

PRODUCT HIGHLIGHTS SHEET

MAYBANK INSTITUTIONAL INCOME MANAGEMENT-I FUND ("the Fund")

Date of Issuance: 9 March 2020

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The relevant information and document in relation to the Maybank Institutional Income Management-I Fund, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the Maybank Institutional Income Management-I Fund, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Maybank Institutional Income Management-I Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

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This Product Highlights Sheet only highlights the key features and risks of the Maybank Institutional Income Management-I Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

1. What is Maybank Institutional Income Management-I Fund?

The Fund is Maybank Asset Management Sdn Bhd's mixed assets fund (wholesale) which aims to provide unit holders with consistent income stream through investments in a diversified portfolio of sukuk.

2. Fund Suitability

The Fund is suitable for Non-individual Sophisticated Investors* who:

- seek income distribution;
- prefer a short to medium-term investment horizon; and
- have moderate risk appetite.

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

3. Investment Objective

The Fund aims to provide unit holders with consistent income stream through investments in a diversified portfolio of sukuk.

4. Key Product Features

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| Fund Type | Income. |
| Fund Category | Mixed assets (wholesale). |
| Benchmark | Maybank 1 month Islamic deposit rate. (Source: www.maybank2u.com.my) Note: The risk profile of the Fund is different from the risk profile of the performance benchmark. |
| Launch Date | 9 March 2020. |
| Investment Style & Strategy | <p>The Fund seeks to achieve its investment objective by investing a minimum of 60% of the Fund's net asset value ("NAV") in MYR-denominated sukuk and/or similar securities.</p> <p>Up to 40% of the Fund's NAV may be invested in Islamic liquid assets such as Islamic money market instruments and Islamic deposits.</p> <p><u>MYR-denominated Sukuk</u></p> <p>The Fund will invest in MYR-denominated sukuk with a minimum rating of "AA₃" by RAM Rating Services Berhad ("RAM") or its equivalent rating by Malaysian Rating Corporation Berhad ("MARC") at the point of purchase.</p> <p>If any of the MYR-denominated sukuk have been downgraded to a rating lower than AA₃ by RAM or its equivalent rating by MARC, the external investment manager ("EIM") shall dispose of the downgraded sukuk as soon as practicable. However, if such prompt action may be detrimental to the Fund, the EIM may continue to hold the downgraded sukuk for up to ninety (90) days. This treatment shall be applicable to issuer rating when there is no issue rating for a sukuk.</p> <p>The Fund's investment in MYR-denominated sukuk which are issued by government and/or government-linked agencies need not be rated.</p> |

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| | In determining the applicable rating for the respective MYR-denominated sukuk, the issuer rating assigned by a relevant rating agency may be used instead when there is no rating assigned by the same rating agency to the sukuk and the EIM is of the opinion that the issuer's rating is a representation of the sukuk's rating, i.e. in the event of any insolvency of the issuer, the sukuk 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. |
| Manager | Maybank Asset Management Sdn Bhd. |
| Management Fee | Up to 0.35% per annum of the NAV of the Fund, calculated and accrued daily and is payable monthly to the Manager. |
| Sales Charge | Up to 0.50% of the NAV per unit. |
| Redemption Charge | The Manager will not impose a redemption charge. |
| Switching Fee | RM10.00 per switch. <i>Note: The Manager reserves the right to waive the switching fee. In addition to the switching fee, unit holder will also have to pay the difference in sales charge when switching from a fund with lower sales charge to a fund with higher sales charge.</i> |
| Transfer Fee | Not applicable as transfer of units is not allowed. |
| Trustee | PB Trustee Services Berhad. |
| Trustee Fee | Up to 0.04% per annum of the NAV of the Fund, calculated and accrued daily and is payable monthly to the Trustee, subject to a minimum fee of RM12,000 per annum. |
| External Investment Manager | Maybank Islamic Asset Management Sdn Bhd. |
| Shariah Adviser | Amanie Advisors Sdn Bhd. |
| Minimum Initial Investment | RM500,000.00 or such other amount as may be decided by the Manager from time to time. |
| Minimum Additional Investment | RM50,000.00 or such other amount as may be decided by the Manager from time to time. |
| Minimum Units Held | 500,000 units or such other number of units as may be decided by the Manager from time to time. |
| Distribution Policy | Distribution, if any, will be incidental for the first financial year. Thereafter, distribution, if any, shall be made on a quarterly basis (subject to the availability of income). <i>Note: The Fund's income distribution is not guaranteed and is subject to the continuing ability of the issuers of the Fund's underlying investments to meet their respective obligations.</i> |

5. Asset Allocation

| Instruments | Allocation |
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| Sukuk* | Minimum 60% and up to 95% of the Fund's NAV |
| Islamic liquid assets such as Islamic money market instruments and Islamic deposits | Between 5% and up to 40% of the Fund's NAV |

*minimum rating of AA₃ by RAM or its equivalent rating by MARC.

6. Key Risks

Specific Risks

a) Profit Rate Risk

Profit rate risk refers to the impact of profit rate changes on the valuation of sukuk. When profit rates rise, sukuk prices generally decline and this may lower the market value of the Fund's investment in sukuk. The reverse may apply when profit rates fall.

b) Default Risk

Default risk relates to the risk that an issuer of a sukuk and/or Islamic money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk and/or Islamic money market instruments. 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 of the defaulted investments within a time frame deemed reasonable by the Manager.

Islamic deposits that the Fund 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 profits foregone, causing the performance of the Fund to be adversely affected. Placement of Islamic deposits with financial institutions will also be made based on prudent selection.

c) Company Specific Risk

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 sukuk 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 sukuk issued by different companies thereby spreading the element of this risk through diversification.

d) Credit Risk

Credit risk relates to the creditworthiness of the issuers of the sukuk and their expected ability to make timely payment of profits and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk. In the case of rated sukuk, this may lead to a credit downgrade.

e) Shariah Non-Compliance Risk

There is a risk of the Fund not conforming to the Shariah Investment Guidelines in the information memorandum. The Manager and the EIM would be responsible for ensuring that the Fund is managed and administered in accordance with the Shariah Investment Guidelines. As the Fund can only invest in Shariah-compliant instruments, non-compliance may adversely affect the NAV of the Fund when the rectification of non-compliance results in losses.

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

For more details, please refer to section 6.1 in the information memorandum for the general risks of investing in the Fund.

Note: If your investments are made through an institutional unit trust adviser (“Distributor”) which adopts the nominee system of ownership, you would not be deemed to be a unit holder under the deed and as a result, your rights as an investor may be limited. Accordingly, the Manager will only recognise the Distributor as a unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the deed.

7. Valuation of Investment

The Fund will be valued at least once every business day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than the end of the next business day.

Unit holders will be able to obtain the unit price of the Fund from www.maybank-am.com.my. Alternatively, investors may contact the client servicing personnel at 03-2297 7888.

8. Exiting from Investment

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| Submission of Redemption Request | The cut-off time for redemption request shall be at 4.00 p.m. on a business day. |
| Payment of Redemption Proceeds | The Manager will pay the redemption proceeds to unit holders within three (3) business days from the day a redemption request/application is received by the Manager before the cut-off time and provided that all documentations are complete and verifiable. However, in the event that the redemption requests/applications constitute more than 5% of the Fund’s NAV on a particular business day, the redemption proceeds in respect of those redemption requests/applications will be paid to the unit holders within ten (10) business days from the day the redemption request is received by the Manager and provided that all documentations are complete and verifiable. |
| Remittance of Redemption Proceeds | The Manager shall remit the redemption proceeds to the bank account held in the name of the unit holder(s). |

For both creation and redemption of units, the Manager shall not be held responsible for any delay or loss incurred in the event of:

- Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;
- Any remittance of fund that does not correspond with the request promptly;
- Inaccurate details (i.e. identity card number, account number, etc.) provided by unit holders; or
- Circumstances beyond the control of the Manager or the Trustee.

9. Contact Information

I. For internal dispute resolution, you may contact:

Clients Servicing Personnel

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

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

- via phone to : 03-2282 2280
- via fax to : 03-2282 3855

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

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

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

IV. Federation of Investment Managers Malaysia (“FIMM”)’s Complaints Bureau:

- a. via phone to : 03-2092 3800
- b. via fax to : 03-2093 2700
- c. via email to : complaints@fimm.com.my
- d. via online complaint form available at www.fimm.com.my
- e. via letter to : Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune
No. 19 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur