Maybank
Asset Management

MAYBANK MALAYSIA SUKUK FUND

(Constituted on 21 June 2013 and launched on 8 January 2014)

Manager : Maybank Asset Management Sdn. Bhd. (Registration No.: 199701006283 (421779-M))

Trustee : TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W))

This Prospectus in relation to the following Fund is dated 8 May 2023.

THIS IS A REPLACEMENT PROSPECTUS WHICH SUPERCEDES THE PROSPECTUS DATED 8 JANUARY 2017 AS AMENDED BY THE FIRST SUPPLEMENTARY PROSPECTUS DATED 2 MARCH 2017, THE SECOND SUPPLEMENTARY PROSPECTUS DATED 21 AUGUST 2017 AND THE THIRD SUPPLEMENTARY PROSPECTUS DATED 26 JUNE 2018.

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

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.

RESPONSIBILITY STATEMENT

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 Malaysia Sukuk Fund and a copy of this Prospectus has been registered with the SC.

The authorisation of the Maybank Malaysia Sukuk Fund, and registration of this Prospectus, should not be taken to indicate that the SC recommends the Maybank Malaysia Sukuk 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 Malaysia Sukuk 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 the Prospectus or the conduct of any other person in relation to the Maybank Malaysia Sukuk Fund.

The Maybank Malaysia Sukuk Fund has been certified as Shariah-compliant by the Shariah adviser appointed for the Fund.

The Maybank Malaysia Sukuk 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 Malaysia Sukuk Fund.

The Maybank Malaysia Sukuk Fund is not a capital protected or capital guaranteed fund.

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(1) DEFINITIONS

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

Bursa Malaysia	means the stock exchange managed or operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).
Business Day	means a day on which Bursa Malaysia is open for trading.
CMSA	means the Capital Markets and Services Act 2007 including all amendments thereto and all rules, regulations and guidelines issued thereunder.
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.
Ex-distribution Date	means the next Business Day after the date on which income distribution of the Fund is declared.
External Investment Manager / MIAM	refers to Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K)).
FIMM	means the Federation of Investment Managers Malaysia.
Forward Pricing	means the Net Asset Value per Unit for the Fund calculated at the next valuation point after a purchase request or a redemption request, as the case may be, is received by the Manager.
Fund/MSF	means the Maybank Malaysia Sukuk Fund.
Guidelines	means the Guidelines on Unit Trust Funds issued by the SC and any other relevant guidelines issued by the SC.
Islamic deposit(s)	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 31 December 2022.
Manager / we / us /our	means Maybank Asset Management Sdn Bhd (Registration No 199701006283 (421779-M)).
MARC	means Malaysian Rating Corporation Berhad.
Maybank	means Malayan Banking Berhad (Registration No.: 196001000142 (3813-K)).
Medium to Long-Term	means a period of 3 years and above.
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 divided by the total number of Units in circulation at the valuation point.
Prospectus	means the prospectus of 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 of the Fund. The Redemption Price shall be exclusive of the redemption charge (if any).
RM	means Ringgit Malaysia.
SACBNM	means the Shariah Advisory Council of Bank Negara Malaysia.
SACSC	means the Shariah Advisory Council of the Securities Commission.
SC/ Securities Commission	means the Securities Commission Malaysia.
Selling Price	means the price payable by an investor or a Unit Holder for the purchase of a Unit of the Fund and will be the NAV per Unit of the Fund. The Selling Price shall be exclusive of the sales charge.
Shariah	means Islamic law comprising the whole body of rulings pertaining to human conducts derived from the sources of the Shariah.
Shariah Adviser	means Maybank Islamic Berhad (Registration No.: 200701029411 (787435-M))
Sukuk	means a document or certificate, documenting the undivided pro-rated ownership of underlying assets. The *sak* (singular of Sukuk) is freely traded at par, premium or discount.
Trustee	means TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W)).
Unit or Units	means an undivided share in the beneficial interest or right in the Fund and 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 for the time being who is registered pursuant to the Deed as a holder of Units including a jointholder.
U.S. (United States) Person(s)	means: (a) a U.S. citizen (including those who hold dual citizenship or a greencard holder); (b) a U.S. resident alien for tax purposes; (c) a U.S. partnership; (d) a U.S. corporation; (e) any estate other than a non-U.S. estate; (f) any trust if: (i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; (g) any other person that is not a non-U.S. Person; or (h) any definition as may be prescribed under the Foreign Account Tax Compliance Act, as may be amended from time to time.

(2) CORPORATE DIRECTORY

MANAGER	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
REGISTERED OFFICE	5th 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 – 2175 0071 Email: mamcs@maybank.com.my Website: http://www.maybank-am.com
TRUSTEE	TMF Trustees Malaysia Berhad (Registration No.: 200301008392 (610812-W))
REGISTERED ADDRESS AND BUSINESS OFFICE	10th Floor, Menara Hap Seng No. 1 & 3, Jalan P. Ramlee 50250 Kuala Lumpur Tel No: 03 - 2382 4288 Fax No: 03 - 2026 1451 Email: malaysia@tmf-group.com Website: www.tmf-group.com
EXTERNAL INVESTMENT MANAGER	Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K))
REGISTERED OFFICE	5th 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
SHARIAH ADVISER	Maybank Islamic Berhad (Registration No.: 200701029411 (787435-M))
REGISTERED OFFICE	Level 15, Tower A, Dataran Maybank No.1, Jalan Maarof 59000 Kuala Lumpur
BUSINESS OFFICE	Level 10, Tower A, Dataran Maybank No. 1 Jalan Maarof

59000 Kuala Lumpur
Tel No: 03 – 2297 2001
Fax No: 03 – 2297 2002
Website:www.maybank.com/Islamic/

(3) INFORMATION ON THE FUND

3.1 Name of the Fund

Maybank Malaysia Sukuk Fund

3.2 Base Currency

RM

3.3 Category

Sukuk

3.4 Investment Objective of MSF

The Fund aims to provide investors with annual income through investing in a portfolio of Sukuk.

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

3.5 Investment Strategy

To achieve the Fund's objective, the Fund will invest between 70% - 98% of the Fund's NAV in a portfolio of Ringgit Malaysia denominated Sukuk issued and/or offered in Malaysia with a minimum Sukuk rating of 'AA-' by RAM or equivalent rating by MARC. However, if any of the Sukuk held in the Fund has been downgraded to a rating of "BBB+" or lower by RAM or equivalent rating by MARC, the Manager may choose to dispose the Sukuk as soon as practicable. However, if such prompt action may be detrimental to the Fund, the Manager may continue to hold onto the downgraded Sukuk for up to 90 days. The Manager will also invest between 2% - 30% of the Fund's NAV in Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits.

These Sukuk are expected to provide profit at intervals which are predetermined. These profits will then be distributed to Unit Holders in the form of income. The Manager will actively manage the Fund and the frequency of trading of securities will depend on the price, profit rate, credit assessment of the Sukuk in addition to other factors that may be relevant to active portfolio management activities.

Temporary Defensive Positions

The Manager may take temporary defensive positions that may be inconsistent with the Fund's investment strategy in attempting to respond to adverse market, political or economic conditions. Under such situations, the Fund may hold up to all of the Fund's NAV in Islamic liquid assets such as Islamic money market instruments or placement in Islamic deposits. The defensive positions may be adopted for a time period as the Manager considers appropriate in consultation with the Trustee.

3.6 Risk Factors

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

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

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

General Risks of Investing in the Fund

Market Risk

The value of investment may increase or decrease due to changes in market factors such as uncertainties in the economy, political and social environment that impact large portions of the market. This is a risk associated with all Shariah-compliant securities and cannot be eliminated. Hence, the Manager will monitor the financial markets closely and act on any adverse news accordingly.

Inflation Risk

Inflation creates uncertainties over the future value of investments. There is a risk that the Fund may generate a return on investment lower than the inflation rate. This would reduce investors' purchasing power per RM even though the nominal value of the investment in monetary terms has increased.

Liquidity Risk

Liquidity risk arises from the lack of ease which an investment can be traded at or near its fair value, depending on the volume traded on the market. It may occur when the Fund holds a Shariah-compliant security which is thinly traded, or when the Fund experiences large redemptions which in turn, would require the selling of Shariah-compliant securities at a point in time when prices are unfavorable due to for example, insufficient buyers in the market at the actual or desired price. This risk is mitigated by diversifying the investment in a wide range of Shariah-compliant securities and avoiding Shariah-compliant securities with poor liquidity.

Liquidity risk of the Fund is also our ability as manager to honour redemption requests or to pay Unit Holders' redemption proceeds in a timely manner. We will actively manage the liquidity of the Fund and/or where available, take cash financing on a temporary basis as permitted by the relevant laws to manage the Unit Holder's redemption request.

Management Risk

The performance of the Fund is very much dependent on the experience, expertise and investment techniques of the fund manager while the quality of management is also dependent on internal circumstances such as operational matters within the Manager. Poor management of the Fund would adversely affect the Fund's performance and jeopardise investment of Unit Holders. In order to reduce this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by the Manager.

Non-Compliance Risk

This risk refers to the possibility that the Manager may not follow the provisions set out in this Prospectus or the Deed or the laws, rules, guidelines or internal operating policies which governs the Fund. Non-compliance may occur directly due to factors such as human error or system failure and can also occur indirectly due to amendment on the relevant regulatory

frameworks, laws, rules, and other legal practices affecting the Fund. This risk may result in operational disruptions and potential losses to the Fund. The Manager aims to reduce this risk by placing stringent internal policies and procedures and compliance monitoring processes to ensure that the Fund is in compliance with the relevant fund regulations or guidelines.

Financing Risk

The price of Units in the Fund fluctuates according to the value of the underlying portfolio. Investors should assess the inherent risk of investing with borrowed money which should include the following:

i) the ability to service the financing payments and the effect of increase in profit rates on financing; and
ii) (in a case where Units are used as collateral to the financing) the ability to provide additional collateral should Unit prices fall beyond a certain level.

Investors are discouraged from financing the purchase of Units via borrowings and should assess the inherent risk of investing with borrowed money as returns are not guaranteed.

Returns Are Not Guaranteed

Investor should be aware that there is no guarantee of any returns i.e income distribution or capital appreciation by investing in the Fund. Unlike fixed deposits placed directly by the investors into any financial institutions which carry a specific rate of return, the Fund does not provide a fixed rate of return.

Suspension of Redemption Risk

The Fund may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the redemption of Units under exceptional circumstances, where the fair value of a material portion of the Fund's assets cannot be reasonably determined. Upon suspension, the Fund will not be able to pay Unit Holders' redemption proceeds in a timely manner and Unit Holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated redemption timeline. Hence, Unit Holder's investments will continue to be subjected to the risk factors inherent to the Fund. Please refer to Section 6.4 of this Prospectus for more information on suspension of dealing in Units.

Specific Risks of the Fund

Company specific risk

Specific risks to Shariah-compliant securities issued by a company apply as there are adverse conditions or negative sentiments which a company can be uniquely exposed to, be it from the view of management issues, deteriorating business fundamentals or losing competitiveness. As a consequence, the price of Shariah-compliant securities issued by such company might fall and subsequently affect the Fund's performance. The impact of a specific company may be reduced as the Fund invests in a wide portfolio of investments thereby spreading the element of this risk through diversification.

Profit rate risk

This refers to the risk that the investment value of the Fund may generally be reduced due to a rise in future profit rates. Profit rate risk is particularly borne by profit-bearing assets, such as Islamic money market instruments or Sukuk. In the event that a Sukuk is held till maturity, the profit rate changes will not affect the yields of the Sukuk. However, investors should be aware that whether the Fund will hold any Sukuk until maturity will depend on actual and expected changes in profit rates.

Profit rates in Islamic money market instruments will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia. On the other hand, Sukuk are tradable and therefore, profit rates will be determined by supply and demand for such investments in the trading market. Islamic money market instruments and Sukuk prices generally moves inversely with profit rates, the prices will decline when profit rate rises or are expected to rise. The price volatility is normally greater for longer-tenure profit-bearing asset rather than shorter-tenure profit-bearing asset as they are more sensitive to profit rate changes.

The Manager attempts to mitigate the profit rate risk of the Fund by managing the duration structure of the profit-bearing assets according to the Manager's view of the future profit rate trend. When profit rates are expected to increase, the Fund will switch to profit-bearing assets with shorter duration and are less sensitive to profit rate changes.

Default risk

This risk will arise when the issuer of a Sukuk fails to make timely payments of the profits and/or principal on the maturity date. Islamic deposits that the Fund has placed with financial institutions are also exposed to default risk. If the issuer or financial institutions become insolvent, the Fund may suffer capital losses with regards to the capital invested and profit foregone, causing the performance of the Fund to be adversely affected.

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

3.7 Performance Benchmark

The performance of the Fund is benchmarked against the 12-months Islamic Fixed Deposit-i rate *(Source: www.maybank2u.com.my)*.

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

3.8 Asset Allocation

Asset Type	% of the Fund's NAV
Ringgit Malaysia denominated Sukuk issued and/or offered in Malaysia	Between 70% - 98%
Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits	Between 2% - 30%

3.9 Investor Profile

This Fund is suitable for investors:

- with a conservative risk appetite;
- with a Medium to Long-Term investment horizon; and
- who seek annual income through investing in Sukuk.

3.10 Risk Management Strategies

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 the 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 sectors, counterparties and companies as diversification strategy is also recognized by us as an essential risk management strategy for the Fund.

In order to ensure that the Fund is managed in accordance with the Guidelines, 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 the Manager to ensure that the Fund's investment objective is met.

Liquidity Risk Management
In managing the Fund's liquidity, we will:

(a) actively manage the liquidity of the Fund to meet redemption requests from Unit Holders; and/or

(b) where available, take cash financing on a temporary basis for the purpose of meeting redemption requests for Units and for short term bridging requirements subject to the conditions set out in the section below under the heading "Financing and Borrowing".

However, if we have exhausted the above avenue, we will then, in consultation with the Trustee and having considered the interests of the Unit Holders, resort to suspend the redemption of Units to manage the liquidity of the Fund under exceptional circumstances, where the fair value of a material portion of the Fund's assets cannot be reasonably determined. Any redemption request received by us during the suspension period will only be accepted and processed on the next Business Day after the cessation of suspension of the Fund. Please refer to Section 6.4 of this Prospectus for more information on suspension of dealing in Units.

3.11 Permitted Investments

The Fund is permitted to invest in the following:

(a) Ringgit Malaysia denominated Sukuk;

(b) Islamic money market instruments;

(c) Placements in Islamic deposits*;

(d) Islamic collective investment schemes; and

(e) any other Shariah-compliant investment permitted by the Securities Commission which is in line with the objective of the Fund.

* *Deposits means current deposits and/or fixed deposits.*

3.12 Investment Restrictions and Limits

Exposure Limit

(a) The value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an eligible market must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer.

Investment Spread Limits

(b) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed 20% of the Fund's NAV. The single financial institution limit does not apply to placements of Islamic deposits arising from:
   (i) subscription monies received prior to the commencement of investment by the Fund;
   (ii) liquidation of investment prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of the Unit Holders; or

(iii) moneys held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interests of the Unit Holders.

(c) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 20% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in item (a) under "Exposure Limit" issued by the same issuer must be included in the calculation.

(d) The aggregate value of the Fund's investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in item (a) under "Exposure Limit" issued by the same issuer must be included in the calculation.

(e) The single issuer limit in item (c) under "Investment Spread Limits" may be raised to 30% if the Sukuk is rated by any Malaysian or global rating agency to have the highest long-term credit rating.

(f) Where the single issuer limit is increased to 30% pursuant to item (e) under "Investment Spread Limits", the single issuer aggregate limit in item (d) under "Investment Spread Limits" may be raised to 30% of the Fund's NAV.

(g) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV ('group limit") In determining the group limit, the value of the Fund's investments in instruments in item (a) under "Exposure Limit" issued by the issuers within the same group of companies must be included in the calculation.

(h) The value of the Fund's investments in units or shares of an Islamic collective investment scheme that complies with the Guidelines must not exceed 20% of the Fund's NAV.

Investment Concentration Limits

(i) The Fund's investments in Sukuk must not exceed 20% of the Sukuk issued by any single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of sukuk in issue cannot be ascertained.

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

(k) The Fund's investments in Islamic collective investment scheme must not exceed 25% of the units or shares in the Islamic collective investment scheme.

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

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. We will notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, where the limit or restriction is breached as a result of any appreciation or depreciation in the value of the Fund's investments, redemption of Units or payment made from the Fund, change in capital of a corporation in which the Fund has invested in or downgrade in or cessation of a credit rating, 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.

3.13 Bases of Valuation of Investments

Sukuk

Listed Sukuk will be valued 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 the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

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

i) records its basis for using a non-BPA price;

ii) obtains necessary internal approvals to use the non-BPA price; and

iii) keeps an audit trail of all decisions and basis for adopting the market yield.

Placement in Islamic deposits

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

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. Where the Manager is of the view that the price quoted by BPA differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

i) records its basis for using a non-BPA price;

ii) obtains necessary internal approvals to use the non-BPA price; and

iii) keeps an audit trail of all decisions and basis for adopting the market yield.

For investments in Islamic money market instruments with remaining term to maturity of not more than 90 days at the time of acquisition, such instruments are valued each day based on amortised cost. The risk of using amortised cost accounting is the mispricing of the Islamic money market instruments. We will monitor the valuation of such Islamic money market instruments using amortised cost method against the market value on a daily basis and will use the market value if the difference in valuation exceeds 3%.

Unlisted Islamic collective investment schemes

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

3.14 Securities Lending and Repurchase Transactions

The Fund will not participate in securities lending and repurchase transactions.

3.15 Financing and Borrowing

The Fund is prohibited from borrowing other assets (including borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC) 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:

(a) the Fund's cash financing is only on a temporary basis and that financings are not persistent;

(b) the financing period shall not exceed 1 month;

(c) the aggregate financings of the Fund shall not exceed 10% of the Fund's NAV at the time the financing is incurred; and

(d) the Fund only obtains financing from Islamic financial institutions.

3.16 Cross Trade Policy

We may conduct cross trades between funds that we are currently managing provided that the requirements of the Guidelines and the applicable laws are complied with. Cross trades undertaken shall be in the best interest of the Fund's rebalancing purposes and are transacted through a broker, dealer or a financial institution at an arm's length and fair value basis. All cross trades will be identified in the monthly trades reports.

3.17 Shariah Investment Guidelines

At all times, the Fund shall invest in instruments that are allowed under Shariah principles and shall not invest in instruments that are prohibited under Shariah principles based on Shariah Adviser's established parameters.

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.

Sukuk and Islamic money market instruments

The Fund will only invest in Sukuk which is approved by SC. The review of the Fund's investments in Islamic money market instruments will be based on those instruments that are issued by financial institutions which are acceptable to the Shariah Adviser.

Islamic collective investment scheme

The Fund will only invest in Islamic **collective investment scheme which is** approved by the SC.

Investment in Islamic Deposits

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

Cleansing/ Purification Process For the Fund

When the Manager mistakenly invests in any Shariah non-compliant investments, the Manager will dispose the Shariah non-compliant investments within a month of becoming aware of the breach. In the event of the investment resulted in gain (through capital gain and/or income) received before or after the disposal of the instruments, the gain is to be channeled to Baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has the right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

Zakat for the Fund

The Fund does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund. Thus, investors are advised to pay zakat on their own.

(4) FEES, CHARGES AND EXPENSES

Charges

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

4.1 Sales Charge

Up to 2.00% of the NAV per Unit.

Notes:
(1) The Manager reserves the right to waive or reduce the sales charge from time to time at its absolute discretion.
(2) Investors may also negotiate for a lower sales charge.
(3) All sales charges will be rounded up to two (2) decimal places and will be retained by the Manager.

4.2 Redemption Charge

No redemption charge will be imposed on Unit Holder.

4.3 Transfer Fee

A transfer fee of RM10 per transfer will be imposed on Unit Holders.

Notes:
(1) The Manager reserves the right to waive the transfer fee.
(2) The Manager reserves the right to decline any transfer request if such transfer will expose the Manager 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 Unit Holders.

Notes:
(1) The Manager reserves the right to waive the switching fee.
(2) In addition to the switching fee, the Unit Holder will 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 an investor when investing in the Fund are as follows:

4.5 Management Fee

Up to 1.00% per annum of the NAV of the Fund, accrued daily and paid monthly to the Manager.

Please note that the example below is for illustration purposes only:

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:

$$\frac{\text{RM100,000,000 x 1.00\%}}{\text{365 days}} = \text{RM2,739.73 per day}$$

4.6 Trustee Fee

The Trustee is entitled to a trustee fee of 0.05% per annum of the NAV of the Fund, accrued daily and paid monthly to the Trustee.

Please note that the example below is for illustration purposes only:

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:

$$\frac{\text{RM100,000,000 x 0.05\%}}{\text{365 days}} = \text{RM136.99 per day}$$

4.7 Fund Expenses

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

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

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

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

(iv) fees for the valuation of any investment 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 or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;

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

(xiii) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function 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; and

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

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

4.8 Policy on Rebates and Soft Commissions

The Manager, the fund manager, the Trustee or the 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. Accordingly, any rebate or shared commission will be directed to the Fund's account.

However, soft commissions provided by any broker or dealer may be retained by the Manager or the fund manager if:

(i) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;

(ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and

(iii) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

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 investors are advised to consider them before investing in the Fund.

(5) TRANSACTION INFORMATION

5.1 Valuation Point

The Fund will be valued once at the end of every Business Day.

As such, the daily price of the Fund for a particular Business Day will be published on the next Business Day.

5.2 Computation of NAV and NAV per Unit

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

Please note that the example below is for illustration only:

		RM
	Value of the Fund	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 1.00% per annum calculated based on the NAV) RM101,200,000 X 1.00% / 365 days	2,772.60
Less :	Trustee fee for the day (at 0.05% per annum calculated based on the NAV) RM101,200,000 X 0.05% / 365 days	138.63
	Total NAV	**101,197,088.77**

The NAV per Unit of the Fund is calculated by dividing the total NAV of the Fund by the number of Units in circulation at the end of each Business Day.

Assuming there are 100,000,000 Units of the Fund in circulation at the point of valuation, the NAV per Unit of the Fund shall therefore be calculated as follows:

		RM
	NAV	101,197,088.77
Divide:	Units in circulation	100,000,000.00
	NAV per Unit of the Fund	**1.0120***

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

5.3 Pricing of Units

Single Pricing Regime

The Manager adopts a **single pricing regime** in calculating a Unit Holder's purchase and redemption of Units. This means that all purchases and redemptions are transacted on a single price (i.e. NAV per Unit). Unit Holders 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 for the Fund is the NAV per Unit of the Fund at the next valuation point after the request to purchase Units is received by the Manager (Forward Pricing). The Manager may impose a sales charge of up to 2.00% of the NAV per Unit of the Fund.

Calculation of Selling Price

Illustration – Sale of Units

Example:

If an investor wishes to invest RM10,000.00 in the Fund before 4.00 p.m. on any Business Day, and if the sales charge is 2.00% of the NAV per Unit of the Fund, the total amount to be paid by the investor and the number of Units issued to the investor will be as follows:

Sales charge incurred = $\frac{\text{investment amount}}{1 + \text{sales charge (\%)}} \times \text{sales charge (\%)}$

= $\frac{\text{RM10,000}}{1 + 2.00\%} \times 2.00\%$

= RM196.08

Net investment amount = investment amount – sales charge
= RM10,000 – RM196.08
= RM9,803.92

Units credited to investor = net investment amount / NAV per Unit
= RM9,803.92 / RM1.0000
= 9,803.92 Units

INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

Redemption Price of Units

The Redemption Price of a Unit of the Fund is the NAV per Unit at the next valuation point after the redemption request is received by the Manager (Forward Pricing). The Manager does not impose any redemption charge on the redemption of Units by the Unit Holders.

Calculation of Redemption Price

Illustration – Redemption of Units

Example:

If a Unit Holder wishes to redeem 10,000 Units from the Fund before 4.00 p.m. on any Business Day and there is no redemption charge imposed, the total amount to be paid to the Unit Holder will be as follows:

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

Redemption charge payable by you = 0% x [10,000 Units x RM1.0000] = RM0.00

The total amount to be paid to the Unit Holder will be:
= the number of Units to be redeemed multiplied with the NAV per Unit less redemption charge

= [10,000.00 Units x RM1.0000] – RM0.00
= **RM10,000.00**

Therefore the Unit Holder will receive **RM10,000.00** as redemption proceeds.

5.4 Incorrect Pricing

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

(i) by the Manager to the Fund; or

(ii) by the Fund to the Unit Holders and / or to 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 investors are advised to consider the fees and charges before investing in the Fund.

(6) TRANSACTION DETAILS

6.1 How and Where to Purchase and Redeem Units of the Fund

Investors can purchase and redeem Units of the Fund at the Manager's business office and the appointed distributors. Please refer to Section 15 of this Prospectus for the directory of the Manager. Investors may purchase Units by simply completing the application form and submitting it to the Manager or appointed distributors.

6.2 Investment

The minimum initial investment and the minimum additional investment of the Fund are as set out below:

Minimum Initial Investment^	RM1,000
Minimum Additional Investment^	RM100

^or such other lower 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 the Manager receives and accepts the application to purchase Units from investors together with the payment thereof.

Note: The Manager's distributors may set a lower minimum initial and/or additional investments than the above for investments made via the distributors subject to their terms and conditions for investment.

6.3 Redemption of Units

Unit Holders may redeem part or all of their Units on any Business Day by simply completing the redemption request form and returning it to the Manager.

Minimum Redemption and Restriction on Frequency of Redemption
There is no minimum redemption amount for redemption of Units and there are no restrictions on the frequency of redemption.

However, for partial redemption, the Unit holdings after the redemption must not be less than 500 Units or such other lower number of Units as determined by the Manager from time to time. If the Unit holdings of a Unit Holder are, after a redemption request, below the minimum Unit holdings for the Fund, full redemption is initiated. Transaction costs such as charges for electronic payments, if any, will be borne by you and will be set-off against the redemption proceeds.

Payment of Redemption Proceeds
Unit Holders shall be paid within 7 Business Days from the date the redemption request is received by the Manager.

6.4 Suspension of Dealing in Units

We may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances, where there is good and sufficient reason to do so (e.g. where the market value or fair value of a material portion of the Fund's assets cannot be determined).

We will cease the suspension as soon as practicable after the aforesaid circumstances has ceased, and in any event within 21 days of commencements of suspension. The period of suspension may be extended if we satisfy the Trustee that it is in the best interest of Unit Holders for the dealing in Units to remain suspended. Such suspension will be subject to weekly review by the Trustee.

Any redemption request received by us during the suspension period will only be accepted and processed on the next Business Day after the cessation of suspension of the Fund. In such cases, Unit Holders will be compelled to remain invested in the Fund for a longer period of time than the stipulated redemption timeline. Hence, their investments will continue to be subjected to the risk factors inherent to the Fund.

Where such suspension is triggered, we will inform all Unit Holders in a timely and appropriate manner of its decision to suspend the dealing in Units.

6.5 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.

6.6 Switching between Funds

Unit Holders are permitted to switch from and to other funds managed by the Manager provided that both funds are denominated in the same currency. Switching is treated as a withdrawal from 1 fund and an investment into another fund. Switching will be made at the prevailing net asset value per unit of the fund to be switched from on a Business Day when the switching request is received and accepted by the Manager, subject to availability and any terms and conditions imposed by the intended fund to be switched to, if any.

There are no restrictions on the minimum number of Units for a switch or the frequency of switching. However, you must meet the minimum Unit holdings (after the switch) of the Fund unless you are redeeming all your investments from the Fund.

A Unit Holder switching from a fund with a lower sales charge, to a fund with a higher sales charge will pay the difference in sales charge between the sales charges of these two (2) funds in addition to the switching fee. If the Unit Holder switches from a fund with higher sales charge to a fund with a lower sales charge, the Unit Holder does not need to pay the difference in sales charge between these funds.

For example:-

Scenario 1
If a Unit Holder invested in a fund with no sales charge now wishes to switch to another fund which has a sales charge of 1.00% on the net asset value per unit, the Unit Holder will be charged the difference of sales charge of 1.00% on the net asset value per unit of the fund being switched into in addition to the switching fee of the fund you switched from.

Scenario 2
If a Unit Holder invested in a fund with a sales charge of 1.00% on the net asset value per unit subsequently switches to another fund which has no sales charge, the Unit Holder 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 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 right to vary the terms and conditions for switching from time to time, which shall be communicated to you in writing.

However, switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.

Note: The Manager's distributors may set 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.

6.7 Cut-Off Time for Investment and Redemption of Units

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

Any investment application received via e-mail notification (or by fax, if e-mail is down) by us as well as cleared funds (unless any prior arrangement is made with us) received on or 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.

Note: Our distributors may set 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.

6.8 Notice of Cooling-off Period

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

(i) a staff of the Manager; 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 6 Business Days commencing from the date the application for Units is received by the Manager.

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

(a) if the NAV per Unit on the day the Units were first purchased is higher than the NAV per Unit at the point of exercise of the cooling-off right ("Market Price"), the Market Price at the point of cooling-off; or
(b) if the Market Price is higher than the NAV per Unit on the day the Units were first purchased, the NAV per Unit on the day the Units were first purchased; and
(c) the sales charge per Unit originally imposed on the day the Units were purchased.

Note: With effect from 1 March 2023, the refund pursuant to a Unit Holder's exercise of cooling-off right will be as mentioned above. Prior to 1 March 2023, the refund would be based on the NAV per Unit on the day the Units were first purchased and the sales charge originally imposed on the day the Units were purchased.

Unit Holders shall be refunded within 7 Business Days from the Manager's receipt of the cooling-off application.

Note: With effect from 1 March 2023, the cooling-off proceeds will be refunded to you within 7 Business Days. Prior to 1 March 2023, the cooling-off proceeds would be refunded within 10 days.

INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

6.9 Distribution of Income

Distribution, if any, shall be on an annual basis and will be made from the realised income of the Fund.

Mode of Distribution
Unit Holders may elect to either receive income payment via cash payment mode or reinvestment mode.

If the Unit Holder 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 the income payment by way of electronic payment into the Unit Holders' bank account on the income payment date (which is within 7 Business Days from the Ex-distribution Date). All bank charges for the electronic payment will be borne by the Unit Holders. The transfer charges will be deducted directly from the transferred amount before being paid to the Unit Holders' bank account.

Notes:
(1) If the bank transfer remained unsuccessful and unclaimed for 6 months, the unclaimed income distribution will be reinvested into the Fund within 30 Business Days after the expiry of the 6 months period based on the prevailing NAV per Unit on the day of the reinvestment if the Unit Holders still hold Units of the Fund.
(2) If you are investing in the Fund through our distributors, you will be subject to the applicable mode of distribution (i.e., cash payment or reinvestment or both) which has been chosen by our distributors. Please check with the respective distributors for the mode of distribution available to you.

Reinvestment Policy
For Unit Holders who elect to reinvest the distribution in additional Units, the Manager will create the Units based on the NAV per Unit* of the Fund at the income reinvestment date (which is within 7 Business Days from the Ex-distribution Date).

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

6.10 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.

(7) THE MANAGEMENT OF THE FUND

7.1 Background Information

Our corporate information, including our experience in operating unit trust funds is available on our website at https://www.maybank-am.com.my/corporate-profile.

7.2 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;
- 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.

7.3 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 four (4) times annually or more frequently should the circumstances require.

The list of our board of directors is available on our website at https://www.maybank-am.com.my/key-people.

7.4 Fund Management Function

The designated person responsible for the fund management function of the Fund is **Syhiful Zamri bin Abdul Azid**.

Syhiful is the Chief Investment Officer of the Manager and his profile is available on our website at https://www.maybank-am.com.my/key-people.

7.5 Material Litigation and Arbitration of the Manager

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 or financial position.

7.6 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 Fund. 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 fund delegation agreement between MIAM and the Manager.

Experience of MIAM

The experience of MIAM in managing unit trust funds is available on our website at https://www.maybank-am.com/web/islamic/corporate-profile.

Designated fund manager for the External Investment Manager

The designated fund manager for the Fund is **Muhammad Riduan bin Jasmi**.

Muhammad Riduan bin Jasmi is the Chief Investment Officer of MIAM and his profile is available at https://www.maybank-am.com/web/islamic/key-people.

Material Litigation and Arbitration of the External Investment Manager

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

Further information on the Manager, Shariah Adviser and the External Investment Manager is provided in the Manager's website at http://www.maybank-am.com.

(8) THE TRUSTEE

8.1 Corporate Information

TMF Trustees Malaysia Berhad was incorporated in Malaysia on 1 April 2003 under the Companies Act 1965 (now known as Companies Act 2016) and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. Its registered and business address is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia.

The Trustee is part of TMF Group, an independent global service provider in the trust & fiduciary sector. The group has more than 125 offices in 83 jurisdictions in the world. TMF Group started in Malaysia in 1992 with its first office in Labuan International Business Financial Centre (IBFC), providing trust and fiduciary services. The Kuala Lumpur office was established in 2003 to support the Labuan office in servicing Malaysian clients and to undertake domestic trust business.

8.2 Experience in Trustee Business

The Trustee provide various types of trustee service, such as security trustee for private debt securities (PDS), corporate administrator to asset-backed securities (ABS), trustee for unit trust funds & private trust. The TMF Group provides a more comprehensive range of corporate secretarial services, financial accounting, HR administrative and payroll outsourcing services.

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

8.4 Trustee's Disclosure of Material Litigation and Arbitration

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

8.5 Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as the custodian of the quoted and unquoted investments of the Fund. SCBMB was incorporated in Malaysia under the same name on 29 February 1984 under the Companies Act 1965 (now known as Companies Act 2016) as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Financial Services Act 2013.

SCBMB is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with the instructions from the Trustee.

(9) THE SHARIAH ADVISER

Maybank Islamic Berhad ("Maybank Islamic") is the Shariah adviser for the Fund and information relating to the Shariah Adviser is available at https://www.maybank-am.com.my/key-people.

Roles and Responsibilities of the Shariah Adviser

As the appointed Shariah adviser for the Fund, Maybank Islamic undertakes the following roles in line with the Guidelines:-

- advise on all aspects of unit trust and fund management business in accordance with Shariah principles;
- provide Shariah expertise and guidance in all matters, particularly on the Deed and Prospectus, structure, investments and other operational matters;
- ensure that the Fund is managed and operated in accordance with Shariah principles, relevant SC regulations and/or standards, including resolutions issued by the SACSC;
- review the Fund's compliance report and investment transaction report to ensure that the Fund's investments are in line with Shariah principles; and
- review and provide confirmation on a report prepared by the Manager to be included in the Fund's annual and semi-annual reports stating the Shariah Adviser's opinion whether the Fund has been operated and managed in accordance with the Shariah principles for the financial period concerned.

Maybank Islamic's Shariah committee

The members of Maybank Islamic's Shariah committee are the designated persons responsible for the Shariah matters pertaining to the Fund. The Shariah committee meets every month (twelve times a year) to address Shariah advisory matters pertaining to the Fund, if any, and review the Fund's investment to ensure compliance with Shariah principles.

The profile of the members of the Shariah committee of Maybank Islamic is available at https://www.maybank-am.com.my/key-people.

(10) SALIENT TERMS OF THE DEED

10.1 Unit Holders' Rights and Liabilities

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

Unit Holders' Rights

A Unit Holder has the right, amongst others:

1. to receive distributions, if any, of the Fund;
2. to participate in any increase in the NAV of Units of the Fund;
3. to call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through special resolution;
4. to exercise the cooling-off right (only for qualified investors);
5. to receive annual and semi-annual reports on the Fund; and
6. to exercise such other rights and privileges as provided for in the Deed.

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

Unit Holders' Liabilities

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

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

10.2 Maximum Fees and Charges Permitted by the Deed

Fund	Maximum Sales Charge (based on the NAV per Unit of the Fund)	Maximum Redemption Charge (based on the NAV per Unit of the Fund)	Maximum Management Fee (based on the NAV of the Fund)	Maximum Trustee Fee (based on the NAV of the Fund)
MSF	5.0%	3.0%	2.0% per annum	0.05% per annum

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

10.3 Procedures to Increase the Direct and Indirect Fees and Charges

Sales Charge

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

(a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;
(b) a supplemental/ replacement prospectus stating the higher rate is issued thereafter; and
(c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental/ replacement prospectus is issued.

Redemption Charge

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

(a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;
(b) a supplemental/ replacement prospectus stating the higher rate is issued thereafter; and
(c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental/ replacement prospectus is issued.

Management Fee

The Manager may not charge a management fee at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has come to an agreement with the Trustee on the higher rate;
(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/ replacement prospectus stating the higher rate is issued thereafter; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplemental/ replacement prospectus is issued.

Trustee Fee

The Trustee may not charge a trustee fee at a rate higher than that disclosed in the Prospectus unless:

(a) the Manager has come to an agreement with the Trustee on the higher rate;
(b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
(c) a supplemental/ replacement prospectus stating the higher rate is issued thereafter; and
(d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplemental/ replacement prospectus is issued.

10.4 Retirement, Removal and Replacement of the Manager

The Manager shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Trustee six (6) months' notice in writing of its desire so to do, or such 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 interests 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.

In 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 by the mere fact that the Manager has received the notice. The Trustee shall, at the same time, by writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

10.5 Retirement, Removal and Replacement of the Trustee

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

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

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;

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

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

10.6 Termination of the Fund

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

Procedures for termination of the Fund

Upon the termination of the Fund, the Trustee shall:

(a) sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and

(b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:

(1) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and

(2) any available cash produce,

provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of RM0.50 in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each of such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.

In the event of the Fund being terminated:

(a) the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed;

(b) the Manager and the Trustee shall notify the relevant authorities in such manner as may be prescribed by any relevant law; and

(c) the Manager or the Trustee shall notify the Unit Holders in such manner as may be prescribed by any relevant law.

10.7 Unit Holders' Meeting

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

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

Quorum

(a) The quorum required for a meeting of the Unit Holders shall be 5 Unit Holders, whether present in person or by proxy; however, 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.

(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 at the time of the meeting.

(c) If the Fund has only 1 remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders.

10.8 Permitted 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:

(a) commissions or fees paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
(b) taxes and other duties charged on the Fund by the government and/or other authorities;
(c) fees and expenses properly incurred by the auditor appointed for the Fund;
(d) fees for the valuation of any investment of the Fund;
(e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
(f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
(g) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
(h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
(i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
(j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
(k) costs, fees and expenses incurred in the termination of the Fund or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;
(l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed by the Fund);
(m) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
(n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; and
(o) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund.

(11) 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, 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 ("MAMG"). Maybank is a substantial shareholder of MAMG.	Distributor: Maybank has been appointed as one of the Manager's institutional unit trust scheme 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 Solutions which is a unit within Maybank.
	MAMG. The Manager is wholly-owned by MAMG.	Delegate: The Manager has delegated its back office functions (i.e. finance, performance attribution, administration, legal, compliance, corporate secretarial services, strategy and project management office and risk management) to MAMG.
	Maybank Investment Bank Berhad. Maybank Investment Bank Berhad is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. operations) to Maybank Investment Bank Berhad.
	Maybank Shared Services Sdn Bhd. Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.	Delegate: The Manager has delegated its back office function (i.e. information technology) to Maybank Shared Services Sdn Bhd.
	Maybank Islamic Asset Management Sdn Bhd ("MIAM"). MIAM is wholly-owned by MAMG.	External Investment Manager: The Manager has appointed MIAM as the external investment manager of the Fund.

	Maybank Islamic Berhad. Maybank Islamic Berhad is a wholly-owned subsidiary of Maybank.	Shariah adviser: The Manager has appointed Maybank Islamic Berhad as the shariah adviser for 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 person(s) or members of a committee undertaking the oversight function of the Fund 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. The person(s) or members of a committee undertaking the oversight function of the Fund 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, dealers 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 periodic 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 LPD, we are not aware of any existing or potential conflict of interest situations which may arise.

Other Declarations

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

(12) ADDITIONAL INFORMATION

(a) Official Receipt and Statement of Investment

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

(b) Keeping Track of the Daily Prices of Units

The Manager will publish the Fund's NAV per Unit on the Manager's website, www.maybank-am.com.my.

(c) Financial Reports

Unit Holders will be informed of the Fund's performance through the audited annual reports and half-yearly unaudited reports. The reports will be sent to the Unit Holders within 2 months after the close of the financial year-end i.e. 31 January or semi-annual period.

(d) Changing account details

Unit Holders are required to inform the Manager in writing on any changes of their account details. The account details will amongst other things include the following:

(i) the Unit Holder's address and contact details;
(ii) signing instructions; and
(iii) distribution of income instruction.

(e) Unclaimed Monies

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

(f) Customer Information Service

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. Unit Holders may also e-mail their enquiries to mamcs@maybank.com.my.

Alternatively, Unit Holders can contact:

(i) Complaints Bureau, FIMM via:

- Tel No: 03 – 7890 4242
- 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
  No. 3 Persiaran Bukit Kiara
  Bukit Kiara
  50490 Kuala Lumpur.

(g) The Deed

The Deed is dated 21 June 2013 as amended by the first supplemental deed dated 9 July 2014, the second supplemental deed dated 20 March 2015, the third supplemental deed dated 10 December 2015 and the fourth supplemental deed dated 3 June 2022 and can be inspected at the office of the Manager 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) Approvals and Conditions

Not applicable for this Fund.

(i) Consents

(i) The consent of the Trustee, Trustee's delegate, External Investment Manager 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 has not withdrawn such consent prior to the date of this Prospectus.

THE FUND'S ANNUAL REPORT IS AVAILABLE UPON REQUEST.

(13) DOCUMENTS AVAILABLE FOR INSPECTION

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

(i) the Deed;

(ii) the Prospectus and supplementary or replacement prospectus, if any;

(iii) the latest annual and semi-annual reports of the Fund;

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

(v) where applicable, the audited financial statements of the Manager and the Fund for the current financial year and for the last three financial years or if less than three years, from the date of incorporation or commencement;

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

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

(viii) all consents given by experts disclosed in the Prospectus.

(14) TAXATION ADVISER'S LETTER

Building a better working world

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

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

20 January 2023

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 Replacement Prospectus in connection with the offer of units in the unit trust known as Maybank Malaysia Sukuk 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*.

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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 dividend[1], interest and rent chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividend[1] 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**

  (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 2013[2];

  (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002[2];

  (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.

- **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.

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[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, 1967 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.

Foreign-sourced income

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax.

The Guidelines issued by the Malaysian Inland Revenue Board on 29 September 2022 (amended on 29 December 2022) define the term "received in Malaysia" to mean transferred or brought into Malaysia, either by way of cash[4] or electronic funds transfer[5] .

Foreign-sourced income (FSI) received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross. From 1 July 2022 onwards, FSI received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Income Tax (Exemption) (No. 6) Order 2022 has been issued to exempt a "qualifying person"[6] from the payment of income tax in respect of dividend income which is received in Malaysia from outside Malaysia, effective from 1 January 2022 to 31 December 2026. The exemption will however not apply to a person carrying on the business of banking, insurance or sea or air transport. As the definition of "qualifying person" does not include unit trust funds, it would mean that resident unit trust funds would technically not qualify for the exemption, unless there are further updates thereto.

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.

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[4] "Cash" in this context is defined as banknotes, coins and cheques.

[5] "Electronic funds transfer" means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.

[6] "Qualifying person" in this context means a person resident in Malaysia who is:
(a) An individual who has dividend income received in Malaysia from outside Malaysia in relation to a partnership business in Malaysia;
(b) A limited liability partnership which is registered under the Limited Liability Partnerships Act 2012; or
(c) A company which is incorporated or registered under the Companies Act 2016.

Implementation of Sales and Service Tax ("SST")

Sales and Service Tax ("SST") was re-introduced 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 who are licensed or registered with Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007, 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.

A retail money market fund is exempted from tax on its interest income derived from Malaysia, pursuant to Paragraph 35A of Schedule 6 of the ITA. Pursuant to the Finance Act 2021, with effect from 1 January 2022, distributions by a retail money market fund from such tax exempt interest income, to a unit holder other than an individual, will no longer be exempt from tax. The distribution to unit holders other than individuals will be subject to withholding tax at 24%. This would be a final tax for non-residents. Malaysian residents are required to include the distributions in their tax returns and claim a credit in respect of the withholding tax suffered. Individuals will continue to be exempt from tax on such distributions.

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
Malaysian tax resident:	
• Individual and non-corporate unit holders (such as associations and societies)	• Progressive tax rates ranging from 0% to 30%
• Co-operatives[7]	• Progressive tax rates ranging from 0% to 24%
• Trust bodies	• 24%
• Corporate unit holders	
(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) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment[8] [9]	• First RM600,000 of chargeable income @ 17% • Chargeable income in excess of RM600,000 @ 24%
(ii) Companies other than (i) above	• 24%

[7] 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.

[8] A company would not be eligible for the 17% tax rate on the first RM600,000 of chargeable income if:-
(a) more than 50% of the paid up capital in respect of the ordinary shares of the company is directly or indirectly owned by a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(b) the company owns directly or indirectly more than 50% of the paid up capital in respect of the ordinary shares of a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(c) more than 50% of the paid up capital in respect of the ordinary shares of the company and a related company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment is directly or indirectly owned by another company.

[9] The above excludes a business trust and a company which is established for the issuance of asset-backed securities in a securitization transaction approved by the Securities Commission.

Unit holders	Malaysian income tax rates
Non-Malaysian tax resident (Note 1):	
• Individual and non-corporate unit holders	• 30%
• Corporate unit holders and trust bodies	• 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.

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.

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Building a better working world

The Board of Directors
Maybank Asset Management Sdn Bhd
20 January 2023

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 Replacement Prospectus and has not withdrawn such consent before the date of issue of this Replacement Prospectus.

A member firm of Ernst & Young Global Limited

(15) DIRECTORY

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LIST OF DISTRIBUTORS

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

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