

Maybank Income Management-I Fund

(constituted on 3 December 2019 and launched on 8 January 2020)



Manager: Maybank Asset Management Sdn Bhd (Registration No. 199701006283)

Trustee: PB Trustee Services Berhad (Registration No. 196801000374)

This Prospectus is in relation to the following Fund dated 8 January 2020.

THE 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 6.

Humanising Financial Services.



Maybank
Asset Management

FIRST SUPPLEMENTARY PROSPECTUS

This First Supplementary Prospectus dated 22 February 2021 must be read together with the Prospectus dated 8 January 2020 for:-

Fund
Maybank Income Management-I Fund

Date of Constitution
3 December 2019

Manager	:	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
Trustee	:	PB Trustee Services Berhad (Registration No.: 196801000374 (7968-T))

A copy of this First Supplementary Prospectus dated 22 February 2021 together with the Prospectus dated 8 January 2020 for Maybank Income Management-I Fund ("the Fund") have been registered with the Securities Commission Malaysia, who takes no responsibility for their contents. Registration of this First Supplementary Prospectus dated 22 February 2021 does not indicate that the Securities Commission Malaysia recommends the Units or assumes responsibility for the correctness of any statement made, opinions expressed or reports contained in the Prospectus dated 8 January 2020 and this First Supplementary Prospectus dated 22 February 2021.

THE FUND IS NOT A CAPITAL GUARANTEED FUND OR A CAPITAL PROTECTED FUND.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS FIRST SUPPLEMENTARY PROSPECTUS DATED 22 FEBRUARY 2021 WHICH IS TO BE READ TOGETHER WITH THE PROSPECTUS DATED 8 JANUARY 2020. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

Responsibility Statements

This First Supplementary 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 First Supplementary Prospectus false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia ("SC") has authorised the Maybank Income Management-I Fund and a copy of this First Supplementary Prospectus has been registered with the SC.

The authorisation of the Maybank Income Management-I Fund, and registration of this First Supplementary Prospectus, should not be taken to indicate that the SC recommends the Maybank Income Management-I Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in the Prospectus dated 8 January 2020 and this First Supplementary Prospectus.

The SC is not liable for any non-disclosure on the part of the Manager responsible for the Maybank Income Management-I Fund and takes no responsibility for the contents in this First Supplementary Prospectus. The SC makes no representation on the accuracy or completeness of this First Supplementary 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

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

The Maybank Income Management-I Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

The Maybank Income Management-I 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 Maybank Income Management-I Fund.

The Fund is not a capital protected or capital guaranteed fund.

This First Supplementary Prospectus is dated 22 February 2021 and must be read together with the Prospectus dated 8 January 2020.

1. **Deletion of the definitions of “Fitch” and “S&P” in “Chapter 1 - Definition” on pages 1 and 2 of the Prospectus**

The definitions of “Fitch” and “S&P” are hereby deleted in their entirety.

2. **Amendment to definitions of “External Investment Manager / EIM / MIAM”, “Manager / Maybank AM / we / us / our”, “Maybank”, “Shariah Adviser” and “Trustee” in “Chapter 1 - Definition” on pages 1 and 2 of the Prospectus**

Bursa Malaysia	means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).
External Investment Manager or EIM	means Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K)).
Manager / Maybank AM / we / us / our	means Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M)).
Maybank	means Malayan Banking Berhad (Registration No.: 196001000142 (3813-K)).
Shariah Adviser	means Amanie Advisors Sdn Bhd (Registration No.: 200501007003 (684050-H)).
Trustee	means PB Trustee Services Berhad (Registration No.: 196801000374 (7968-T)).

3. **Amendment to the company number of the Manager in “Chapter 2 - Corporate Directory” on page 3 of the Prospectus**

The company number of the Manager is hereby deleted in its entirety and replaced with the following:

(Registration No.: 199701006283 (421779-M))

4. **Amendment to the corporate information of the Trustee in “Chapter 2 - Corporate Directory” on page 3 of the Prospectus**

The corporate information of the Trustee is hereby deleted in its entirety and replaced with the following:

TRUSTEE	PB Trustee Services Berhad (Registration No.: 196801000374 (7968-T))
REGISTERED OFFICE & BUSINESS OFFICE	17 th Floor, Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur Tel No.: 03 - 2177 3127 Fax No.: 03 - 2164 6197

This First Supplementary Prospectus is dated 22 February 2021 and must be read together with the Prospectus dated 8 January 2020.

5. Amendment to the company number of the Shariah Adviser in “Chapter 2 - Corporate Directory” on page 3 of the Prospectus

The company number of the Shariah Adviser is hereby deleted in its entirety and replaced with the following:

(Registration No.: 200501007003 (684050-H))

6. Amendment to the company number of the External Investment Manager in “Chapter 2 - Corporate Directory” on page 3 of the Prospectus

The company number of the External Investment Manager is hereby deleted in its entirety and replaced with the following:

(Registration No.: 201301012623 (1042461-K))

7. Amendment to Investment Policy and Strategy in “Chapter 3 - Fund Information” on pages 5 to 6 of the Prospectus

The information on the investment policy and strategy is hereby deleted in its entirety and replaced with the following:

The Fund seeks to achieve its investment objective by investing a minimum of 70% of the Fund’s NAV in MYR-denominated Sukuk.

Up to 30% of the Fund’s NAV may be invested in Islamic liquid assets such as Islamic money market instruments and Islamic deposits.

The Fund may invest up to 30% of its NAV investment in non-MYR denominated Sukuk should the EIM deems the investments to be in line with the objective of the Fund.

The EIM may hedge the foreign currency exposure of the Fund in part or in full by investing in Islamic currency forwards.

MYR-Denominated Sukuk

The Fund will invest in MYR-denominated Sukuk with a minimum rating of “A₃” by RAM or its equivalent rating by MARC at the point of purchase.

If the MYR-denominated Sukuk are downgraded to a rating lower than “A₃” by RAM or its equivalent rating by MARC, the 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 rating for a Sukuk.

The Fund’s investment in MYR-denominated Sukuk which are issued by government and/or government-linked agencies need not be rated.

Non-MYR Denominated Sukuk

This First Supplementary Prospectus is dated 22 February 2021 and must be read together with the Prospectus dated 8 January 2020.

The Fund will invest in non-MYR denominated Sukuk with a minimum rating of “Baa3” by Moody’s or its equivalent rating by other international rating agencies. Should the ratings be different amongst the international rating agencies, the second highest rating shall be applicable. When there are only two (2) ratings available, the lower rating shall be applicable.

If the non-MYR denominated Sukuk are downgraded to a rating lower than “Baa3” by Moody’s or its equivalent rating by other international rating agencies as determined using the second highest or lower rating methodology, the EIM shall dispose of the downgraded non-MYR denominated Sukuk as soon as practicable. However, if such prompt action may be detrimental to the Fund, the EIM may continue to hold the downgraded non-MYR denominated Sukuk for up to ninety (90) days. The treatment shall be applicable for issuer rating when there is no issue rating for a Sukuk.

In determining the applicable rating for the respective MYR-denominated Sukuk and non-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.

The Fund’s investments in unrated Sukuk is limited to a maximum of 15% of the Fund’s NAV. In such instances, the EIM shall conduct its own internal credit assessment to assess the eligibility of the Sukuk.

The Fund would be actively managed, however, how active or frequent the EIM’s trading strategy will depend very much on market opportunities.

8. Amendment to Investment Limits and Restrictions in “Chapter 3 - Fund Information” on page 12 of the Prospectus

The information on item 2 under the heading “Investment Restriction” is hereby deleted in its entirety and replaced with the following:

- 2) The Fund will invest in foreign Sukuk with a minimum rating of “Baa3” by Moody’s or its equivalent rating by other international rating agencies at the point of investment.

9. Amendment to Approvals and Conditions in “Chapter 3 - Fund Information” on page 12 of the Prospectus

The information on the approvals and conditions is hereby deleted in its entirety and replaced with the following:

Variation to Schedule C of the Guidelines on valuation of other unlisted sukuk

The valuation basis for other unlisted sukuk in Schedule C of the Guidelines is as follows:

“Fair value by reference to the average indicative yield quoted by three independent and reputable institutions.”

This First Supplementary Prospectus is dated 22 February 2021 and must be read together with the Prospectus dated 8 January 2020.

On 28 October 2020, we have been granted a variation to the aforesaid valuation for investments of the Fund in non-MYR unlisted sukuk where we are allowed to value such investments based on the price quoted by Bloomberg Generic Price subject to the following conditions:

- (a) we continuously keep abreast of the development in Bloomberg Generic Price (Bloomberg)'s pricing methodology; and
- (b) we keep track on acceptability of Bloomberg's prices in the market place.

10. Amendment to Section 5.1 - Bases of Valuation of Investments in "Chapter 5 - Transaction Information" on page 18 of the Prospectus

The information on unlisted sukuk is hereby deleted in its entirety and replaced with the following:

Unlisted Sukuk

Investments in unlisted MYR-denominated Sukuk will be valued based on 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 Sukuk differs from the "market price" by more than 20 basis points, we may use the "market price" provided that we comply with the requirements of the Guidelines.

Investments in other unlisted Sukuk will be valued using the Bloomberg Generic Price ("BGN"). In the case where we are unable to obtain quotation from the BGN, such unlisted Sukuk will be valued at fair value by reference to the average indicative yield quoted by 3 independent and reputable institutions. If the BGN is not available and we are unable to obtain quotation from 3 independent and reputable institutions, such unlisted Sukuk will be valued at fair value as determined in good faith by us, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

11. Amendment to Section 5.10 - Switching in "Chapter 5 - Transaction Information" on pages 22 - 23 of the Prospectus

The information on switching is hereby deleted in its entirety and replaced with the following:

You are permitted to switch from and to other funds managed by us provided that both funds are denominated in the same currency. Switching will be made at the prevailing NAV per unit of the fund to be switched from on a Business Day when the switching request is received and accepted by us, subject to the availability and any terms and conditions imposed by the intended fund to be switched to, if any.

There is no restriction on the frequency of switching. However, you must meet the minimum Unit holdings (after the switch) of the Fund that you intend to switch from unless you are redeeming all your investments from the Fund.

Switching is treated as a withdrawal from one (1) fund and an investment in another fund. If you switch from a fund with a lower sales charge to a fund with a higher sales

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charge, you need to pay the difference in sales charge between the sales charge of these two (2) funds in addition to the switching fee. If you switch from a fund with higher sales charge to a fund with a lower sales charge, you do not need to pay the difference in sales charge between these funds.

For example:-

Scenario 1

If you invest in a fund with no sales charge and now wish to switch to another fund which has a sales charge of 1.00% on the net asset value per unit, you will be charged the difference in sales charge of 1.00% on the net asset value per unit of the fund being switched to in addition to the switching fee of the fund you switched from.

Scenario 2

If you invest in a fund with a sales charge of 1.00% on the net asset value per unit and now wish to switch to another fund which has no sales charge, you will not be charged any sales charge.

Any switching request made **on or before the cut-off time of 4.00 p.m.** will be made at the NAV per unit of the fund to be switched from when the switching request is received and accepted by us on a Business Day, subject to availability and any terms and conditions imposed by the intended fund, if any.

Any switching request received or deemed to have been received after this cut-off time would be considered as being transacted on the following Business Day.

We reserve the rights to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing.

Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.

Note: Our distributors may have an earlier cut-off time for receiving applications in respect of any switching of Units. Please check with the respective distributors for their respective cut-off time.

12. Amendment to Section 5.11 - Dealing Cut-Off Time for Investment and Redemption of Units in “Chapter 5 - Transaction Information” on page 23 of the Prospectus

The information on the dealing cut-off time for investment and redemption of Units is hereby deleted in its entirety and replaced with the following:

The dealing cut-off time is **4.00 p.m.** on a Business Day.

Any application 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 application 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.

This First Supplementary Prospectus is dated 22 February 2021 and must be read together with the Prospectus dated 8 January 2020.

The above is in accordance with the standards issued by FIMM on the dealing cut-off time.

Note: Our distributors may have an earlier cut-off time for receiving applications in respect of any dealing in Units. Please check with the respective distributors for their respective cut-off time.

13. Amendment to Section 6.3 - Board of Directors of the Manager in “Chapter 6 - The Management of the Fund” on page 25 of the Prospectus

The information on the board of directors is hereby deleted in its entirety and replaced with the following:

Board of Directors

Dato Idris bin Kechot (chairman / independent non-executive director)
Goh Ching Yin (independent non-executive director)
Loh Lee Soon (independent non-executive director)
Badrul Hisyam Abu Bakar (non-independent non-executive director)
Ahmad Najib Nazlan (non-independent executive director / chief executive)

14. Deletion of “Chapter 14 - Unit Trust Financing Risk Disclosure Statement” on page 52 of the Prospectus

The information in Chapter 14 is hereby deleted in its entirety.

The following chapter is renumbered accordingly.

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 ("SC") has authorised the Maybank Income Management-I Fund and a copy of this Prospectus has been registered with the SC.

The authorisation of the Maybank Income Management-I Fund, and registration of this Prospectus, should not be taken to indicate that the SC recommends the Maybank Income Management-I Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The SC is not liable for any non-disclosure on the part of the Manager responsible for the Maybank Income Management-I Fund and takes no responsibility for the contents in this Prospectus. The SC 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

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

The Maybank Income Management-I Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

The Maybank Income Management-I 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 Maybank Income Management-I Fund.

The Maybank Income Management-I Fund is not a capital protected or capital guaranteed fund as defined under the Guidelines.

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(1) DEFINITIONS

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

Act/ CMA	means the Capital Markets and Services Act 2007 as may be amended from time to time.
Bursa Malaysia	means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No. 200301033577).
Business Day	means a day on which Bursa Malaysia is open for trading.
Deed	means the deed in respect of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee and registered with the SC.
External Investment Manager / EIM / MIAM	means Maybank Islamic Asset Management Sdn Bhd (Registration No. 201301012623).
FIMM	means the Federation of Investment Managers Malaysia.
Fitch	means Fitch Ratings.
Forward Pricing	means the Net Asset Value per Unit for the Fund valued or calculated at the next valuation point after a purchase request of Units or a redemption request of Units is received by the Manager.
Fund	means the Maybank Income Management-I Fund.
Guidelines	means the Guidelines on Unit Trust Funds issued by the SC and any other relevant guidelines issued by the SC.
Islamic deposits	has the same meaning as ascribed to it in the Islamic Financial Services Act 2013.
long term	means a period of more than 5 years.
LPD	means latest practicable date as at 1 November 2019.
Manager / Maybank AM / we / us / our	means Maybank Asset Management Sdn Bhd (Registration No. 199701006283).
MARC	means Malaysian Rating Corporation Berhad.
Maybank	means Malayan Banking Berhad (Registration No. 196001000142).
medium term	means a period between 3 to 5 years.
Moody's	means Moody's Investors Service.
MYR/RM	means Ringgit Malaysia.
Net Asset Value / NAV	means the total value of the Fund's assets minus its liabilities at the valuation point.
NAV per Unit	means the NAV of the Fund at the valuation point divided by the total number of Units in circulation at the same valuation point.

Prospectus	means the prospectus for this 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. The Redemption Price shall be exclusive of the redemption charge (if any).
SACBNM	means the Shariah Advisory Council of the Bank Negara Malaysia.
SACSC	means the Shariah Advisory Council of the Securities Commission Malaysia.
SC	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 the NAV per Unit. The Selling Price shall be exclusive of the sales charge.
Shariah	means Islamic law, originating from the <i>Qur'an</i> (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (<i>pbuh</i>) and <i>ijtihad of ulama'</i> (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah Adviser	means Amanie Advisors Sdn Bhd (Registration No. 200501007003).
S&P	means S&P Global Ratings.
Sukuk	means certificates of equal value evidencing undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SACSC or any other Shariah authority.
Trustee	means PB Trustee Services Berhad (Registration No. 196801000374).
Unit	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	means the person registered as the holder of a Unit or Units including persons jointly registered for the Fund.
U.S. (United States) Person(s)	means: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (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 2010, as may be amended from time to time.

(2) CORPORATE DIRECTORY

MANAGER	Maybank Asset Management Sdn Bhd (Registration No. 199701006283)
REGISTERED OFFICE	5 th Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7870
BUSINESS OFFICE	Level 12, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7888 Fax No: 03 - 2715 0071
WEBSITE	http://www.maybank-am.com
E-MAIL	mamcs@maybank.com.my
TRUSTEE	PB Trustee Services Berhad (Registration No. 196801000374)
REGISTERED OFFICE & BUSINESS OFFICE	17 th Floor, Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur Tel No: 03 - 2162 6000 Fax No: 03 - 2164 3285
SHARIAH ADVISER	Amanie Advisors Sdn Bhd (Registration No. 200501007003)
REGISTERED OFFICE	Unit 11-3A, 3 rd Mile Square, No. 151, Jalan Klang Lama Batu 3 ½, 58100 Kuala Lumpur
BUSINESS OFFICE	Level 13A-2 Menara Tokio Marine Life 189 Jalan Tun Razak 50400 Kuala Lumpur Tel No: 03-2161 0260 Fax No: 03-2161 0262
EXTERNAL INVESTMENT MANAGER	Maybank Islamic Asset Management Sdn Bhd (Registration No. 201301012623)
REGISTERED OFFICE	5 th Floor, Tower A Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7870

BUSINESS OFFICE

Level 12, Tower C
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur
Tel No: 03 - 2297 7888
Fax No: 03 - 2297 7898

(3) FUND INFORMATION

FUND	Maybank Income Management-I Fund
Fund Category	Fixed income.
Fund Type	Income.
Base Currency	MYR.
Initial Offer Price	RM1.00
Initial Offer Period	21 days from the date of this Prospectus. <i>Note: The initial offer period may be shortened if we determine that it is in your best interest.</i>
Commencement Date	The 7 th Business Day after the end of the Initial Offer Period.
Investment Objective	The Fund aims to generate a consistent stream of income through investments in a diversified portfolio of Sukuk. <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i>
Investment Policy and Strategy	<p>The Fund seeks to achieve its investment objective by investing a minimum of 70% of the Fund's NAV in MYR-denominated Sukuk.</p> <p>Up to 30% of the Fund's NAV may be invested in Islamic liquid assets such as Islamic money market instruments and Islamic deposits.</p> <p>The Fund may invest up to 30% of its NAV investment in non-MYR denominated Sukuk should the EIM deems the investments to be in line with the objective of the Fund.</p> <p>The EIM may hedge the foreign currency exposure of the Fund in part or in full by investing in Islamic currency forwards.</p> <p><u>MYR-Denominated Sukuk</u> The Fund will invest in MYR-denominated Sukuk with a minimum rating of "A₃" by RAM or its equivalent rating by MARC at the point of purchase.</p> <p>If the MYR-denominated Sukuk are downgraded to a rating lower than "A₃" by RAM or its equivalent rating by MARC, the 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 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>

FUND	Maybank Income Management-I Fund						
	<p><u>Non-MYR Denominated Sukuk</u></p> <p>The Fund may invest in non-MYR denominated Sukuk with a minimum rating of “BBB-” 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.</p> <p>If the non-MYR denominated Sukuk are downgraded to a rating lower than “BBB-” by S&P or its equivalent rating by Moody’s and/or Fitch as determined using the second highest or lower rating methodology, the EIM shall dispose of the downgraded non-MYR denominated Sukuk as soon as practicable. However, if such prompt action may be detrimental to the Fund, the EIM may continue to hold the downgraded non-MYR denominated Sukuk for up to ninety (90) days. This treatment shall be applicable for issuer rating when there is no issue rating for a Sukuk.</p> <p>In determining the applicable rating for the respective MYR-denominated Sukuk and non-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.</p> <p>The Fund’s investments in unrated Sukuk is limited to a maximum of 15% of the Fund’s NAV. In such instances, the EIM shall conduct its own internal credit assessment to assess the eligibility of the Sukuk.</p>						
Asset Allocation	<table border="1"> <thead> <tr> <th>Asset Type</th><th>% of the Fund’s NAV</th></tr> </thead> <tbody> <tr> <td>Sukuk</td><td>70% - 95%</td></tr> <tr> <td>Islamic liquid assets</td><td>5% - 30%</td></tr> </tbody> </table> <p><i>Notes:</i></p> <ol style="list-style-type: none"> 1. Up to 15% of the Fund’s NAV may be invested in unrated Sukuk. 2. Up to 30% of the Fund’s NAV may be invested in non-MYR denominated Sukuk. 	Asset Type	% of the Fund’s NAV	Sukuk	70% - 95%	Islamic liquid assets	5% - 30%
Asset Type	% of the Fund’s NAV						
Sukuk	70% - 95%						
Islamic liquid assets	5% - 30%						
Temporary Defensive Position	<p>We may adopt temporary defensive measures by holding up to 100% of the Fund’s NAV in Islamic liquid assets that may be inconsistent with the Fund’s investment strategy and asset allocation in the event of any adverse market, political or economic conditions.</p>						

RISK FACTORS

FUND	Maybank Income Management-I Fund
General Risks of Investing in the Fund	<p><u>Market Risk</u></p> <p>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. We will monitor the financial markets closely and act on any adverse news accordingly.</p>

	<p><u>Inflation Risk</u> 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.</p> <p><u>Liquidity Risk</u> Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.</p> <p><u>Financing Risk</u> This risk occurs when investors take a financing to finance their investment. The inherent risk of investing with financed money includes investors being unable to service the financing 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 financing.</p> <p><u>Manager's Risk</u> This risk refers to our day-to-day management of the Fund which will impact the performance of the Fund. For example, investment decisions undertaken by us, 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 us.</p> <p><u>Non-Compliance Risk</u> This risk refers to the possibility that we may not follow the provisions set out in this Prospectus or the Deed or the law, rules or guidelines or internal operating policies which governs the Fund. 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. We aim 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.</p> <p><u>Returns Are Not Guaranteed</u> 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 institution which carry a specific rate of return, the Fund does not provide a fixed rate of return.</p>
<p>Specific Risks of the Fund</p>	<p><u>Credit and Default Risk</u> Credit risk relates to the creditworthiness of the issuers of the Sukuk and their expected ability to make timely payment of profit 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. Default risk refers to the possibility that the issuer of the Sukuk is unable to make timely or full payments of principal and/or profit when due. In the event of a default in payment of principal and/or profit, this may cause a reduction in the value of the Fund. We will endeavour to take the necessary steps to deal with the</p>

investments in the best interest of the Unit Holders including to dispose of the defaulted investments within a time frame deemed reasonable by us.

Currency Risk

As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund 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 of the Fund, this will have an adverse effect on the NAV of the Fund in the base currency of the Fund 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, we intend 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.

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.

In order to mitigate profit rate risk, we will need to manage the Sukuk portfolio by taking into account the profit rate and time to maturity of the Sukuk.

Country Risk

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.

Islamic Derivatives Risk

Islamic 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 profit 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 profit 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 loses money, the act of hedging would have reduced the loss, if successfully hedged.

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.

Counterparty Risk

Counterparty risk refers to a risk that relates to the credit standing of counterparties when over-the-counter transactions are carried out and is

	<p>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 the counterparties, prior to commencement of the investment.</p> <p>Should there be a downgrade in the credit rating of the over-the-counter derivatives' counterparty, we will evaluate the situation and reassess the creditworthiness of the counterparty. We will take the necessary steps in the best interest of the Fund.</p> <p><u>Shariah Non-Compliance Risk</u> This is the risk of the Fund not conforming to Shariah Investment Guidelines. The Manager and EIM would be responsible for ensuring that the Fund is managed and administered in accordance with Shariah Investment Guidelines. Note that 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.</p> <p><u>Unrated Sukuk Risk</u> The Fund may invest up to 15% of its NAV in unrated Sukuk. Investors should be aware that unrated Sukuk are considered non-investment grade Sukuk and are generally considered to be speculative and more sensitive to adverse changes in market condition. The aforementioned Sukuk are generally being subject to greater levels of profit rate risk and default risk as compared to investment-grade Sukuk. Such Sukuk generally experiences greater price volatility and usually lacks liquidity in the secondary market in comparison to those of higher credit quality, which in turn may adversely affect the value of these Sukuk and the value of the Fund.</p>
Risk Management Strategies	<p>Risk management is an integral part of our investment management process. We employ measures such as asset allocation strategy in order to manage the specific risks of the Fund. When downturn is expected in Sukuk markets and liquidity risks are high, we may reduce the Fund's allocation in Sukuk and increase its asset allocation to Islamic liquid assets to safeguard the investment portfolio of the Fund. The Fund's exposure will also be spread across various countries, sectors, counterparties and companies as diversification strategy is also recognised by us as an essential risk management strategy for the Fund.</p> <p>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.</p>

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, Shariah advisers, stockbrokers or independent professional advisers for a better understanding of the risks.

OTHER INFORMATION

FUND	Maybank Income Management-I Fund
Investor's Profile	<p>The Fund is suitable for investors:</p> <ul style="list-style-type: none"> • with a medium to high risk appetite; • who have medium to long term investment horizon; and

FUND	Maybank Income Management-I Fund
	<ul style="list-style-type: none"> who seek income distribution.
Distribution Policy	<p>Distribution will be made on a semi-annual basis (subject to availability of income) and at the discretion of the Manager.</p> <p>Distribution, if any, will be made from the realised income of the Fund.</p> <p>Additional distribution, if any, shall be incidental and shall be made from the realized income of the Fund.</p> <p><i>Note: The Fund's income distributions are not guaranteed and subject to the continuing abilities of the issuers of the Fund's investments to meet their respective financial obligations.</i></p>
Mode of Distribution	<p>You may elect to either receive income payment via cash payment mode or reinvestment mode. If you did not elect the mode of distribution, all income distribution will be automatically reinvested into additional Units in the Fund.</p> <p>Unit Holders who elect to receive income payment via cash payment mode may receive the income payment by way of direct debit into the Unit Holders' bank account on the income payment date (which is within ten (10) calendar days from the ex-distribution date).</p>
Reinvestment Policy	<p>If you elect to reinvest the distribution in additional Units, we will create such Units based on the NAV per Unit** at the income payment date (which is within ten (10) calendar days from the ex-distribution date).</p> <p><i>** There will be no cost to Unit Holders for reinvestments in new additional Units.</i></p>
Performance Benchmark	<p>Maybank 12-months Islamic deposit rate + 0.50% per annum.</p> <p>The aforementioned customised benchmark has been selected as the EIM believes that it reflects the additional performance from investment opportunities relating to Sukuk on top of the Maybank 12-months Islamic deposit.</p> <p><i>(Maybank 12-months Islamic deposit rate can be obtained from www.maybank2u.com.my)</i></p> <p><i>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</i></p>
Permitted Investments	<p>The Fund is permitted to invest in the following:</p> <ol style="list-style-type: none"> Sukuk; Islamic money market instruments; Placement in Islamic local and foreign currency deposits with financial institutions; Islamic collective investment schemes; Islamic derivatives such as Islamic foreign currency forward contracts for hedging purposes only; and Any other Shariah-compliant investment permitted by the SC which is in line with the objective and asset allocation of the Fund.

FUND	Maybank Income Management-I Fund
Investment Limits and Restrictions	<p>The Fund will be managed in accordance with the following investment limits and restrictions:</p> <p><u>Exposure Limits</u></p> <ul style="list-style-type: none"> The value of the Fund's investments in unlisted Shariah-compliant securities must not exceed 10% of the Fund's NAV. <p><u>Investment Spread Limits</u></p> <ul style="list-style-type: none"> The value of the Fund's investments in Sukuk issued by any single issuer must not exceed 20% of the Fund's NAV. The single issuer limit may be increased to 30% if the Sukuk 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. The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV. For investments in Islamic derivatives- <ul style="list-style-type: none"> (a) the exposure to the underlying assets must not exceed the investment spread limits stipulated herein; and (b) the value of the Fund's over-the-counter ("OTC") Islamic derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV. The aggregate value of the Fund's investments in Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits and OTC Islamic derivatives issued by or placed with, as the case may be, any single issuer/financial institution must not exceed 25% of the Fund's NAV. Where the single issuer limit of 20% of the Fund's NAV in Sukuk is increased to 30%, the aggregate value of the Fund's investment must not exceed 30%. The value of the Fund's investments in units/shares of any Islamic collective investment scheme must not exceed 20% of the Fund's NAV. The value of the Fund's investments in Sukuk issued by any one group of companies must not exceed 30% of the Fund's NAV. <p><u>Investment Concentration Limits</u></p> <ul style="list-style-type: none"> The Fund's investments in Shariah-compliant transferable securities (other than Sukuk) must not exceed 10% of the Shariah-compliant securities issued by any single issuer. The Fund's investments in Sukuk must not exceed 20% of the Sukuk issued by any single issuer. The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. <p><i>Note: The limit does not apply to Islamic money market instruments that do not have a pre-determined issue size.</i></p>

	<ul style="list-style-type: none"> The Fund's investments in Islamic collective investment schemes must not exceed 25% of the units/shares in any one Islamic collective investment scheme. <p><u>Investment Restrictions</u></p> <ol style="list-style-type: none"> The Fund will invest in Sukuk issued and/or offered in Malaysia with a minimum rating of "A₃" by RAM or its equivalent rating by MARC. The Fund will invest in foreign Sukuk with a minimum rating of "BBB-" 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 Sukuk. <p>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.</p> <p>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 will, within a reasonable period of not more than 3 months from the date of the breach take all necessary steps and actions to rectify the breach.</p>
Financing and Securities Lending	<p>The Fund may not obtain cash financing or borrow other assets in connection with its activities. However, the Fund may obtain cash financing on a temporary basis for the purpose of meeting redemption requests for Units and for short term bridging requirements subject to the following:</p> <ol style="list-style-type: none"> the Fund's cash financing is only on a temporary basis and that financings are not persistent; the financing period shall not exceed 1 month; the aggregate financing of the Fund shall not exceed 10% of the Fund's NAV at the time the financing is incurred; and the Fund may only obtain financing from financial institutions. <p>The Fund will not participate in the lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC.</p>
Approvals and Conditions	There is no exemption and/or variation to the Guidelines for this Fund.
Financial Year End	31 August
Shariah Investment Guidelines	The following are the Shariah Investment Guidelines for the Fund, which the External Investment Manager, is to strictly adhere to on a continuous basis. At all times the Fund shall invest in investment instruments that are allowed under Shariah principles and shall not invest in investment instruments that are prohibited by Shariah principles based on the parameters of the applicable Shariah Advisory Council and the Shariah Adviser of the Fund.

A. Investments

1. Sukuk

Sukuk are certificates that provide evidence of an investment into an underlying asset or a project which is typically an income generating asset or project. The Fund will only invest in Sukuk which is approved by the SACSC or the Shariah Adviser. The Shariah Adviser will select any Sukuk instruments to be invested by the Fund based on the data available at:

- Bond info hub (www.bondinfo.bnm.gov.my)
- Fully automated system for issuing/tendering (<http://fast.bnm.gov.my>).

2. Islamic Money Market Instruments

For investment in Islamic money market, the Fund may acquire any Islamic Money Market Instruments based on the data available at:

- Bond Info Hub (www.bondinfo.bnm.gov.my)
- Fully Automated System for issuing/ tendering (<https://fast.bnm.gov.my>)

The Fund may also invest into any other Islamic money market instruments deemed Shariah-compliant by the SACBNM or the Shariah Adviser.

3. Islamic Deposits

The Fund is also prohibited from investing in interest-bearing deposits and recognizing any interest income.

4. Any other Shariah-compliant investments

For avoidance of doubt, the documents relating to the Islamic liquidity management instrument should be submitted for prior approval by the Shariah Adviser. Where the Shariah Adviser request a change to the Shariah Investment Guidelines, it shall give the Manager a reasonable period of time to effect such change in the Prospectus in accordance with the requirements of any applicable law and regulation.

Purification Process for the Fund

a. Shariah non-compliant investments

This refers to Shariah non-compliant investment made by the Manager. The said investment will be disposed of or withdrawn as soon as possible. If the investment resulted in gain (through capital gain and/or profit), the gain is to be channeled to baitulmal or any other charitable bodies as advised by the Shariah Adviser. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

b. Reclassification of Shariah status of the Fund's investments

These refer to securities which were earlier classified as Shariah-compliant securities may subsequently be reclassified as Shariah non-compliant due to certain reasons such as changes in the companies' operations.

If at the time the announcement/review is made, the value of the securities held exceeds the investment cost, such Shariah non-compliant securities will be liquidated. The Fund may keep any dividends received and capital gains arising from the disposal of the Shariah non-compliant securities made at the time of

	<p>the announcement/review. However, any dividends received and excess capital gains made from the disposal after the announcement/review day at a market price that is higher than the closing price on the announcement/review day will be channeled to baitulmal or any other charitable bodies as advised by the Shariah Adviser.</p> <p>If the market price of the said securities is below the investment cost at the time the announcement/review is made, the Fund may hold the Shariah non-compliant securities and keep the dividends received during the holding period until the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Fund will dispose of the said securities.</p> <p>Payment of Zakat</p> <p>This refers to the purification by way of payment of zakat by Muslims. The Fund do not pay zakat on behalf of Muslim Unit Holders. Thus, Muslim Unit Holders are advised to pay zakat on their own.</p> <p>The investment portfolio of the Fund will comprise instruments that have been classified as Shariah-compliant by the SACSC and, where applicable the SACBNM. For instruments that are not classified as Shariah-compliant by the SACSC and, where applicable the SACBNM, the status of the instruments has been determined in accordance with the ruling issued by the Shariah Adviser.</p>
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Prospective investors should read and understand the contents of this Prospectus and, if necessary, should consult their adviser(s).

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.

(4) FEES, CHARGES AND EXPENSES

Charges

The following describes the charges that you may **directly** incur when buying or redeeming Units:

4.1 Sales Charge

Fund	Maybank Income Management-I Fund
Sales Charge*	Up to 0.50% of the NAV per Unit.

** Investors may negotiate for a lower sales charge. All sales charge will be rounded up to 2 decimal places. Sales charge will be retained by the Manager.*

4.2 Redemption Charge

Nil.

4.3 Transfer Fee

A transfer fee of RM10.00 per transfer will be imposed on you.

Notes:

- (1) We reserve the right to waive or reduce the transfer fee.*
- (2) We reserve the right to decline any transfer request if such transfer will expose us to any liability and/or will contravene any law or regulatory requirements, whether or not having the force of law.*

4.4 Switching Fee

A switching fee of RM10.00 per switch will be imposed on you.

Notes:

- (1) We reserve the right to waive or reduce the switching fee.*
- (2) In addition to the switching fee, you 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.*

Fees And Expenses

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

4.5 Management Fee

The Manager is entitled to a management fee of up to 0.40% per annum of the NAV of the Fund, accrued daily and paid monthly to the Manager.

Illustration - Computation of management fee

Example:

Assuming that the NAV of the Fund is RM100 million for that day, the accrued management fee for the Fund for that day would be:

$$\frac{\text{RM}100,000,000 \times 0.40\%}{365 \text{ days}} = \text{RM}1,095.89 \text{ per day}$$

4.6 Trustee Fee

The Trustee is entitled to a trustee fee of up to 0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges), subject to a minimum of RM12,000 per annum, accrued daily and paid 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 for the Fund for that day would be:

$$\frac{\text{RM}100,000,000 \times 0.04\%}{365 \text{ days}} = \text{RM}109.59 \text{ per day}$$

4.7 Fund Expenses

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

- (i) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (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, takaful 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 adviser 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 ordered by the court not 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 of the Fund;
- (xvi) 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;
- (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; and
- (xviii) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (i) to (xvii) above.

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

4.8 Policy on Stockbroking Rebates and Soft Commissions

We, our delegate, the Trustee or Trustee's delegate should not retain any rebate 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 if:

- (i) the soft commission is of demonstrable benefit to Unit Holders and in the form of research and advisory services that assist in the decision making process relating to the investments of the Fund such as research material, data and quotation services and investment management tools; and
- (ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

4.9 Tax

Unit Holders and/or the Fund, as the case may be, will bear any tax which may be imposed by the government or other authorities from time to time in addition to the applicable fees, charges and expenses stated in this Prospectus.

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

(5) TRANSACTION INFORMATION

5.1 Bases of Valuation of Investments

Listed Sukuk

Listed Sukuk will be valued daily based on the last done market price.

However, if:-

- (a) a valuation based on the market price does not represent the fair value of the listed Sukuk, 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 Sukuk for a period exceeding 14 days, or such shorter period as agreed by the Trustee,

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

Unlisted Sukuk

Investments in unlisted RM-denominated Sukuk will be valued based on 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 Sukuk differs from the "market price" by more than 20 basis points, we may use the "market price" provided that we comply with the requirements of the Guidelines.

Investments in other unlisted Sukuk will be valued based on fair value by reference to the average indicative yield quoted by 3 independent and reputable institutions.

Islamic Money Market Instruments

Investments in Islamic commercial papers and Islamic treasury bills are valued each day based on the price quoted by BPA registered with the SC.

For investments in Islamic money market instruments that are not quoted by BPA, such instruments are valued each day 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.

Islamic Deposits

Islamic deposits placed with financial institutions are valued each day by reference to the value of such investments and the profits accrued thereon for the relevant period.

Unlisted Islamic Collective Investment Schemes

Investment in unlisted Islamic collective investment schemes will be valued based on the last published repurchase price.

Islamic Derivatives

Islamic 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.

Any other investments

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

5.2 Valuation Point

The Fund is valued once every Business Day after the close of the market in which the portfolio of the Fund is invested for the relevant day but not later than 5.00 p.m. on the next Business Day.

As such, the daily price of the Fund for a particular Business Day will not be published on the next Business Day but will instead be published 2 Business Days later (i.e., the price will be 2 days old).

5.3 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.

Please note that the example below is for illustration only:

		RM
	Securities Investment	100,000,000.00
Add :	Other Assets (including cash) & Income	1,400,000.00
Less :	Liabilities	200,000.00
	NAV before deducting management fee and trustee fee for the day	101,200,000.00
Less :	Management fee for the day (at 0.40% per annum calculated based on the NAV) RM101,200,000 X 0.40% / 365 days	1,109.04
Less :	Trustee fee for the day (at 0.04% per annum calculated based on the NAV subject to a minimum of RM12,000.00 per annum) RM101,200,000.00 X 0.04% / 365 days	110.90
	Total NAV	<u>101,198,780.06</u>

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 shall therefore be calculated as follows:

		RM
	NAV	101,198,780.06
Divide:	Units in circulation	100,000,000
	NAV per Unit of the Fund	<u>1.0120*</u>

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

5.4 Pricing of Units

Single Pricing Regime

We adopt a **single pricing regime** in calculating your investments into and redemption of Units. This means that all purchases and redemptions are transacted on a single price (i.e. NAV per Unit). You would therefore purchase and redeem Units at NAV per Unit. The Selling Price per Unit and Redemption Price per Unit are based on Forward Pricing.

Selling Price of Units

The Selling Price of a Unit of the Fund is the NAV per Unit at the next valuation point after the request to purchase Units is received by us (Forward Pricing). The sales charge applicable is payable by you in addition to the Selling Price for the Units purchased.

Calculation of Selling Price

Illustration - Sale of Units

Example:

If you wish to invest RM10,000.00 in the Fund before 4.00 p.m. on 16 December 2019, and if the sales charge is 0.50% of the NAV per Unit, 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 = $0.50\% \times 10,000.00 = \underline{\text{RM50.00}}$

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

RM10,000.00 + RM50.00

= **RM10,050.00** (inclusive of sales charge)

In the event that the NAV per Unit at the end of the Business Day on 16 December 2019 = 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**

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

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

Example:

If you wish to redeem RM10,000.00 from the Fund before 4.00 p.m. on any Business Day, and if no redemption charge is imposed, the total amount to be paid to you and the number of Units redeemed by you will be as follows:

In the event that the NAV per Unit at the end of the Business Day on 16 December 2019 = RM1.0000

The number of Units that will be redeemed by you will be:

RM10,000.00 divided by RM1.0000 (the NAV per Unit)

= **10,000.00 Units**

The total amount to be paid to you will be the number of Units to be redeemed multiplied with the NAV per Unit.

= 10,000.00 Units x RM1.0000

= **RM10,000.00**

Therefore, you will receive **RM10,000.00** as redemption proceeds.

5.5 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 and pricing of the Fund and/or Units, any incorrect valuation and pricing of the Fund and/or Units which is deemed to be significant will involve the reimbursement of money in the following manner:

(i) by us to the Fund; or

(ii) by the Fund to you and/or the former Unit Holders.

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

TRANSACTION DETAILS

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

You can purchase and sell Units of the Fund at any of our appointed distributors as set out in Section 15 of this Prospectus.

5.7 Investment

The minimum initial investment for the Fund is as set out below:

Fund	Maybank Income Management-I Fund
Minimum Initial Investment [^]	RM5,000
Minimum Additional Investment [^]	RM1,000

[^] or such other amount as determined by us from time to time.

Investors are recognised as Unit Holders only after they 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.

5.8 Redemption of Units

You may redeem part or all of your Units by simply completing the redemption request form and returning it to us.

The Unit holdings after the redemption must not be less than the Unit holdings set out below:

Fund	Maybank Income Management-I Fund
Minimum Unit holdings [^]	5,000 Units

[^] or such other number of Units as determined by us from time to time.

If your Unit holdings are, after a redemption request, below the minimum Unit holdings for the Fund, full redemption will be initiated.

You shall be paid within ten (10) calendar days from the date the redemption request is received by us.

Other than the above conditions, there is no restriction in terms of the frequency of redemption for the Fund.

5.9 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.

5.10 Switching

You are permitted to switch from and to other funds managed by us provided that both funds are denominated in the same currency. Switching will be made at the prevailing NAV per Unit to be switched from on a Business Day when the switching request is received and accepted by us, subject to the availability and any terms and conditions imposed by the intended fund, if any. The table below sets out the pricing policy for the intended fund that you intend to switch to:

Switch in fund	Pricing day (Business Day)	
	Switch out fund	Switch in fund
Money market fund	T day	T day
Local fund	T day	T+1 day
Foreign fund	T day	T+ 2 days

Note:

Foreign fund refers to a fund with foreign investments.

Local fund refers to a fund without foreign investments.

There is no restriction on the frequency of switching. However, you must meet the minimum Units for redemption and the minimum Unit holdings (after the switch) of the Fund that you intend to switch from unless you are redeeming all your investments from the Fund.

Switching is treated as a withdrawal from one (1) fund and an investment in another fund. If you switch from a fund with a lower sales charge to a fund with a higher sales charge, you need to pay the difference in sales charge between the sales charges of these two (2) funds in addition to the switching fee. If you switch from a fund with higher sales charge to a fund with a lower sales charge, you do not need to pay the difference in sales charge between these funds.

For example:-

Scenario 1

If you invest in a fund with no sales charge and now wish to switch to another fund which has a sales charge of 1.00% on the net asset value per unit, you will be charged the difference in sales charge of 1.00% on the net asset value per unit of the fund being switched to in addition to the switching fee of the fund you switched from.

Scenario 2

If you invest in a fund with a sales charge of 1.00% on the net asset value per unit and now wish to switch to another fund which has no sales charge, you will not be charged any sales charge.

Any switching request made **on or before the cut off time of 4.00 p.m.** will be made at the NAV per Unit to be switched from when the switching request is received and accepted by us on a Business Day, subject to availability and any terms and conditions imposed by the intended fund, if any.

Any switching request received or deemed to have been received after this cut-off time would be considered as being transacted on the following Business Day.

5.11 Dealing Cut-Off Time for Investment and Redemption of Units

The dealing cut-off time is at **4.00 p.m.** on a Business Day.

Any application 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 application 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.

The above is in accordance with the standards issued by FIMM on the dealing cut-off time.

5.12 Notice of Cooling-off Period

A cooling-off right refers to the right of the individual 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 you as an investor, **other than those listed below**, who is investing in any of our funds **for the first time**:

- (i) our staff; and
- (ii) 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 you pursuant to the exercise of your cooling-off right shall be the sum of:

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

You will be refunded within ten (10) calendar days from our receipt of your cooling-off application.

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

5.13 Distribution of Income

Distribution will be made on a semi-annual basis (subject to availability of income) and at the discretion of the Manager.

Distribution, if any, will be made from the realised income of the Fund.

Additional distribution, if any, shall be incidental and shall be made from the realised income of the Fund.

Note: The Fund's income distributions are not guaranteed and subject to the continuing abilities of the issuers of the Fund's investments to meet their respective financial obligations.

Mode of Distribution

You may elect to either receive income payment via cash payment mode or reinvestment mode. If you did not elect the mode of distribution, all income distribution will be automatically reinvested into additional Units in the Fund.

Unit Holders who elect to receive income payment via cash payment mode may receive income payment by way of direct debit into the Unit Holders' bank account on the income payment date (which is within ten (10) calendar days from the ex-distribution date).

All bank charges for the direct debit will be borne by you. The bank transfer charges will be deducted directly from the transferred amount before being paid to your bank account.

Reinvestment Policy

If you elect to reinvest the distribution in additional Units, we will create such Units based on the NAV per Unit** at the income payment date (which is within ten (10) calendar days from the ex-distribution date).

***There will not be any cost to Unit Holders for reinvestments in new additional Units.*

5.14 Anti-Money Laundering Policies and Procedures

We have established this set of policies and procedures to prevent money laundering activity and to report transactions if it appears to be suspicious, in compliance with the provision of Anti Money-Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act, 2001 ("AMLA"). In view of these, we have a 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 not provided where there is good reason to suppose that 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 in Bank Negara Malaysia;
- iii) Policies, procedures and training: We shall adopt policies consistent with the principles set out under the AMLA and ensure that our staff is informed of these policies and provide adequate training to our staff on matters 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 bona fides of the customer.

Unit prices and distributions payable, if any, may go down as well as up.

(6) THE MANAGEMENT OF THE FUND

6.1 Background Information

We are a member of Malayan Banking Berhad Group (“Maybank Group”). We were 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. We are a holder of a Capital Markets Services Licence under the CMSA.

As at LPD, we have over 30 years of experience including the period prior to our 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.

6.2 Functions, Duties and Responsibilities of the Manager

Our general functions, duties and responsibilities include, but are not limited to, the following:

- carrying out and conducting business in a proper and diligent manner and be responsible for daily sales and management of the Fund and the general administration of the Fund in accordance with the Deed, the CMSA and the relevant guidelines and other applicable laws at all times and acceptable and efficacious business practices within the industry;
- observing high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of the Unit Holders; and
- acting with due care, skill and diligence in managing the Fund and effectively employing the resources and procedures necessary for the proper performance of the Fund.

6.3 Board of Directors of the Manager

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

Board of Directors

Dr Hasnita binti Dato' Hashim (chairman/ independent non-executive director)
Goh Ching Yin (independent non-executive director)
Loh Lee Soon (independent non-executive director) (*effective 1 January 2020*)
Badrul Hisyam bin Abu Bakar (non-independent non-executive director)
Ahmad Najib bin Nazlan (non-independent executive director / chief executive)

***Note:** Please refer to our website at <http://www.maybank-am.com> for information on the profile of our Board of Directors. Please note that there may be changes to the composition and/or profile of the Board of Directors from time to time, please refer to our website for the updated information.*

6.4 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 objective, the 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; and
- (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 4 times a year and more frequently should the circumstances require.

***Note:** Please refer to our website at <http://www.maybank-am.com> for further information in relation to our Investment Committee.*

6.5 Designated Person for Fund Management Function

The profile of the designated person responsible for the Fund is as follows:

Abdul Razak bin Ahmad

Abdul Razak bin Ahmad joined us 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 four (4) years. He has more than twenty (20) 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 (3) investment management organisations 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).

6.6 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 our business/ financial position.

6.7 External Investment Manager

Background of the External Investment Manager

Maybank Islamic Asset Management Sdn Bhd ("MIAM")

The Manager has appointed MIAM as the external investment manager for the Funds. The role and responsibilities of MIAM include management of the investment portfolio in accordance

with the investment objective and subject to the CMSA and the Guidelines as well as the terms and conditions of the investment management agreement between MIAM and the Manager.

Experience of MIAM

MIAM is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”) and was incorporated on 15 April 2013 with a paid-up capital of RM3.0 million. MIAM is a holder of a capital markets services licence to carry out Islamic fund management business pursuant to Section 61 of the CMSA. The External Investment Manager has over five (5) years of experience in managing funds.

Designated Fund Manager

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

Syhiful Zamri Bin Abdul Azid

Syhiful Zamri was appointed as Chief Investment Officer of MIAM on 7 May 2015 and is responsible for overseeing investments across asset classes together with a team of fund managers at MIAM with their respective responsibilities to manage and monitor investments in particular managing pension and institutional funds. Syhiful also assists the Head of Regional Investment in the development of short-term and long-term investment strategies and policies for MAMG. Prior to that, he was the VP of Equities in the Manager since November 2014.

Syhiful has more than 13 years of experience in the fund management industry. He is well versed in debt restructuring, corporate turnarounds, and mergers and acquisitions. His strength lies in his insight to the power sector and toll roads where most debts for the sector were raised during his career as Senior Vice President of Research and Advisory in Kenanga Investors Bhd and Head of Fund Management Research in RHB Investment Management.

He graduated with an Honours Degree from De Monfort University (UK) with Bachelor in Accounting and Finance. He is a holder of CMSRL license for fund management.

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 our business/ financial position.

***Note:** For more information and/or updated information about us and the Shariah Adviser, please refer to our website at <http://www.maybank-am.com>.*

(7) THE TRUSTEE

7.1 About PB Trustee Services Berhad

PB Trustee Services Berhad was incorporated on 24 August 1968 and commenced its operations on 22 January 1969, with its registered and business office at 17th Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur. The Trustee has an authorised share capital of RM1,050,000 and a paid-up share capital of RM525,000.

7.2 Experience in Trustee Business

The Trustee's experience in trustee business has expanded over the past 40 years since its incorporation in 1968. It currently manages various types of funds in its capacity as trustee. These include corporate bonds, writing of wills, management of estates, trusteeship for golf clubs, recreational clubs and time sharing schemes. The Trustee is also acting as a custodian in its capacity.

7.3 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 the Unit Holders of the Fund. They shall:

- act in accordance with the provisions of the Deed, the Act and the SC's guidelines;
- take into its custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, the Act, the SC's guidelines and acceptable business practice within the unit trust industry;
- ensure that it is fully informed of the investment policies of the Fund and of any changes made thereto, and if it is of the opinion that the policies are not in the interests of the Unit Holders, it shall instruct the Manager to take appropriate action as the Trustee deems fit and/or summons a Unit Holders' meeting for the purpose of giving such instructions to the Manager as the meeting thinks proper;
- as soon as practicable notify the SC of any irregularity or an actual or anticipated material breach of the provisions of the Deed, the SC's guidelines and any other matters which in the Trustee's opinion may indicate that the interests of Unit Holders are not being served;
- exercise due care, skill, diligence and vigilance in carrying out its functions and duties, in actively monitoring the administration of the Fund by the Manager and in safeguarding the interests of Unit Holders;
- maintain, or cause the Manager to maintain, proper accounting and other records in relation to those rights and interests, and of all transactions effected by the Manager on account of the Fund; and
- cause those accounts to be audited at least annually by an approved company auditor appointed by the Trustee and send or cause those accounts to be sent to Unit Holders within two (2) months of the relevant accounting period.

7.4 Trustee's Disclosure of Material Litigation

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 give any proceedings which might materially affect the business/ financial position of Trustee and any of the Trustees or any of its delegates.

7.5 Trustee's Delegate

PB Trustee Services Berhad has delegated its custodian function for the Fund to Maybank Securities Services ("MSS"), a unit within Malayan Banking Berhad. MSS has been offering custody services for more than 30 years to both domestic and foreign investors. The custodian provides custody services including safekeeping, clearing and settlement, assets servicing and reporting.

(8) THE SHARIAH ADVISER

8.1 Background Information

Amanie Advisors Sdn Bhd ("Amanie") is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah Principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

The company is led by Datuk Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently, the team comprises of six (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education.

Amanie meets every quarter to address Shariah advisory matters pertaining to our Shariah funds. Since 2005, Amanie has acquired fourteen (14) years of experience in the advisory role of unit trusts and as at LPD, there are more than 170 funds which Amanie acts as Shariah adviser.

The Shariah Adviser is independent from the Manager and none of its Shariah team is holding office as a member of the investment committee of the Fund or any other funds managed and administered by the Manager.

8.2 Roles and Responsibilities of the Shariah Adviser

As the appointed Shariah Adviser for the Fund, the roles and responsibilities of Amanie include:

- Ensuring that the Fund is managed and administered in accordance with the Shariah principles;
- Perform Shariah assessment/evaluation on constituents of the benchmark index as and when requested by the Manager;
- Providing expertise and guidance for the Fund in all matters relating to Shariah principles, including on the Fund's Deed and Prospectus, its structure and investment process, and other operational and administrative matters;
- Consulting the SC who may consult the SACSC should there be any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
- Scrutinising the Fund's compliance report as provided by the compliance officer, transaction report provided by or duly approved by the Trustee and any other report deemed necessary for the purpose of ensuring the Fund's investments are in line with the Shariah principles;
- Preparing a report to be included in the Fund's annual reports certifying whether the Fund has been managed and administered in accordance with the Shariah principles;
- Ensuring that the Fund complies with any guideline, ruling or decision issued by the SC, including resolutions issued by the SACSC with regard to Shariah matters; and
- Vetting and advising on the promotional materials of the Fund.

Amanie will meet with the Manager once every quarter to review the Fund's investments to ensure compliance with Shariah principles and address Shariah advisory matters pertaining to the Fund, if any.

8.3 Profile of the Shariah Team

The designated person responsible for Shariah matters relating to the Fund is:

DATUK DR MOHD DAUD BAKAR

Shariah Adviser/ Executive Chairman

Datuk Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He currently serves as the Chairman of the Shariah Advisory Council at the Central Bank of Malaysia, the Securities Commission of Malaysia, Yayasan Pembangunan Ekonomi Islam Malaysia (YaPEIM), the Labuan Financial Services Authority and the First Abu Dhabi Bank.

He is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Guidance Financial (USA), Salama Insurance (Dubai), Natixis Bank (Dubai), Oasis Asset Management (South Africa), Noor Islamic Bank (Dubai), Bank al-Khayr (Bahrain), Morgan Stanley (Dubai), Franklin Templeton (Kuala Lumpur and Luxembourg), Sedco Capital (Saudi and Luxembourg), Cagamas Berhad (Malaysia), S & P Islamic Index and Dow Jones Islamic Market Index (New York) amongst many others.

In the corporate world, he sits as a Board Director at Sime Darby Berhad and a member of the PNB Investment Committee. He is also the third Chair Professor in Islamic Banking and Finance of Yayasan Tun Ismail Mohamed Ali Berdaftar (YTI) PNB at Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM).

In 2016, he received the “Award of Excellence for Outstanding Contribution for Shariah Leadership & Advisory” at London Sukuk Summit Awards and “Shariah Adviser Award” at The Asset Triple A Islamic Finance Award. In 2014, he received the “Most Outstanding Individual” award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad’s birthday.

Under his leadership, Amanie Advisors received the “Islamic Economy Knowledge Infrastructure Award” at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015.

Prior to this, he was the Deputy Vice-Chancellor at the International Islamic University Malaysia. He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

His first book entitled “Shariah Minds in Islamic Finance: An Inside Story of A Shariah Scholar” has won the “Islamic Finance Book of the Year 2016” by the Global Islamic Finance Award (GIFA) 2016. His new released book on sukuk entitled “An Insightful Journey to Emirates Airline Sukuk: Pushing The Boundaries of Islamic Finance” has also won the “Best Islamic Finance Case 2017” by the GIFA 2017 in Kazakhstan.

(9) SALIENT TERMS OF THE DEED

9.1 Unit Holders' Rights and Liabilities

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 value of the Units;
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 enjoy such other rights and privileges as are 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 Fund's assets. 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 registered owner of the Fund's assets.

Unit Holders' Liabilities

1. No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto.
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 Fund's assets, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

9.2 Maximum Fees and Charges Permitted by the Deed

Fund	Maximum Sales Charge	Maximum Redemption Charge	Maximum Management Fee	Maximum Trustee Fee
Maybank Income Management -I Fund	5.00% of the NAV per Unit	5.00% of the NAV per Unit	3.00% per annum of the NAV of the Fund	0.20% per annum of the NAV of the Fund, subject to a minimum fee of RM12,000 per annum (excluding foreign custodian fees and charges).

Any increase of the fees and/or charges above the maximum stated in the Deed shall require Unit Holders' approval.

9.3 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 this Prospectus unless:

- (a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- (b) a supplemental prospectus or replacement prospectus in respect of the Fund setting out the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental prospectus or replacement prospectus.

Redemption Charge

The Manager may not charge a redemption charge at a rate higher than that disclosed in this Prospectus unless:

- (a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- (b) a supplemental prospectus or replacement prospectus in respect of the Fund setting out the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental prospectus or replacement prospectus.

Management Fee

The Manager may not charge a management fee at a rate higher than that disclosed in this 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 registered, lodged and issued thereafter; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplemental prospectus or replacement prospectus is issued.

Trustee Fee

The Trustee may not charge a trustee fee at a rate higher than that disclosed in this 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 registered, lodged and issued thereafter; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the date of supplemental prospectus or replacement prospectus.

9.4 Expenses Permitted by the Deed

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

- (i) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;

- (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, takaful 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 adviser 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 ordered by the court not 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 of the Fund;
- (xvi) 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;
- (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; and
- (xviii) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (i) to (xvii) above.

9.5 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 written law upon giving to the Trustee three (3) months' notice in writing of its desire so to do, or such other shorter period as the Manager and the Trustee may agree upon, and subject to 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 interest of the Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion and after consultation with the 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) 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.

If any of the events set out above occurs, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund. The Trustee shall, at the same time, in 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.

9.6 Retirement, Removal and Replacement of the Trustee

The Trustee may retire upon giving three (3) months' notice to the Manager of its desire so to do (or such other 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 is 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 the appointment, or a

petition is 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 to be insolvent); or

- (f) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law.

9.7 Termination of the Fund

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

- (a) the authorisation of the Fund has been revoked by the SC; or
- (b) a special resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

9.8 Unit Holders' Meeting

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

Every question arising at any 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, 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.

Quorum

- (a) The quorum required for a meeting of the Unit Holders, as the case may be, shall be 5 Unit Holders, whether present in person or by proxy, however:
 - (i) if the Fund has 5 or less Unit Holders, the quorum required for a meeting of the Unit Holders shall be 2 Unit Holders, whether present in person or by proxy; or
 - (ii) if the Fund has only 2 Unit Holders, the quorum required for a meeting of the Unit Holders shall be 1 Unit Holder, whether present in person or by proxy.
- (b) 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 25% of the Units in circulation of the Fund at the time of the meeting.

(10) CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS

Related Party Transactions

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

Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction
The Manager	Maybank. The Manager is wholly-owned by Maybank Asset Management Group Berhad.	Distributor: Maybank has been appointed as one of the Manager's institutional unit trust advisers. 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 which is a unit within Maybank.
	Maybank Investment Bank Berhad. Maybank Investment Bank Berhad is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office functions (i.e. finance, legal, compliance, corporate secretarial, operations and information technology and risk management) to Maybank Investment Bank Berhad.
	Maybank Islamic Asset Management Sdn Bhd ("MIAM") MIAM is wholly-owned by Maybank Asset Management Group Berhad.	External Investment Manager The Manager has appointed MIAM as the External Investment Manager of the Fund.

Policies On Dealing With Conflict Of Interest Situations

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

We and our 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 ourselves 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 we face conflicts in respect of our duties to the Fund and our duties to the other funds that we manage, we are obliged to act in the best

interests of all our 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 our executive director for the next course of action. Conflict of interest situations involving the executive director will be disclosed to our 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.

We have formulated policies and adopted certain procedures to prevent conflicts of interest situations.

They include the following:

- (a) the adoption of our policy on ownership of shares and stocks of limited companies by our 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 us;
- (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 our 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 monthly declaration of securities trading is required from all employees and our executive director, to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers. We have also appointed a senior compliance officer whose duties include monitoring and resolving conflict of interest situations in relation to unit trust funds managed and administered by us.

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

Details Of The Manager's Directors' and Substantial Shareholders' Direct And Indirect Interest In Other Corporations Carrying On A Similar Business

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

As at LPD, Maybank Asset Management Group Berhad, which is our sole shareholder, has direct or indirect interests in the following corporations which are carrying on a similar business as us:

- (i) Maybank Islamic Asset Management Sdn Bhd;
- (ii) Maybank Asset Management Singapore Pte Ltd; and
- (iii) PT Maybank Asset Management.

Other Declarations

The solicitors, Shariah Adviser, External Investment Manager and tax adviser confirm that there are no existing or potential conflicts of interest in their respective capacity as advisors for us.

(11) ADDITIONAL INFORMATION

(a) Official Receipt and Statement of Investment

Each time you purchase Units or conduct any other transaction for the Fund, a confirmation advice is sent out to you by ordinary post. A computer generated statement will also be issued to provide you with a record of each and every transaction made in the account so that you may confirm the status and accuracy of your transactions, as well as to provide you with an updated record of your investment account(s) with us.

(b) Customer Service of the Manager

Unit Holders can seek assistance on any issue relating to the Fund, from our client servicing personnel at our office at 03 - 2297 7888 from 8.45 a.m. to 5.45 p.m. from Monday to Thursday and from 8.45 a.m. to 4.45 p.m. on Friday. Alternatively, you may e-mail your enquiries to mamcs@maybank.com.my.

(c) Keeping Track of the Daily Prices of Units

We will publish the Fund's NAV per Unit on our 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 2 Business Days later.

(d) Financial Reports

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

(e) Changing account details

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

- (i) your address;
- (ii) signing instructions; and
- (iii) distribution of income instruction.

(f) Unclaimed Monies

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

(g) The Deed

Deed of the Fund	Deed dated 3 December 2019
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The Deed can be inspected at our office 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.

(h) Customer Information Service

You can seek assistance on any issue relating to the Fund, from our client servicing personnel at our office at 03 - 2297 7888 from 8.45 a.m. to 5.45 p.m. from Monday to Thursday and from 8.45 a.m. to 4.45 p.m. on Friday. Alternatively, you may e-mail your enquiries to amcs@maybank.com.my.

Alternatively, you can contact:

(i) Complaints Bureau, FIMM via:

- Tel No: 03 - 2092 3800
- Fax No: 03 - 2093 2700
- Email: complaints@fimm.com.my
- Online complaint form: www.fimm.com.my
- Letter: 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) Consumer & Investor Office, 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: Consumer & Investor Office
Securities Commission Malaysia
3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur.

(i) Consents

- (i) The consent of the EIM, Trustee, the Trustee's delegate and Shariah Adviser 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.
- (ii) The tax adviser has given its consent to the inclusion of its name and the tax adviser's letter on taxation of the Fund and Unit Holders in the form and context in which they appear in this Prospectus and have not withdrawn such consent prior to the date of this Prospectus.

The Fund's annual report is available upon request.

(12) DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our 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:

- (a) the Deed;
- (b) this Prospectus and supplementary or replacement prospectus, if any;
- (c) the latest annual and interim reports for the Fund;
- (d) each material contract disclosed in this Prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract;
- (e) where applicable, the audited financial statements of the Manager and the Fund for the current financial year and the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- (f) any report, letter or other document, valuation and statement by an expert, any part of which is extracted or referred to in this Prospectus;
- (g) writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; and
- (h) consent given by an expert disclosed in this Prospectus.

(13) TAXATION ADVISER'S LETTER



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

Tel: +603 7495 8000
Fax: +603 2095 5332 (General line)
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ey.com

Taxation adviser's letter in respect of the taxation of the unit trust fund and the unit holders (prepared for inclusion in this First Prospectus)

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

26 November 2019

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 fund and unit holders

This letter has been prepared for inclusion in this First Prospectus ("the Prospectus") in connection with the offer of units in the unit trust fund known as Maybank Income Management-I Fund (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 profits and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax at the rate of 24% with effect from the year of assessment 2016.

Under Section 2(7) of the MITA, any reference to interest shall apply, *mutatis mutandis*, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of *Syariah*.

The effect of this is that any gains or profits received (hereinafter referred to as "profits") and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of *Syariah*, will be accorded the same tax treatment as if they were interest.

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:

$$A \times \frac{B}{4C}$$

- where
- A is the total of the permitted expenses incurred for that basis period;
 - B is gross income consisting of dividend¹, interest and rent chargeable to tax for that basis period; and
 - C is the aggregate of the gross income consisting of dividend¹ 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.

¹ 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 (profits)**

- (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 Bon Simpanan Malaysia issued by Bank Negara Malaysia;
- (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013²;
- (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002²;
- (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)³; and
- (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

² Effective from 1 January 2019, the income tax exemption for a unit trust fund, pursuant to Paragraph 35A, Schedule 6 of the Income Tax Act shall not apply to a wholesale fund which is a money market fund.

³ Effective from the year of assessment 2017, the exemption shall not apply to interest paid or credited to a company in the same group or interest paid or credited to a bank licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013; or a development financial institution prescribed under the Development Financial Institutions Act 2002.

- **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, profit 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 disposal of chargeable assets, as defined in the RPGT Act.

Implementation of Sales and Service Tax ("SST")

The new Sales and Service Tax ("SST") was implemented effective 1 September 2018. Sales Tax of 10% (most common rate) or 5% is charged by Malaysian manufacturers of taxable goods or upon importation into Malaysia of such taxable goods, unless specifically exempted under the Sales Tax (Goods Exempted From Tax) Order 2018. Service Tax at the rate of 6% is charged on certain prescribed taxable services performed by taxable persons as stipulated under Service Tax Regulations 2018. The input tax recovery mechanism under the previous GST regime does not apply to SST. Therefore, any SST incurred is not recoverable and will form a cost element for businesses.

Based on the Service Tax Regulations 2018, a unit trust fund is neither regarded as a taxable person nor as providing taxable services and is therefore not liable for SST registration. Where the Fund incurs expenses such as management fees, the management services provided by asset and fund managers are specifically excluded from the scope of Service Tax. As for other fees, such as trustee fees and other administrative charges, these may be subject to 6% service tax provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

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:

Unit holders	Malaysian income tax rates
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> Individual and non-corporate unit holders (such as associations and societies) Co-operatives⁴ Trust bodies 	<ul style="list-style-type: none"> Progressive tax rates ranging from 0% to 28%⁵ Progressive tax rates ranging from 0% to 24% 24%

⁴ 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, is exempt from tax.

⁵ Based on the Finance Bill 2019, it is proposed that a new tax bracket will be introduced, where individual and non-corporate unit holders will be subjected to tax at 30% on chargeable income exceeding RM2,000,000, an increase of two percentage points from 28%, effective from the year of assessment 2020.

Unit holders	Malaysian income tax rates
<ul style="list-style-type: none"> Corporate unit holders <ul style="list-style-type: none"> (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)⁶ (ii) Companies other than (i) above 	<ul style="list-style-type: none"> First RM500,000 of chargeable income @ 17%⁷ Chargeable income in excess of RM500,000 @ 24% 24%
Non-Malaysian tax resident (Note 1):	
<ul style="list-style-type: none"> Individual and non-corporate unit holders Corporate unit holders and trust bodies 	<ul style="list-style-type: none"> 28%⁸ 24%

Note 1:

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.

⁶ A company would not be eligible for the 17% tax rate on the first RM500,000 of chargeable income if:-

- 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;
- 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;
- 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.

⁷ Based on the Finance Bill 2019, it is proposed that with effect from the year of assessment 2020:

- the chargeable income threshold subject to the concessionary income tax rate of 17% be increased from RM500,000 to RM600,000; and
- the abovementioned concessionary tax rate be given only to a company having gross business income from one or more sources of not more than RM50 million for the relevant year of assessment.

⁸ Based on the Finance Bill 2019, it is proposed that the tax rate be increased to 30%, effective from the year of assessment 2020.

Gains from sale of units

Gains arising from the realisation of investments will generally 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 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.

The Board of Directors
Maybank Asset Management Sdn Bhd
26 November 2019

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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


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) UNIT TRUST 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 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 Malaysia 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 financing. If your financing is a variable rate loan, and if profit 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 financing.
- (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.

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

ACKNOWLEDGEMENT OF RECEIPT OF RISK DISCLOSURE STATEMENT

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

Signature : _____

Full Name : _____

Date : _____

(15) DIRECTORY

Maybank Asset Management Sdn Bhd

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LIST OF DISTRIBUTORS

Kindly contact us for more details on the list of our appointed distributors.

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