund; and

(q) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer.
(12) RELATED PARTY TRANSACTIONS/ CONFLICT OF INTEREST

Related Party Transactions

Save as disclosed below, there are no existing or proposed related party transactions involving the Fund, the Manager, the Trustee and/or persons connected to them as at LPD:

<table>
<thead>
<tr>
<th>Name of Party</th>
<th>Name of Related Party and Nature of Relationship</th>
<th>Existing / Potential Related Party Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Manager</td>
<td>Maybank.</td>
<td>Distributor: Maybank has been appointed as one of the Manager’s institutional unit trust adviser.</td>
</tr>
<tr>
<td></td>
<td>The Manager is wholly-owned by Maybank Asset Management Group, which is wholly-owned by Maybank.</td>
<td>Delegate: The Manager has delegated its back office functions (i.e. the fund accounting and valuation function, clearing and settlement and maintenance of the register of Unit Holders) to Maybank Securities Services, a business unit within Maybank.</td>
</tr>
<tr>
<td>Maybank Asset Management</td>
<td>Investment Advisor: Maybank Asset Management Singapore Pte. Ltd. has been appointed by the Manager as the investment advisor for the Fund. Maybank Asset Management Singapore Pte. Ltd. shall provide investment advisory services to the Manager in accordance with the investment objective of the Fund and the Deed, and subject to the investment restrictions of the Fund.</td>
<td></td>
</tr>
<tr>
<td>Singapore Pte. Ltd.</td>
<td>Loh Lee Soon and Nor’ Azamin bin Salleh who are directors of the Manager, are also directors of Maybank Asset Management Singapore Pte. Ltd.</td>
<td></td>
</tr>
</tbody>
</table>

Policies On Dealing With Conflict Of Interest Situations

The Manager has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Fund, the Manager will not make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage or to cause detriment to the interests of Unit Holders.

The Manager and its directors including the investment committee members will at all times act in the best interests of the Unit Holders of the Fund and will not conduct itself in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that the Manager faces conflicts in respect of its duties to the Fund and its duties to the other funds that it manages, the Manager is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed and the relevant laws.
Where a conflict or potential conflict of interest situation arises, it will be evaluated by the compliance department and disclosed to the executive director of the Manager for the next course of action. Conflict of interest situations involving the executive director will be disclosed to the Manager’s board of directors for a decision on the next course of action. Directors or staffs who are in advisory positions such as portfolio managers or staffs who have access to information on transactions are not allowed to engage in dealings on their own account. Investment committee members who hold substantial shareholdings or directorships in public companies shall refrain from any decision making if the Fund invests in the particular share or stocks of such companies.

The Manager has formulated policies and adopted certain procedures to prevent conflicts of interest situations.

They include the following:

(a) The adoption of the Manager’s policy on ownership of shares and stocks of limited companies by the Manager’s employees. The policy includes a requirement for all employees to submit a written declaration of their interests in the securities of limited companies;

(b) Prohibition of employees involved in share trading on the stock market, from trading in the open market in their private capacity, except with prior approval of the chief executive officer or compliance officer, or for the purpose of disposing shares in quoted limited companies acquired through sources permitted by the Manager;

(c) Limits set when using brokers and/or financial institutions for dealings of the investments of the unit trust funds;

(d) Duties for making investment decisions, raising accounting entries and ensuring that payments are properly segregated and carried out by different departments which are headed by separate persons;

(e) Investment procedures, authorised signatories and authorised limits are properly documented in the Manager’s standard operating procedures;

(f) Holding meetings with the Trustee on a case to case basis to discuss issues related to the management of the unit trust fund, including conflict of interest situations; and

(g) A proper segregation of duties to prevent conflict of interest situations.

In addition, a quarterly declaration of securities trading is required from all employees and the executive director of the Manager, to ensure that there is no potential conflict of interest between the employees’ securities trading and the execution of the employees’ duties to the Manager and customers of the Manager. The Manager has also appointed a compliance officer whose duties include monitoring and resolving conflict of interest situations in relation to unit trust funds managed and administered by the Manager.

As at the LPD, the Manager is not aware of any existing or potential conflict of interest situations which may arise.

**Details Of The Management Company’s Directors’ and Substantial Shareholders’ Direct And Indirect Interest In Other Corporations Carrying On A Similar Business**

As at LPD, the directors of the Manager do not have any direct and indirect interest in other corporations carrying on a similar business.

As at LPD, Maybank Asset Management Group, which is a substantial shareholder of the Manager, has direct or indirect interests in the following corporations which are carrying on a similar business as the Manager:
(i) Maybank Islamic Asset Management Sdn Bhd;  
(ii) Maybank Asset Management Singapore Pte Ltd;  
(iii) Maybank Asset Management Thailand Co. Ltd; and  
(iv) PT Maybank GMT Asset Management.

Other Declarations

The auditors, tax adviser and solicitors have confirmed that they do not have any existing or potential conflict of interest with the Manager and/or the Fund.
(13) TAXATION ADVISER’S LETTER

Taxation adviser’s letter in respect of the taxation of the unit trust and the unit holders (prepared for inclusion in this prospectus)

Ernst & Young Tax Consultants Sdn Bhd
Level 23A Menara Milenium
Pusat Bandar Damansara
50490 Kuala Lumpur

15 July 2016

The Board of Directors
Maybank Asset Management Sdn Bhd
Level 12, Tower C
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur

Dear Sirs

Taxation of the unit trust and unit holders

This letter has been prepared for inclusion in the First Prospectus in connection with the offer of units in the unit trust known as Maybank Constant Income Fund 5 (hereinafter referred to as “the Fund”).

The purpose of this letter is to provide prospective unit holders with an overview of the impact of taxation on the Fund and the unit holders.

Taxation of the Fund

The taxation of the Fund is subject to the provisions of the Malaysian Income Tax Act 1967 (MITA), particularly Sections 61 and 63B.

Subject to certain exemptions, the income of the Fund comprising interest and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax, which is currently imposed at the rate of 25%\(^1\).

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\(^1\) Pursuant to Section 20 of the Finance (No. 2) Act 2014, with effect from the year of assessment 2016, the income tax rate will be reduced to 24%.

A member firm of Ernst & Young Global Limited
Tax allowable expenses would comprise expenses falling under Section 33(1) and Section 63B of the MITA. Section 33(1) permits a deduction for expenses that are wholly and exclusively incurred in the production of gross income. In addition, Section 63B allows unit trusts a deduction for a portion of other expenses (referred to as ‘permitted expenses’) not directly related to the production of income, as explained below.

“Permitted expenses” refer to the following expenses incurred by the Fund which are not deductible under Section 33(1) of the MITA:

- the manager’s remuneration,
- maintenance of the register of unit holders,
- share registration expenses,
- secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage.

These expenses are given a partial deduction under Section 63B of the MITA, based on the following formula:

\[
\frac{A \times B}{4C}
\]

where

- \( A \) is the total of the permitted expenses incurred for that basis period;
- \( B \) is gross income consisting of dividend\(^2\), interest and rent chargeable to tax for that basis period; and
- \( C \) is the aggregate of the gross income consisting of dividend\(^2\) and interest (whether such dividend or interest is exempt or not) and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period,

provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period.

\(^2\) Pursuant to Section 15 of the Finance Act 2011, with effect from the year of assessment 2011, dividend income is deemed to include income distributed by a unit trust which includes distributions from Real Estate Investment Trusts.
Exempt income

The following income of the Fund is exempt from income tax:

- **Malaysian sourced dividends**
  
  All Malaysian-sourced dividends should be exempt from income tax.

- **Malaysian sourced interest**
  
  (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;
  
  (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;
  
  (iii) interest from Bond Simpanan Malaysia issued by Bank Negara Malaysia;
  
  (iv) Interest derived from Malaysia and paid or credited by banks or financial institutions licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983;\(^3\)
  
  (v) interest derived from Malaysia and paid or credited by any development financial institution regulated under the Development Financial Institutions Act 2002;
  
  (vi) interest from *sukuk* originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission or approved by the Labuan Financial Services Authority (LFSA); and
  
  (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

---

\(^3\) The Banking and Financial Institutions Act 1989 and the Islamic Banking Act 1983 were repealed and replaced with the Financial Services Act 2013 and the Islamic Financial Services Act 2013, respectively, with effect from 30 June 2013. Pursuant to Section 272(n) of the Financial Services Act 2013 and Section 283(n) of the Islamic Financial Services Act 2013, any reference to the Banking and Financial Institutions Act 1989 and the Islamic Banking Act 1983 in any written law shall generally be construed as a reference to the Financial Services Act 2013 or the Islamic Financial Services Act 2013, respectively.
The Board of Directors
Maybank Asset Management Sdn Bhd
15 July 2016

- **Discount**

  Tax exemption is given on discount paid or credited to any unit trust in respect of investments as specified in items (i), (ii) and (iii) above.

**Foreign sourced income**

Dividends, interest and other income derived from sources outside Malaysia and received in Malaysia by a resident unit trust is exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

**Gains from the realisation of investments**

Pursuant to Section 61(1) (b) of the MiTA, gains from the realisation of investments will not be treated as income of the Fund and hence, are not subject to income tax. Such gains may be subject to real property gains tax (RPGT) under the Real Property Gains Tax Act 1976 (RPGT Act), if the gains are derived from the sale of chargeable assets, as defined in the RPGT Act.

**Goods and Services Tax (GST)**

On 1 April 2015, GST was implemented at the standard rate of 6% to replace the existing sales tax and service tax systems. Based on the Goods and Services Tax Act 2014 which was gazetted on 19 June 2014, the Fund, being a collective investment vehicle, will be making exempt supplies. Hence, the Fund is not required to be registered for GST purposes. The Fund will incur expenses such as management fees, trustee fees and other administrative charges which will be subject to 6% GST. The 6% input tax which may be incurred on such expenses will generally not be claimable by the Fund.
Taxation of Unit Holders

For Malaysian income tax purposes, unit holders will be taxed on their share of the distributions received from the Fund.

The income of unit holders from their investment in the Fund broadly falls under the following categories:

1. taxable distributions; and
2. non-taxable and exempt distributions.

In addition, unit holders may also realise a gain from the sale of units.

The tax implications of each of the above categories are explained below:

1. **Taxable distributions**

   Distributions received from the Fund will have to be grossed up to take into account the underlying tax paid by the Fund and the unit holder will be taxed on the grossed up amount.

   Such distributions carry a tax credit, which will be available for set-off against any Malaysian income tax payable by the unit holder. Should the tax deducted at source exceed the tax liability of the unit holder, the excess is refundable to the unit holder.

   Please refer to the paragraph below for the income tax rates applicable to the grossed up distributions.

2. **Non-taxable and exempt distributions**

   Tax exempt distributions made out of gains from the realisation of investments and exempt income earned by the Fund will not be subject to Malaysian income tax in the hands of the unit holders.
### Rates of tax

The Malaysian income tax chargeable on the unit holders would depend on their tax residence status and whether they are individuals, corporations or trust bodies. The relevant income tax rates are as follows:

<table>
<thead>
<tr>
<th>Unit holders</th>
<th>Malaysian income tax rates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Malaysian tax resident:</strong></td>
<td></td>
</tr>
<tr>
<td>• Individual and non-corporate unit holders (such as associations and societies)</td>
<td>• Progressive tax rates ranging from 0% to 25%&lt;sup&gt;5&lt;/sup&gt;</td>
</tr>
<tr>
<td>• Co-operatives&lt;sup&gt;4&lt;/sup&gt;</td>
<td>• Progressive tax rates ranging from 0% to 24%</td>
</tr>
<tr>
<td>• Trust bodies</td>
<td>• 25%&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Corporate unit holders</strong></td>
<td></td>
</tr>
<tr>
<td>(i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment)&lt;sup&gt;6&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>(ii) Companies other than (i) above</td>
<td>• First RM500,000 of chargeable income @ 20%&lt;sup&gt;7&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• Chargeable income in excess of RM500,000 @ 25%&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• 25%&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

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<sup>4</sup> Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society—

(a) in respect of a period of five years commencing from the date of registration of such co-operative society;

and

(b) thereafter where the members’ funds (as defined in Paragraph 12(2)) of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit.

<sup>5</sup> Pursuant to Section 24 of the Finance Act 2015, with effect from the year of assessment 2016, the top Malaysian income tax rate for resident individuals will be increased from 25% to 28%.

<sup>6</sup> A company would not be eligible for the 20% tax rate on the first RM500,000 of chargeable income if:

(a) more than 50% of the paid up capital in respect of the ordinary shares of the company is directly or indirectly owned by a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;

(b) the company owns directly or indirectly more than 50% of the paid up capital in respect of the ordinary shares of a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;

(c) more than 50% of the paid up capital in respect of the ordinary shares of the company and a related company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment is directly or indirectly owned by another company.
The Board of Directors
Maybank Asset Management Sdn Bhd
15 July 2016

<table>
<thead>
<tr>
<th>Unit holders</th>
<th>Malaysian income tax rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Malaysian tax resident (Note):</td>
<td></td>
</tr>
<tr>
<td>• Individual and non-corporate unit holders</td>
<td>• 25%(^a)</td>
</tr>
<tr>
<td>• Corporate unit holders and trust bodies</td>
<td>• 25%(^b)</td>
</tr>
</tbody>
</table>

**Note:**
Non-resident unit holders may be subject to tax in their respective countries depending on the provisions of the tax legislation in the respective countries and any existing double taxation arrangements with Malaysia.

**Gains from sale of units**

Gains arising from the realisation of investments will not be subject to income tax in the hands of unit holders unless they are insurance companies, financial institutions or traders/dealers in securities.

**Unit splits and reinvestment of distributions**

Unit holders may also receive new units as a result of unit splits or may choose to reinvest their distributions. The income tax implications of these are generally as follows:

- **Unit splits** - new units issued by the Fund pursuant to a unit split will not be subject to income tax in the hands of the unit holders.

- **Reinvestment of distributions** - unit holders may choose to reinvest their income distribution in new units by informing the Manager. In this event, the unit holder will be deemed to have received the distribution and reinvested it with the Fund.

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\(^a\) Pursuant to Section 20 of the Finance (No. 2) Act 2014, with effect from the year of assessment 2016, the income tax rate will be reduced to 19% on chargeable income up to RM500,000 and 24% on the remaining chargeable income.

\(^b\) Pursuant to Section 24 of the Finance Act 2015, with effect from the year of assessment 2016, the income tax rate for non-resident individuals will be increased from 25% to 28%.

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A member firm of Ernst & Young Global Limited
The Board of Directors  
Maybank Asset Management Sdn Bhd  
15 July 2016

We hereby confirm that, as at the date of this letter, the statements made in this letter correctly reflect our understanding of the tax position under current Malaysian tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. We have not been retained (unless specifically instructed hereafter), nor are we obligated to monitor or update the statements for future conditions that may affect these statements.

The statements made in this letter are not intended to be a complete analysis of the tax consequences relating to an investor in the Fund. As the particular circumstances of each investor may differ, we recommend that investors obtain independent advice on the tax issues associated with an investment in the Fund.

Yours faithfully  
Ernst & Young Tax Consultants Sdn Bhd

[Signature]

Bernard Yap  
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser’s Letter in the form and context in which it appears in this Prospectus and has not withdrawn such consent before the date of issue of this Prospectus.
14. COMMUNICATION WITH UNIT HOLDERS

14.1 Statement of Account

A Unit Holder’s statement showing details of the amount invested in the Fund shall be made available to you on a monthly basis, twenty-one (21) days after every month’s end.

14.2 Customer Service of the Manager

If you are interested in the Fund, have any queries or require further information, please contact our client servicing personnel at 03-2297 7888 at any time during office hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday on a Business Day. Alternatively, you may contact our distribution branches detailed in Section 18 of this Prospectus or e-mail your enquiries to mamcs@maybank.com.my.

Alternatively, Unit Holders can contact:

(i) Complaints Bureau, FIMM via:

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

(ii) Securities Industry Dispute Resolution Center (SIDREC) via:

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

(iii) Investor Affairs & Complaints Department, Securities Commission Malaysia via:

- Tel No: 03 - 6204 8999 (Aduan hotline)
- Fax No: 03 - 6204 8991
- email: aduan@seccom.com.my
- Online complaint form: www.sc.com.my
- Letter: Investor Affairs & Complaints Department
  Securities Commission Malaysia
  No. 3 Persiaran Bukit Kiara
  Bukit Kiara, 50490 Kuala Lumpur.
14.3  Keeping Track of the Daily Prices of Units

We will publish the Fund’s NAV per Unit in at least one national Bahasa Malaysia and one national English newspaper. Alternatively, you may obtain the daily NAV from the Manager’s website at http://www.maybank-am.com.my.

As the Fund has exposure to investment in foreign markets, the NAV per Unit for a particular Business Day will be published two (2) Business Days later.

In the event of any discrepancies between the NAV per Unit published in the newspapers or the Manager’s website and our computation, our computed NAV per Unit shall prevail. We shall not be held liable for any error or omission in the NAV per Unit published as this is beyond our control.

14.4  Financial Reports

You will be informed of the Fund’s performance through the audited annual reports and unaudited interim reports. The reports will be sent to you within 2 months after the close of the financial year-end or interim period.

14.5  Changing account details

You are required to inform us in writing on any changes of your account details. The account details will amongst other things include the following:

(i) your address and contact details;
(ii) signing instructions; and
(iii) distribution of income instruction.
(15) CONSENT

(a) The consent of the Manager’s delegate, Trustee, investment advisor, auditors and solicitors for the inclusion of their names in this Prospectus in the manner and form in which such names appear have been given before the date of issue of this Prospectus and none of them have subsequently withdrawn their written consents.

(b) The tax adviser has given their consent to the inclusion of their name and the tax adviser’s letter on taxation of the Fund and Unit Holders in the form and context in which it appears in this Prospectus and has not withdrawn such consent prior to the date of this Prospectus.
(16) DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Manager’s registered office or such other place as the SC may determine, during normal business hours (8.45 a.m. to 5.45 p.m.) from Monday to Thursday and (8.45 a.m. to 4.45 p.m.) on Friday for a period of 12 months from the date of this Prospectus:

(i) the Deed;

(ii) each material contract disclosed in the Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts (if any);

(iii) the audited financial statements of the Fund for the current financial year (where applicable) and for the last three financial years or if the Fund has been established or incorporated for a period of less than three years, the entire period preceding the date of the Prospectus;

(iv) all reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Prospectus. Where a summary expert’s report is included in the Prospectus, the corresponding full expert’s report should be made available for inspection;

(v) writ and relevant cause papers for all material litigation and arbitration disclosed in the Prospectus (if any); and

(vi) all consents given by experts disclosed in the Prospectus.
(17) UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a unit trust fund with borrowed money is more risky than investing with your own savings.

You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financial circumstances. You should be aware of the risks, which would include the following:

(a) The higher the margin of financing (that is, the amount of money you borrow for every ringgit of your own money which you put in as deposit or down payment), the greater the loss or gain on your investment.

(b) You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.

(c) If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where units are used as collateral) or pay additional amounts on top of your normal instalments. If you fail to comply within the time prescribed, your units may be sold towards the settlement of your loan.

(d) Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take a loan. If you are in doubt about any aspect of this risk disclosure statement or the terms of the loan financing, you should consult the institution offering the loan.

ACKNOWLEDGEMENT OF RECEIPT OF RISK DISCLOSURE STATEMENT

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

Signature : ________________________________________________

Full Name : ________________________________________________

Date : ________________________________________________
(18) DIRECTORY

Maybank Asset Management Sdn Bhd
Level 12, Tower C, Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur
Malaysia

Tel No: 03 - 2297 7888
Fax No: 03 - 2715 0071
Website: http://www.maybank-am.com.my
Email: mamcs@maybank.com.my

Kindly contact us for more details on the list of appointed IUTAs.
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MAYBANK
CONSTANT
INCOME FUND 5
(Constituted by way of deed on 22 July 2016)

Launch Date: 19 September 2016
Manager: Maybank Asset Management Sdn. Bhd. (421779-M)
Trustee: TMF Trustees Malaysia Berhad (610812-W)

This Prospectus is dated 19 September 2016.
This Fund is open for sale during the Offer Period Only.

THIS FUND IS NOT A CAPITAL GUARANTEED FUND OR A CAPITAL PROTECTED FUND AS DEFINED UNDER THE GUIDELINES ON UNIT TRUST FUNDS ISSUED BY THE SECURITIES COMMISSION MALAYSIA.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 13.