

# MASTER INFORMATION MEMORANDUM

This Master Information Memorandum is dated 9 August 2017 and it replaces the Master Information Memorandum dated 8 July 2013, First Supplemental Master Information Memorandum dated 2 September 2014, Second Supplemental Master Information Memorandum dated 18 February 2015, Third Supplementary Master Information Memorandum dated 18 February 2016 and Fourth Supplementary Master Information Memorandum dated 17 March 2017.

<b>FUNDS</b>	<b>DATE OF CONSTITUTION</b>
<b>Maybank Enhanced Cash XI Fund</b>	<b>3 October 2007</b>
<b>Maybank Enhanced Cash XII Fund</b>	<b>11 February 2008</b>
<b>Maybank Enhanced Cash XIII Fund</b>	<b>3 March 2008</b>
<b>Maybank Shariah Enhanced Cash Fund</b>	<b>24 November 2008</b>

**MANAGER:**

Maybank Asset Management Sdn Bhd (421779-M)

**TRUSTEES:**

PB Trustee Services Berhad (7968-T)

AmanahRaya Trustees Berhad (766894-T)

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

## **THIRD SUPPLEMENTARY MASTER INFORMATION MEMORANDUM**

This Third Supplementary Master Information Memorandum dated 8 February 2024 must be read together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019 for:-

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<b>FUNDS</b>	<b>DATES OF CONSTITUTION</b>
Maybank Enhanced Cash XIII Fund (“MECXIII”)	3 March 2008
Maybank Shariah Enhanced Cash Fund (“MSEC”)	24 November 2008

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<b>Manager</b>	:	Maybank Asset Management Sdn Bhd (Registration No.: 199701006283 (421779-M))
<b>Trustees</b>	:	PB Trustee Services Berhad (Registration No.: 196801000374 (7968-T)) AmanahRaya Trustees Berhad (Registration No.: 200701008892 (766894-T))

**INVESTORS ARE ADVISED TO READ THIS THIRD SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 8 FEBRUARY 2024 TOGETHER WITH THE MASTER INFORMATION MEMORANDUM DATED 9 AUGUST 2017, THE FIRST SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 17 JULY 2018 AND THE SECOND SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 1 APRIL 2019 AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUNDS.**

**UNITS OF THE MAYBANK ENHANCED CASH XIII FUND AND THE MAYBANK SHARIAH ENHANCED CASH FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.**

## **Responsibility Statements**

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

## **Statements of Disclaimer**

A copy of this Third Supplementary Master Information Memorandum has been lodged with the Securities Commission Malaysia.

The Securities Commission Malaysia has not authorised or recognised the Maybank Enhanced Cash XIII Fund and the Maybank Shariah Enhanced Cash Fund and a copy of this Third Supplementary Master Information Memorandum, the Master Information Memorandum dated 9 August 2017 (“Master Information Memorandum”), the First Supplementary Master Information Memorandum dated 17 July 2018 (“First Supplementary Master Information Memorandum”) and the Second Supplementary Master Information Memorandum dated 1 April 2019 (“Second Supplementary Master Information Memorandum”) have not been registered with the Securities Commission Malaysia.

The lodgement of this Third Supplementary Master Information Memorandum, the Master Information Memorandum, the First Supplementary Master Information Memorandum and the Second Supplementary Master Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Maybank Enhanced Cash XIII Fund and the Maybank Shariah Enhanced Cash Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Third Supplementary Master Information Memorandum, the Master Information Memorandum, the First Supplementary Master Information Memorandum and the Second Supplementary Master Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Maybank Asset Management Sdn Bhd responsible for the Maybank Enhanced Cash XIII Fund and the Maybank Shariah Enhanced Cash Fund and takes no responsibility for the contents in this Third Supplementary Master Information Memorandum, the Master Information Memorandum, the First Supplementary Master Information Memorandum and the Second Supplementary Master Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Third Supplementary Master Information Memorandum, the Master Information Memorandum, the First Supplementary Master Information Memorandum and the Second Supplementary Master Information Memorandum, 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. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT**

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

**AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

#### **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 Third Supplementary Master Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Third Supplementary Master Information Memorandum or the conduct of any other person in relation to the Funds.

The Maybank Shariah Enhanced Cash Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the Fund.

The Funds 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 Funds.

*[The remainder of this page is intentionally left blank]*

**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**

1. **Amendment to the registration number of the Manager in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

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

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

2. **Amendment to the information of the Shariah Adviser in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

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

*For MSEC:*

**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 15, 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/](http://www.maybank.com/islamic/)

3. **Amendment to the information of the External Investment Manager in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

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

*For MSEC:*

**EXTERNAL INVESTMENT MANAGER** Maybank Islamic Asset Management Sdn Bhd  
(Registration No.: 201301012623 (1042461-K))

**REGISTERED OFFICE** Level 5, 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

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

4. **Amendment to the information of PB Trustee Services Berhad in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

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

*Trustee for MEXCIII:*

**PB TRUSTEE SERVICES BERHAD** (Registration No.: 196801000374 (7968-T))

<b>REGISTERED OFFICE AND BUSINESS OFFICE</b>	<b>AND</b>	17 <sup>th</sup> Floor, Menara Public Bank 146, Jalan Ampang 50450 Kuala Lumpur Tel No.: 03 - 2177 3127 Fax No.: 03 - 2164 6197
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5. **Amendment to the information of AmanahRaya Trustees Berhad in “Chapter 1 - Corporate Directory” on page 2 of the Master Information Memorandum**

The information of AmanahRaya Trustees Berhad is hereby deleted in its entirety and replaced with the following:

*Trustee for MSEC:*

**AMANAHRAYA TRUSTEES BERHAD** (Registration No.: 200701008892 (766894-T))

<b>REGISTERED OFFICE</b>	Tingkat 11, Wisma AmanahRaya No. 2, Jalan Ampang 50508 Kuala Lumpur
<b>BUSINESS OFFICE</b>	Tingkat 14, Wisma AmanahRaya No. 2, Jalan Ampang 50508 Kuala Lumpur Tel No: 03 -2036 5129 Fax No: 03 - 2072 0322

6. **Amendment to the definition of “Bursa Malaysia” in “Chapter 2 - Definitions” on page 3 of the Master Information Memorandum**

The definition of “Bursa Malaysia” is hereby deleted in its entirety and replaced with the following:

Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W)).
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Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

7. **Insertion of a new definition of “ex-distribution date” in “Chapter 2 - Definitions” on page 3 of the Master Information Memorandum**

A new definition of “ex-distribution date” is hereby inserted after the definition of “Deed” as follows:

ex-distribution date means the next Business Day after the date on which income distribution of the Fund is declared.

8. **Amendment to the definition of “External Investment Manager” in “Chapter 2 - Definitions” on page 3 of the Master Information Memorandum**

The definition of “External Investment Manager” is hereby deleted in its entirety and replaced with the following:

External Investment Manager refers to Maybank Islamic Asset Management Sdn Bhd (Registration No.: 201301012623 (1042461-K)), the external investment manager for the MSEC.

9. **Amendment to the definition of “Manager/ Management Company/ Maybank AM” in “Chapter 2 - Definitions” on page 4 of the Master Information Memorandum**

The definition of “Manager/ Management Company/ Maybank AM” is hereby deleted in its entirety and replaced with the following:

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

10. **Amendment to the definition of “MARC” in “Chapter 2 - Definitions” on page 4 of the Master Information Memorandum**

The definition of “MARC” is hereby deleted in its entirety and replaced with the following:

MARC means Malaysian Rating Corporation Berhad.

11. **Amendment to the definition of “RAM” in “Chapter 2 - Definitions” on page 4 of the Master Information Memorandum**

The definition of “RAM” is hereby deleted in its entirety and replaced with the following:

RAM means RAM Rating Services Berhad.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

**12. Amendment to the definition of “Shariah advisers” in “Chapter 2 - Definitions” on page 4 of the Master Information Memorandum**

The definition of “Shariah advisers” is hereby deleted in its entirety and replaced with the following:

Shariah Adviser                      refers to Maybank Islamic Berhad (Registration No.: 200701029411 (787435-M)), the Shariah adviser for the MSEC.

**13. Amendment to the definition of “Sophisticated Investor” in “Chapter 2 - Definitions” on pages 4 - 5 of the Master Information Memorandum**

The definition of “Sophisticated Investor” is hereby deleted in its entirety and replaced with the following:

Sophisticated Investor                      means:

- (a) a unit trust scheme, private retirement scheme or prescribed investment scheme;
- (b) Bank Negara Malaysia;
- (c) a licensed person or a registered person;
- (d) an exchange holding company, a stock exchange, a derivatives exchange, an approved clearing house, a central depository or a recognized market operator;
- (e) a corporation that is licensed, registered or approved to carry on any regulated activity or capital market services by an authority in Labuan or outside Malaysia which exercises functions corresponding to the functions of the SC;
- (f) a bank licensee or an insurance licensee as defined under the Labuan Financial Services and Securities Act 2010;
- (g) an Islamic bank licensee or a takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010;
- (h) a chief executive officer or a director of any person referred to in paragraphs (c) to (g);
- (i) a closed-ended fund approved by the SC;
- (j) a company that is registered as a trust company under the Trust Companies Act 1949 and has assets under its management exceeding RM10 million or its equivalent in foreign currencies;
- (k) a corporation that -
  - (i) is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under the CMSA and has assets under its management, exceeding RM10 million or its equivalent in foreign currencies; or

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- (ii) is carrying on the regulated activity of fund management solely for the benefit of its related corporations and has assets under its management exceeding RM10 million or its equivalent in foreign currencies;
- (l) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (m) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (n) a statutory body established under any laws unless otherwise determined by the SC;
- (o) a pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967;
- (p) an individual -
  - (i) whose total net personal assets, or total net joint assets with his or her spouse, exceeding RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;
  - (ii) who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies in the preceding twelve months;
  - (iii) who jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies in the preceding twelve months; or
  - (iv) whose total net personal investment portfolio or total net joint investment portfolio with his or her spouse, in any capital market products exceeding RM1 million or its equivalent in foreign currencies;
- (q) any person who acquires the unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or
- (r) any other category of investor(s) as may be permitted by the SC from time to time and/or under the relevant guidelines for wholesale funds.

**14. Amendment to section 4.2.13 - Valuation of Investment of Maybank Shariah Enhanced Cash Fund in "Chapter 4 - Information on the Funds" on page 14 of the Master Information Memorandum**

The information in item (b) has been deleted in its entirety and replaced with the following:

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

Investments in Islamic commercial papers and Islamic treasury bills are valued each day based on the price quoted by bond pricing agency (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 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%.

**15. Amendment to section 6.2 - Computation of NAV in “Chapter 6 - Transaction Information” on page 26 of the Master Information Memorandum**

The illustration on how NAV per Units is calculated (on a Business Day) is hereby deleted in its entirety and replaced with the following:

The NAV of the Fund is determined by deducting the value of the Fund’s liabilities from the value of the Fund’s assets at a valuation point.

Please note that the example below is for illustration only:

	RM
Value of the Fund	200,000,000.00
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	201,200,000.00
Less: Management fee for the day (at 0.45% per annum calculated based on the NAV) RM201,200,000.00 x 0.45% / 365 days	2480.55
Less: Trustee fee for the day (at 0.05% per annum calculated based on the NAV) RM201,200,000.00 x 0.05% / 365 days	275.62
<b>Total NAV</b>	<b>201,197,243.83</b>

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

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

Assuming there are 200,000,000 Units of the Fund in circulation at the point of valuation, the NAV per Unit shall therefore be calculated as follows:

		RM
	NAV of the Fund	201,197,243.83
Divide:	Units in circulation	200,000,000
	<b>NAV per Unit of the Fund</b>	<b>1.006*</b>

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

**16. Amendment to section 7.1 - Making an Investment in “Chapter 7 - Transaction Details” on page 28 of the Master Information Memorandum**

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

The initial investment and subsequent additional investment of the Funds is as follows:-

Funds	Minimum Initial Investment <sup>^</sup>	Minimum Additional Investment <sup>^</sup>
MECXIII	RM250,000	RM250,000
MSEC	RM250,000	RM250,000

<sup>^</sup> or such other lower amount as determined by the Manager from time to time.

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

Processing of Application

For any subscription request/application received or deemed to have been received via email notification (or by fax, if e-mail is down) by the Manager as well as cleared funds (unless any prior arrangement is made with the Manager) received **on or before the cut off time of 12.00 pm on any Business Day**, the Units will be created based on the NAV per Unit as at the next valuation point after the applicable subscription of Units is received and accepted by the Manager. Any subscription request/application received or deemed to have been received after this cut-off time would be considered as being transacted on the next Business Day.

*Note: The Manager’s distributors may set an earlier cut-off time for receiving requests/applications in respect of subscription of Units. Please check with the respective distributors for their respective cut-off time.*

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

17. **Amendment to section 7.2 - Redemption of Units in “Chapter 7 - Transaction Details” on page 28 of the Master Information Memorandum**

The second paragraph is hereby deleted in its entirety and replaced with the following:

For any redemption application received or deemed to have been received via e-mail notification (or by fax, if e-mail is down) by the Manager on or before the cut-off time specified below, the Units would be cancelled based on the NAV per Unit as at the next valuation point after the request for redemption of Units is received and accepted by the Manager. Any application received or deemed to have been received after this cut-off time would be considered as being transacted on the next Business Day.

Funds	Cut-Off Time
MECXIII	Before 4.00 pm on the previous Business Day
MSEC	Before 4.00 pm on the previous Business Day

*Note: The Manager’s distributors may set an earlier cut-off time for receiving applications in respect of redemption of Units. Please check with the respective distributors for their respective cut-off time.*

18. **Amendment to section 7.2 - Redemption of Units in “Chapter 7 - Transaction Details” on page 29 of the Master Information Memorandum**

The table immediately after the second paragraph under the heading “Frequency and Minimum Units Redeemed” is hereby deleted in its entirety and replaced with the following:

Funds	Minimum Units Held <sup>^</sup>
MECXIII	50,000 Units
MSEC	250,000 Units

<sup>^</sup> or such other lower number of Units as may be decided by the Manager from time to time.

19. **Amendment to section 7.4 - Switching between Funds in “Chapter 7 - Transaction Details” on pages 29 - 30 of the Master Information Memorandum**

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

Unit Holders are permitted to switch from and to other funds managed by 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 and the intended fund to be switched to on a Business Day when the switching request is received by the Manager, subject to availability and any terms and conditions imposed by the intended fund, if any.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

There are no restrictions on the minimum number of Units for a switch or the frequency of switching. However, Unit Holders must meet the minimum Unit holdings (after the switch) of the fund that a Unit Holder intends to switch from unless the Unit Holder is redeeming all his 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 charge 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 do not need to pay the difference in sales charge between these funds.

The Manager reserves the right to vary the terms and conditions for switching from time to time, which shall be communicated to Unit Holders in writing.

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.*

**20. Amendment to section 7.5 - Cut-Off Time for Investment and Redemption of Units in “Chapter 7 - Transaction Details” on page 30 of the Master Information Memorandum**

The following note is inserted immediately after the last paragraph in section 7.5 as follows:

*Note: The Manager’s 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.*

**21. Amendment to section 7.6 - Income Distribution Policy and Distribution Mode on pages 30 - 31 of the Master Information Memorandum**

The information on income distribution policy and distribution mode is hereby deleted in its entirety and replaced with the following:

<b>Funds</b>	<b>Distribution Policy</b>
MECXIII	The Fund will distribute income on a <b>quarterly</b> basis, subject to availability.
MSEC	The Fund will distribute income on a <b>monthly</b> basis, subject to availability.

**Distribution Mode**

You may elect to either receive income payment via cash payment mode or reinvestment mode.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

If you did not elect the mode of distribution, all income distribution will be automatically reinvested into additional Units in the Fund.

Unit Holders who elect to receive income payment via cash payment mode may receive 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

If you elect to reinvest the distribution in additional Units, we will create such Units based on the NAV per Unit\* at the income reinvestment date (which is within 7 Business Days from the ex-distribution date).

*\*There will be no cost to Unit Holders for reinvestments in new additional Units.*

#### **22. Amendment to section 7.7 - Notice of Cooling-off Period in “Chapter 7 - Transaction Details” on page 31 of the Master Information Memorandum**

The information in section 7.7 is hereby deleted in its entirety and replaced with the following:

##### **7.7 Cooling-off Right**

Cooling-off right is not applicable for this Fund.

#### **23. Amendment to section 8.1 - Background Information in “Chapter 8 - The Manager” on page 33 of the Master Information Memorandum**

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

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>.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

24. **Amendment to section 8.2 - Functions, Duties and Responsibilities of the Manager in “Chapter 8 - The Manager” on page 33 of the Master Information Memorandum**

The first bullet point is hereby deleted in its entirety and replaced with the following:

carrying out and conducting business in a proper and diligent manner and be responsible for daily sales and management of the Funds and the general administration of the Funds in accordance with the Deed, the Act and the relevant guidelines and other applicable laws at all times.

25. **Amendment to section 8.3 - Board of Directors of the Manager in “Chapter 8 - The Manager” on page 33 of the Master Information Memorandum**

The information on board of directors of the Manager is hereby deleted in its entirety.

26. **Amendment to section 8.4 - Fund Management Team in “Chapter 8 - The Manager” on pages 33 - 34 of the Master Information Memorandum**

The profile of the designated fund manager for the Funds is hereby deleted in its entirety and replaced with the following:

**Syhiful Zamri bin Abdul Azid**

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

27. **Amendment to section 8.5 - External Investment Manager (for MSEC) in “Chapter 8 - The Manager” on page 34 of the Master Information Memorandum**

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

**8.5 External Investment Manager (for MSEC)**

**Background of the External Investment Manager**

Maybank Islamic Asset Management Sdn Bhd (“MIAM”)

The Manager has appointed MIAM as the external investment manager for MSEC. 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>.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

Designated fund manager for the External Investment Manager

**Muhammad Riduan bin Jasmi**

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

**28. Amendment to section 8.6 - Shariah advisers (for MSEC) in “Chapter 8 - The Manager” on pages 34 - 35 of the Master Information Memorandum**

The information of the Shariah advisers (*for MSEC*) is hereby deleted in its entirety and replaced with the following:

**8.6 Shariah Adviser (*for MSEC*)**

Maybank Islamic Berhad (“Maybank Islamic”) is the Shariah adviser for MSEC 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 MSEC, Maybank Islamic undertakes the following roles in line with the Guidelines:

- advise on all aspects of Islamic wholesale fund and fund management business in accordance with Shariah principles;
- provide Shariah expertise and guidance in all matters, particularly on the Deed and Info Memo, structure, investments and other operational matters;
- ensure that MSEC is managed and operated in accordance with Shariah principles, relevant SC regulations and/or standards, including resolutions issued by the SACSC;
- review MSEC’s compliance report and investment transaction report to ensure that MSEC’s investments are in line with Shariah principles; and
- review and provide confirmation on a report prepared by the Manager to be included in MSEC’s annual and quarterly reports stating the Shariah Adviser’s opinion whether MSEC 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 MSEC. The Shariah committee meets every month (twelve times a year) to address Shariah advisory matters pertaining to MSEC, if any, and review MSEC’s investment to ensure compliance with Shariah principles.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

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

**29. Amendment to section 9.1 - About PB Trustee Services Berhad in "Chapter 9 - The Trustee" on page 36 of the Master Information Memorandum**

A new Section 9.1.2 - Trustee's Delegate is inserted immediately after Section 9.1.1 - Trustee's Disclosure of Material Litigation as follows:

**9.1.2 Trustee's Delegate**

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

**30. Amendment to section 11.4 - Customer Information Service in "Chapter 11 - Communication with Unit Holders" on page 41 of the Master Information Memorandum**

The details of the Complaints Bureau, FIMM under sub-paragraph (i) is hereby deleted in its entirety and replaced with the following:

- (i) Complaints Bureau, FIMM via:
- Tel No: 03 - 7890 4242
  - email: [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
  - Online complaint form: [www.fimm.com.my](http://www.fimm.com.my)
  - Letter: Complaints Bureau  
Legal & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> Floor Wisma Tune  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur.

*[The remainder of this page is intentionally left blank]*

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

31. **Insertion of a new “Chapter 12 - Tax Adviser’s Letter” on page 43 of the Master Information Memorandum**

A new Chapter 12 - Tax Adviser’s Letter is inserted immediately after Chapter 11 - Communication with Unit Holders as follows:



Ernst & Young Tax Consultants Sdn. Bhd.  
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ey.com

Taxation adviser's letter in respect of the taxation  
of the unit trust fund and the unit holders  
(prepared for inclusion in this Third Supplementary Master Information Memorandum)

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

5 January 2024

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 Third Supplementary Master Information Memorandum in connection with the offer of units in the unit trust known as Maybank Enhanced Cash XIII Fund (“MECXIII”) and Maybank Shariah Enhanced Cash Fund (“MSEC”) (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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**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**

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<sup>1</sup>, interest and rent chargeable to tax for that basis period; and
  - C is the aggregate of the gross income consisting of dividend<sup>1</sup> 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.

<sup>1</sup> 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.

**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**



The Board of Directors  
Maybank Asset Management Sdn Bhd  
5 January 2024

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#### 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<sup>2</sup>;
  - (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002<sup>2</sup>;
  - (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)<sup>3</sup>; 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**



The Board of Directors  
Maybank Asset Management Sdn Bhd  
5 January 2024

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#### 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<sup>4</sup> or electronic funds transfer<sup>5</sup>.

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"<sup>6</sup> 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 the Finance (No. 2) Act 2023 ("Finance Act"), gains from the realisation of investments by a unit trust would no longer be exempt from tax. Pursuant to Section 61(1)(b) of the MITA, gains arising from the realisation of investments shall be treated as income of a unit trust under Section 4(aa) of MITA, provided that such gains are not related to real property as defined in the Real Property Gains Tax Act 1976. Section 4(aa) provides that gains or profits from the disposal of a capital asset<sup>7</sup> are to be treated as a class of income. Paragraph 38 of Schedule 6 of the MITA, introduced via the Finance Act, then provides an income tax exemption on gains or profits from the disposal of a capital asset situated in Malaysia, other than:

<sup>4</sup> "Cash" in this context is defined as banknotes, coins and cheques.

<sup>5</sup> "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.

<sup>6</sup> "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.

<sup>7</sup> "Capital asset" means movable or immovable property including any rights or interest thereof.

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- (i) Disposal of shares of a company incorporated in Malaysia not listed on the stock exchange<sup>B</sup>; and
- (ii) Disposal of shares under Section 15C of the MITA, which was introduced via the Finance Act, Section 15C deems gains or profits from the disposal of shares in a company incorporated outside Malaysia ("foreign company") to be derived from Malaysia and hence subject to Malaysian income tax, where the foreign company directly or indirectly owns real property in Malaysia exceeding certain thresholds, as determined based on the parameters of Section 15C

As such, capital assets that fall within the scope of charge of the MITA are as follows:

- a) Capital assets situated in Malaysia - Shares of a company incorporated in Malaysia not listed on the stock exchange and shares in foreign incorporated companies deriving value from real property in Malaysia.
- b) Capital assets situated outside Malaysia - All capital assets, not limited to shares.

Gains from disposal of capital assets situated outside Malaysia will only be subject to tax when the gains are received in Malaysia.

The Finance Act provides an effective date of 1 January 2024 for the above changes to the MITA. However, pursuant to the Income Tax (Exemption) (No. 7) Order 2023 [P.U.(A) 410], a trust body is exempted from the payment of income tax in respect of any gains or profits received from the disposal of shares of a company incorporated in Malaysia not listed on the stock exchange. This exemption applies for such disposals from 1 January to 29 February 2024.

The relevant tax rates of the gains of the disposal of capital assets are as below:

	Tax rates
A. Disposal of capital assets situated in Malaysia which was acquired before 1 January 2024	
<ul style="list-style-type: none"> <li>▸ On chargeable income of the disposal</li> <li>▸ On gross disposal price</li> </ul>	<p style="text-align: center;">10%</p> <p style="text-align: center;">2%</p>
B. Disposal of capital assets situated in Malaysia which was acquired after 1 January 2024	
<ul style="list-style-type: none"> <li>▸ On chargeable income of the disposal</li> </ul>	10%
C. Disposal of capital assets situated outside Malaysia	
<ul style="list-style-type: none"> <li>▸ On chargeable income of the disposal</li> </ul>	24% (prevailing tax rate of a unit trust)

<sup>B</sup> "stock exchange" has the meaning assigned to it in the Capital Markets and Services Act 2007  
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Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

#### 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 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 service tax<sup>9</sup> 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.

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<sup>9</sup> Pursuant to Service Tax Regulations 2018, the service tax rate is at 6%. It was proposed in Budget 2024 that the service tax rate be increased from 6% to 8% effective from 1 March 2024.

**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**



The Board of Directors  
Maybank Asset Management Sdn Bhd  
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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. See however item 2 below on certain distributions which are not taxable to unit holders.

Such taxable 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 holders.

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 MITA. 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.

As stated above, with effect from 1 January 2024 (1 March 2024 for disposal of shares of a company incorporated in Malaysia not listed on the stock exchange), gains arising from the realisation of investments shall be treated as income of the Fund under Section 4(aa), pursuant to the proviso of Section 61(1)(b) of MITA. However, pursuant to Section 61(1A) of MITA, unit holders will still not be charged to tax on the gains referred to in the proviso to Section 61(1)(b).

**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:

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Unit holders	Malaysian income tax rates
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders (such as associations and societies)</li> <li>• Co-operatives<sup>10</sup></li> <li>• Trust bodies</li> <li>• Corporate unit holders               <ul style="list-style-type: none"> <li>(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<sup>11 12</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Progressive tax rates ranging from 0% to 30%</li> <li>• Progressive tax rates ranging from 0% to 24%</li> <li>• 24%</li> <li>• First RM150,000 of chargeable income @ 15%<sup>13</sup></li> <li>• Next RM450,000 of chargeable income @17%</li> <li>• Chargeable income in excess of RM600,000 @ 24%</li> </ul>

<sup>10</sup> Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society—  
(a) in respect of a period of five years commencing from the date of registration of such co-operative society; and  
(b) thereafter where the members' funds [as defined in Paragraph 12(2)] of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit, is exempt from tax.

<sup>11</sup> A company would not be eligible for the concessionary 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.  
(d) Pursuant to the Finance Act 2023, effective from the year of assessment 2024, in order for a company to qualify for the concessionary tax rates not more than 20% of the paid-up capital in respect of the ordinary shares of the company at the beginning of a basis period for a year of assessment can be directly or indirectly owned by one or more companies incorporated outside Malaysia or by individuals who are not citizens of Malaysia.

<sup>12</sup> 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.

<sup>13</sup> Pursuant to the Finance Act 2023, effective from the year of assessment 2023, the concessionary tax rate is reduced from 17% to 15% for the first RM150,000 of chargeable income.

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.



The Board of Directors  
 Maybank Asset Management Sdn Bhd  
 5 January 2024

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Unit holders	Malaysian income tax rates
(ii) Companies other than (i) above	<ul style="list-style-type: none"> <li>• 24%</li> </ul>
Non-Malaysian tax resident (Note 1): <ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders</li> <li>• Corporate unit holders and trust bodies</li> </ul>	<ul style="list-style-type: none"> <li>• 30%</li> <li>• 24%</li> </ul>

**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 sale of units 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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**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**



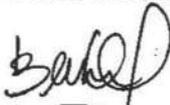
The Board of Directors  
Maybank Asset Management Sdn Bhd  
5 January 2024

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

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

Yours faithfully  
Ernst & Young Tax Consultants Sdn Bhd



Bernard Yap  
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser's Letter in the form and context in which it appears in this Third Supplementary Master Information Memorandum and has not withdrawn such consent before the date of issue of this Third Supplementary Master Information Memorandum.

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**Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.**

**32. Insertion of a new “Chapter 13 - Conflict of Interests and Related Party Transactions” on page 52 of the Master Information Memorandum**

A new Chapter 13 - Conflict of Interests and Related Party Transactions is inserted immediately after Chapter 12 - Tax Adviser’s Letter as follows:

As at 31 December 2023, we are not aware of any existing or potential conflict of interest situations which may arise.

Save as disclosed below, there are no existing or proposed related party transactions involving the Fund, us as the Manager, the Trustee and/or persons connected to them as at 31 December 2023:

Name of Party	Name of Related Party and Nature of Relationship	Existing / Potential Related Party Transaction
The Manager	<p>Maybank.</p> <p>The Manager is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”). Maybank is a substantial shareholder of MAMG.</p>	<p>Distributor:</p> <p>Maybank has been appointed as one of the Manager’s institutional unit trust scheme advisers.</p> <p>Delegate:</p> <p>The Manager has delegated its back office functions (i.e. the fund accounting and valuation function and maintenance of the register of Unit Holders) to Maybank Securities Solutions which is a unit within Maybank.</p>
	<p>MAMG.</p> <p>The Manager is wholly-owned by MAMG.</p>	<p>Delegate:</p> <p>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.</p>
	<p>Maybank Shared Services Sdn Bhd.</p>	<p>Delegate:</p> <p>The Manager has delegated its back office function (i.e. information technology) to</p>

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

	Maybank Shared Services Sdn Bhd is wholly-owned by Maybank.	Maybank Shared Services Sdn Bhd.
	<p>Maybank Islamic Asset Management Sdn Bhd (“MIAM”).</p> <p>MIAM is wholly-owned by MAMG. MAMG wholly owns the Manager.</p>	<p>External Investment Manager:</p> <p>The Manager has appointed MIAM as the external investment manager for MSEC.</p>
	<p>Maybank Islamic Berhad (“MIB”).</p> <p>Maybank Islamic Berhad is a wholly-owned subsidiary of Maybank.</p>	<p>Shariah Advisers for MSEC:</p> <p>The Manager has appointed MIB as the Shariah advisers for MSEC.</p>

*[The remainder of this page is intentionally left blank]*

Investors are advised to read this Third Supplementary Master Information Memorandum dated 8 February 2024 together with the Master Information Memorandum dated 9 August 2017, the First Supplementary Master Information Memorandum dated 17 July 2018 and the Second Supplementary Master Information Memorandum dated 1 April 2019.

## SECOND SUPPLEMENTARY MASTER INFORMATION MEMORANDUM

This Second Supplementary Master Information Memorandum dated 1 April 2019 must be read together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018 for:

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FUNDS	DATES OF CONSTITUTION
Maybank Enhanced Cash XIII Fund (“MECXIII”)	3 March 2008
Maybank Shariah Enhanced Cash Fund (“MSEC”)	24 November 2008

*Notes:*

- (1) The Maybank Enhanced Cash XI Fund (“MECXI”) has been terminated on 2 January 2019.*
  - (2) The Maybank Enhanced Cash XII Fund (“MECXII”) is no longer offered for sale from the date of this Second Supplementary Master Information Memorandum.*
- 

<b>Manager</b>	:	Maybank Asset Management Sdn. Bhd. (421779-M)
<b>Trustees</b>	:	PB Trustee Services Berhad (7968-T)
		AmanahRaya Trustees Berhad (766894-T)

**INVESTORS ARE ADVISED TO READ THIS SECOND SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 1 APRIL 2019 TOGETHER WITH THE MASTER INFORMATION MEMORANDUM DATED 9 AUGUST 2017 AND THE FIRST SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 17 JULY 2018 AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUNDS.**

## **Responsibility Statements**

This Second Supplementary Master Information Memorandum has been seen 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 contained herein and confirm, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts omitted which would make any statement herein misleading.

## **Statements of Disclaimer**

The Securities Commission Malaysia (“SC”) has authorised the Funds, the subject of this Second Supplementary Master Information Memorandum, and the authorisation shall not be taken to indicate that the SC recommends the investments.

The SC will not be liable for any non-disclosure on the part of the Manager and takes no responsibility as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the content of this Second Supplementary Master Information Memorandum.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

## **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 Second Supplementary Master Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Second Supplementary Master Information Memorandum or the conduct of any other person in relation to the Funds.

The Funds 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 Funds.

**The MSEC has been certified as Shariah-compliant by the Shariah advisers appointed for the Fund.**

**Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.**

1. **Amendment to the Manager’s details in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

The facsimile number at the business office of Maybank Asset Management Sdn. Bhd. is hereby deleted in its entirety and replaced with the following:

Fax No: 03 - 2715 0071

2. **Amendment to the Trustees’ details in “Chapter 1 - Corporate Directory” on page 1 of the Master Information Memorandum**

The references to MECXI and MECXII under PB Trustee Services Berhad are hereby deleted in its entirety and replaced with the following:

*Trustee for MECXIII:*  
**PB TRUSTEE SERVICES BERHAD**

3. **Amendment to the definition of Funds in “Chapter 2 - Definitions” on page 3 of the Master Information Memorandum**

The definition of Funds is hereby deleted in its entirety and replaced with the following:

Funds means Maybank Enhanced Cash XIII Fund (“MECXIII”) and Maybank Shariah Enhanced Cash Fund (“MSEC”).

4. **Deletion of the definition of GST in “Chapter 2 - Definitions” on page 3 of the Master Information Memorandum**

The definition of GST is hereby deleted in its entirety.

5. **Amendment to the definition of Sophisticated Investor in “Chapter 2 - Definitions” on pages 4 to 5 of the Master Information Memorandum**

The definition of Sophisticated Investor is hereby deleted in its entirety and replaced with the following:

Sophisticated Investor means:

- (a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3 million or its equivalent in foreign currencies, excluding the value of the individual’s primary residence;
- (b) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
- (c) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months;

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

- (d) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (e) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (f) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (g) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under CMSA and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (h) a pension fund approved by the Director General of Inland Revenue under Section 150 of the Income Tax Act 1967;
- (i) a statutory body established by an Act of Parliament or an enactment of any State;
- (j) Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009;
- (k) a holder of a capital markets services licence;
- (l) an executive director or chief executive officer of a holder of a capital markets services licence;
- (m) a unit trust scheme or a prescribed investment scheme;
- (n) a closed-end fund approved by the SC;
- (o) a licensed bank as defined in the Financial Services Act 2013 or a licensed Islamic bank as defined in the Islamic Financial Services Act 2013;
- (p) a Labuan bank as defined under the Labuan Financial Services and Securities Act 2010;
- (q) a licensed insurer as defined in the Financial Services Act 2013;
- (r) an insurance licensee as defined in the Labuan Financial Services and Securities Act 2010;
- (s) a takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010;
- (t) a licensed takaful operator as defined in the Islamic Financial Services Act 2013;
- (u) a private retirement scheme as defined in CMSA; and
- (v) such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time

**Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.**

and/or under the relevant guidelines for wholesale funds.

6. **Amendment to the definition of Trustee(s) in “Chapter 2 - Definitions” on page 5 of the Master Information Memorandum**

The definition of Trustee(s) is hereby deleted in its entirety and replaced with the following:

Trustee(s) means:  
i) PB Trustee Services Berhad for MECXIII; and  
ii) AmanahRaya Trustees Berhad for MSEC.

7. **Amendment to section 3.2 - Specific Risks of the Funds in “Chapter 3 - Risk Factors” on pages 8 to 10 of the Master Information Memorandum**

The information on the specific risks of MECXI and MECXII are hereby deleted in its entirety.

8. **Amendment to section 3.3 - Risk Management Strategies and Techniques in “Chapter 3 - Risk Factors” on pages 10 to 11 of the Master Information Memorandum**

The information on the risk management strategies and techniques of MECXI and MECXII are hereby deleted in its entirety.

9. **Deletion of section 4.1 - Maybank Enhanced Cash XI Fund in “Chapter 4 - Information on the Funds” on pages 12 to 14 of the Master Information Memorandum**

The information on MECXI is hereby deleted in its entirety.

The sections immediately after this section are renumbered accordingly.

10. **Deletion of section 4.2 - Maybank Enhanced Cash XII Fund in “Chapter 4 - Information on the Funds” on pages 15 to 17 of the Master Information Memorandum**

The information on MECXII is hereby deleted in its entirety.

The sections immediately after this section are renumbered accordingly.

11. **Amendment to section 4.3.5 - Deed in “Chapter 4 - Information on the Funds” on page 18 of the Master Information Memorandum**

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

The deed dated 3 March 2008 as amended by the first supplemental deed dated 8 October 2012, the second supplemental deed dated 30 March 2015 and the third supplemental deed dated 12 August 2015.

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

**12. Amendment to section 4.3.6 - Investment Objective in “Chapter 4 - Information on the Funds” on page 18 of the Master Information Memorandum**

The investment objective of MECXIII is hereby deleted and replaced with the following:

The Fund is a Short Term money market fund that invests in instruments which generate income. The Fund aims to provide regular income that is potentially higher than prevailing money market and traditional bank deposits, stability of capital and a high level of liquidity. The Fund aims to distribute income on a quarterly basis.

**13. Amendment to section 4.4.5 - Deed in “Chapter 4 - Information on the Funds” on page 20 of the Master Information Memorandum**

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

The deed dated 24 November 2008 as amended by the first supplemental deed dated 8 October 2012, the second supplemental deed dated 30 March 2015 and the third supplemental deed dated 8 September 2017.

**14. Amendment to section 4.4.6 - Investment Objective in “Chapter 4 - Information on the Funds” on page 20 of the Master Information Memorandum**

The investment objective of MSEC is hereby deleted and replaced with the following:

The Fund is a Short Term money market fund that invests in instruments which generate income. The Fund aims to provide liquidity (T+1) and current (regular) income, while maintaining capital stability by investing in instruments that comply with the Shariah principles. The Fund is targeted at corporate and high net worth individuals who are generally risk averse and prefer Short Term investments.

*Notes:*

- (1) T is the day where a request/application to redeem is received by the Manager before the cut-off time.*
- (2) Capital stability does not signify that the capital/ principal invested is guaranteed or protected by any party.*

**15. Amendment to section 5.3 - Transfer Fee in “Chapter 5 - Fees, Charges and Expenses” on page 23 of the Master Information Memorandum**

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

RM10.00 per transfer.

*Notes:*

- (1) The Manager reserves the right to waive the transfer fee.*
- (2) The transfer fee stated above is exclusive of any taxes or duties as may be imposed by the government or other authorities from time to time.*
- (3) 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.*

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

16. **Amendment to section 5.4 - Switching Fee in “Chapter 5 - Fees, Charges and Expenses” on page 23 of the Master Information Memorandum**

The note is hereby deleted in its entirety and replaced with the following:

Notes:

- (1) *The Manager reserves the right to waive or reduce the switching fee at its absolute discretion.*
- (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.*
- (3) *Switching fee stated above is exclusive of any taxes or duties as may be imposed by the government or other authorities from time to time.*

17. **Amendment to section 5.5 - Management Fee in “Chapter 5 - Fees, Charges and Expenses” on pages 23 to 24 of the Master Information Memorandum**

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

Funds	Management Fee
Maybank Enhanced Cash XIII Fund	Up to 0.45% per annum of the NAV of the Fund.
Maybank Shariah Enhanced Cash Fund	Up to 0.45% per annum of the NAV of the Fund.

*Note: Management fee stated above is exclusive of any taxes or duties as may be imposed by the government or other authorities from time to time.*

Please note that the example below is for illustration only:

Assuming the NAV of the Fund (before deducting the management fee and trustee fee) for a particular day is RM30,000,000 with a management fee of 0.45% of the NAV of the Fund, then the accrued management fee for that day would be:

$$\frac{\text{RM30,000,000} \times 0.45\%}{365\text{days}} = \text{RM369.86 per day}$$

18. **Amendment to section 5.6 - Trustee Fee in “Chapter 5 - Fees, Charges and Expenses” on page 24 of the Master Information Memorandum**

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

Funds	Trustee Fee
Maybank Enhanced Cash XIII Fund Maybank Shariah Enhanced Cash Fund	0.05% per annum of the NAV of the Fund, subject to a minimum fee of RM18,000 per annum.

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

*Note: Trustee fee stated above is exclusive of any taxes or duties as may be imposed by the government or other authorities from time to time.*

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is RM 30,000,000 for the day with a trustee fee of 0.05% of the NAV of the Fund, then the accrued trustee fee for that day would be:

$$\frac{\text{RM}30,000,000 \times 0.05\%}{365 \text{ days}} = \text{RM}41.10 \text{ per day}$$

**19. Amendment to section 5.7 - Fund Expenses in “Chapter 5 - Fees, Charges and Expenses” on pages 24 to 25 of the Master Information Memorandum**

The statement in the textbox is hereby deleted in its entirety and replaced with the following:

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

*Note: All fees, charges and expenses stated herein are exclusive of any taxes or duties as may be imposed by the government or other authorities from time to time. The Unit Holder and/or the Fund (as the case may be) are responsible to pay the applicable amount of the said taxes or duties in addition to the fees, charges and expenses stated herein.*

**20. Amendment to section 6.2 - Computation of NAV in “Chapter 6 - Transaction Information” on page 26 of the Master Information Memorandum**

The illustration on how NAV per Unit is calculated is hereby deleted in its entirety and replaced with the following:

An illustration on how NAV per Unit is calculated (on a Business Day) is as follows:

<b>Example</b>	
NAV	RM 25,023,711.32
Units	25,000,000
NAV/Units	<u>RM 25,023,711.32</u>
	25,000,000
NAV per Unit	RM 1.0009

*Note: RM 1.0009 (rounded to nearest 4 decimal places for publication purposes).*

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

21. **Amendment to section 6.3 - Pricing of Units in “Chapter 6 - Transaction Information” on pages 26 to 27 of the Master Information Memorandum**

The illustration under the heading “Selling Price” is hereby deleted in its entirety and replaced with the following:

*Illustration:*

If a Unit Holder makes an investment of RM5,000,000.00 at the Selling Price per Unit of RM1.0229 (which is the Fund’s NAV of a Unit as at the next valuation point) with no sales charge, a sum of RM5,000,000.00 would be payable as follows:

Investment amount	RM 5,000,000.00
Add: sales charge @ Nil	-
Total amount paid by the Unit Holder	<u>RM 5,000,000.00</u>

The Unit Holder will be allotted with Units calculated as follows:

Units computed	<u>RM 5,000,000.00</u>	4,888,063.3493 Units
is calculated as	RM 1.0229	
		4,888,063.35 Units*

*\*Units computed are rounded to the nearest 2 decimal places.*

22. **Amendment to section 6.3 - Pricing of Units in “Chapter 6 - Transaction Information” on pages 26 to 27 of the Master Information Memorandum**

The illustration under the heading “Redemption Price” is hereby deleted in its entirety and replaced with the following:

*Illustration:*

If a Unit Holder redeems 100,000 Units, assuming the NAV per Unit as at the next valuation point is RM1.0229, the Unit Holder would receive net proceeds of redemption of RM102,290.00 as follows:

Redemption proceeds:	100,000 Units x RM1.0229	= RM102,290.00
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23. **Amendment to section 7.1 - Making an Investment in “Chapter 7 - Transaction Details” on page 28 of the Master Information Memorandum**

The information on the minimum initial investment and minimum additional investment relating to MECXI and MECXII in the table are hereby deleted in its entirety.

24. **Amendment to section 7.2 - Redemption of Units in “Chapter 7 - Transaction Details” on pages 28 to 29 of the Master Information Memorandum**

The information relating to MECXI and MECXII in the following tables under this section are hereby deleted in its entirety:

- (a) the table immediately after the second paragraph relating to the Fund’s cut-off time;

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

- (b) the table under the fifth paragraph relating to the Fund’s duration on the payable redemption proceeds; and
- (c) the table immediately after the second paragraph under the heading “Frequency and Minimum Units Redeemed”.

**25. Amendment to section 7.6 - Income Distribution Policy and Distribution Mode in “Chapter 7 - Transaction Details” on pages 30 to 31 of the Master Information Memorandum**

The information relating to MECXI and MECXII in the table are hereby deleted in its entirety.

The third paragraph under the heading “Distribution Mode” is hereby deleted on its entirety and replaced with the following:

Distribution will be re-invested or paid to the Unit Holders on the income payment date (which is within ten (10) calendar days from the distribution declaration date announced by the Manager for MECXIII and within seven (7) Business Days from the distribution declaration date for MSEC). Reinvestment of Units will be based on the NAV per Unit on the income payment date.

**26. Amendment to section 10.3 - Power To Call For A Meeting in “Chapter 10 - Salient Terms of the Deed” on pages 39 to 40 of the Master Information Memorandum**

The information relating to MECXI and MECXII in the table under the third paragraph are hereby deleted in its entirety.

**27. Amendment to section 11.5 - Goods and Services Tax in “Chapter 11 - Communication with Unit Holders” on page 42 of the Master Information Memorandum**

The information relating to goods and services tax is hereby deleted in its entirety and replaced with the following:

**11.5 Tax**

Unit Holders and/or the Funds, 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 Master Information Memorandum.

**28. Amendment to “Chapter 12 - Tax Adviser’s Letter” on pages 43 to 51 of the Master Information Memorandum**

The letter of the tax adviser is hereby removed in its entirety.

Investors are advised to read this Second Supplementary Master Information Memorandum dated 1 April 2019 together with the Master Information Memorandum dated 9 August 2017 and the First Supplementary Master Information Memorandum dated 17 July 2018.

## **FIRST SUPPLEMENTARY MASTER INFORMATION MEMORANDUM**

This First Supplementary Master Information Memorandum dated 17 July 2018 must be read together with the Master Information Memorandum dated 9 August 2017 for:-

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<b>FUND</b>	<b>DATE OF CONSTITUTION</b>
Maybank Enhanced Cash XI Fund	3 October 2007
Maybank Enhanced Cash XII Fund	11 February 2008
Maybank Enhanced Cash XIII Fund	3 March 2008
Maybank Shariah Enhanced Cash Fund	24 November 2008

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<b>Manager</b>	:	Maybank Asset Management Sdn Bhd (421779-M)
<b>Trustees</b>	:	PB Trustee Services Berhad (7968-T) AmanahRaya Trustees Berhad (766894-T)

**INVESTORS ARE ADVISED TO READ THIS FIRST SUPPLEMENTARY MASTER INFORMATION MEMORANDUM DATED 17 JULY 2018 TOGETHER WITH THE MASTER INFORMATION MEMORANDUM DATED 9 AUGUST 2017 AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE FUNDS.**

## **Responsibility Statements**

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

## **Statements of Disclaimer**

The Securities Commission Malaysia has authorised the Funds, the subject of this First Supplementary Master Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Manager and takes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the content of this First Supplementary Master Information Memorandum.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

## **Additional Statements**

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

The Funds 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 Funds.

The Maybank Shariah Enhanced Cash Fund has been certified as Shariah-compliant by the Shariah advisers appointed for the Fund.

**This First Supplementary Master Information Memorandum is dated 17 July 2018 and must be read together with the Master Information Memorandum dated 9 August 2017.**

1. Amendment to section 5.3 - Transfer Fee in “Chapter 5 - Fees, Charges and Expenses” on page 23 of the Master Information Memorandum

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

RM10.00 per transfer.

*Note: The Manager reserves the right to waive the transfer fee.*

2. Amendment to section 5.4 - Switching Fee in “Chapter 5 - Fees, Charges and Expenses” on page 23 of the Master Information Memorandum

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

RM10.00 per switch.

*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.*

3. Amendment to section 5.5 - Management Fee in “Chapter 5 - Fees, Charges and Expenses” on pages 23 to 24 of the Master Information Memorandum

The second paragraph is hereby deleted in its entirety and replaced with the following:

Please note that the example below is for illustration only:

Assuming the NAV of the Fund (before deducting the management fee and trustee fee) for a particular day is RM30,000,000 with a management fee of 0.45% (exclusive of GST), then the accrued management fee (exclusive of GST) for that day would be:-

$$\frac{\text{RM30,000,000} \times 0.45\%}{365 \text{ days}} = \text{RM369.86 per day}$$

Assuming GST of 0% is applicable to the management fee, the GST applicable to the management fee for that day would be:-

= management fee for that day x GST

= RM369.86 x 0%

= RM0.00 (rounded to 2 decimal points)

Management fee for that day charged by the Fund inclusive of GST:

= RM369.86 + RM0.00

= **RM369.86**

This First Supplementary Master Information Memorandum is dated 17 July 2018 and must be read together with the Master Information Memorandum dated 9 August 2017.

4. **Amendment to section 5.6 - Trustee Fee in “Chapter 5 - Fees, Charges and Expenses” on page 24 of the Master Information Memorandum**

The second paragraph is hereby deleted in its entirety and replaced with the following:

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is RM 30,000,000 for the day with a trustee fee of 0.05% (exclusive of GST), the accrued trustee fee (exclusive of GST) for that day would be:-

$$\frac{\text{RM}30,000,000 \times 0.05\%}{365 \text{ days}} = \text{RM}41.10 \text{ per day}$$

Assuming GST of 0% is applicable to the trustee fee, the GST applicable to the trustee fee for that day would be:-

$$\begin{aligned} &= \text{trustee fee for that day} \times \text{GST} \\ &= \text{RM}41.10 \times 0\% \\ &= \text{RM}0.00 \text{ (rounded to 2 decimal points)} \end{aligned}$$

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

$$\begin{aligned} &= \text{RM}41.10 + \text{RM}0.00 \\ &= \underline{\text{RM}41.10} \end{aligned}$$

5. **Amendment to section 7.3 - Transfer Ownership of Units in “Chapter 7 - Transaction Details” on page 29 of the Master Information Memorandum**

The information on the transfer ownership of units is hereby deleted in its entirety and replaced with the following:

Transfer of ownership of Units is allowed for the Funds.

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. **Amendment to section 7.4 - Switching between Funds in “Chapter 7 - Transaction Details” on pages 29 to 30 of the Master Information Memorandum**

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

Unit Holders are permitted to switch from and to other funds managed by Manager provided that both funds are denominated in the same currency.

Switching will be made at the prevailing net asset value per unit of the fund to be switched from and the intended fund to be switched to on a Business Day when the switching request is received by the Manager, subject to availability and any terms and conditions imposed by the intended fund, if any.

There are no restrictions on the frequency of switching.

**This First Supplementary Master Information Memorandum is dated 17 July 2018 and must be read together with the Master Information Memorandum dated 9 August 2017.**

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, and subsequently switches back to a fund with a higher sales charge similar to the first fund, the Unit Holder would need to pay the difference in sales charge between these funds unless waived by the Manager.

Switching from Shariah-compliant fund to a conventional fund is discouraged especially for Muslim Unit Holders.

**7. Amendment to section 8.1 - Background Information in “Chapter 8 - The Manager” on page 33 of the Master Information Memorandum**

The first sentence of the second paragraph is hereby deleted and replaced with the following:

The Manager is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”), a subsidiary of Maybank.

**8. Amendment to section 8.3 - Board of Directors of the Manager in “Chapter 8 - The Manager” on page 33 of the Master Information Memorandum**

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

The Manager has an experienced board of directors with background in the financial markets. They are responsible for overseeing the activities of the Manager and the establishment of the Funds’ policies. Board meetings are held at least four (4) times annually or more frequently should the circumstances require.

Board of Directors

Dr Hasnita binti Dato’ Hashim  
Goh Ching Yin  
Badrul Hisyam bin Abu Bakar  
Ahmad Najib bin Nazlan

**9. Amendment to section 8.5 - External Investment Manager (for MSEC) in “Chapter 8 - The Manager” on page 34 of the Master Information Memorandum**

The first sentence under “Background of MIAM” is hereby deleted in its entirety and replaced with the following:

MIAM is wholly-owned by Maybank Asset Management Group Berhad (“MAMG”), a subsidiary of Maybank.

The information under “Board of Directors of MIAM” is hereby deleted in its entirety.

**This First Supplementary Master Information Memorandum is dated 17 July 2018 and must be read together with the Master Information Memorandum dated 9 August 2017.**

10. **Amendment to section 11.2 - Unit Price in “Chapter 11 - Communication with Unit Holders” on page 41 of the Master Information Memorandum**

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

Unit Holders will be able to obtain the Unit prices of the Funds from [www.maybank-am.com.my](http://www.maybank-am.com.my).

11. **Amendment to section 11.4 - Customer Information Service in “Chapter 11 - Communication with Unit Holders” on page 42 of the Master Information Memorandum**

The details of the Securities Commission Malaysia under sub-paragraph (iii) is hereby deleted in its entirety and replaced with the following:

- (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](mailto:aduan@seccom.com.my)
  - Online complaint form : [www.sc.com.my](http://www.sc.com.my)
  - Letter: Consumer & Investor Office  
Securities Commission Malaysia  
No. 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

This First Supplementary Master Information Memorandum is dated 17 July 2018 and must be read together with the Master Information Memorandum dated 9 August 2017.

**Responsibility Statements**

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

**Statements of Disclaimer**

The Securities Commission Malaysia has authorised the Funds, the subject of this Master Information Memorandum, and the authorisation shall not be taken to indicate that the Securities Commission Malaysia recommends the investment. The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Manager and takes no responsibility for the contents of this Master Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the content of this Master Information Memorandum.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IMMEDIATELY.**

**Additional Statements**

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

The Funds 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 Funds.

**The Maybank Shariah Enhanced Cash Fund has been certified as Shariah-compliant by the Shariah advisers.**

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**(1) CORPORATE DIRECTORY**

<b>MANAGER</b>	Maybank Asset Management Sdn Bhd (421779-M)
<b>REGISTERED OFFICE</b>	5 <sup>th</sup> Floor, Tower A, Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7870
<b>BUSINESS OFFICE</b>	Level 12, Tower C, Dataran Maybank No 1, Jalan Maarof 59000 Kuala Lumpur Tel No: 03 - 2297 7888 Fax No: 03 - 2297 7998
<i>For MSEC:</i> <b>SHARIAH ADVISERS</b>	Maybank Islamic Berhad (787435-M)
<b>REGISTERED OFFICE</b>	14 <sup>th</sup> Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Tel. No.: 03 - 2070 8833
<b>BUSINESS OFFICE</b>	Level 10, Tower A, Dataran Maybank No. 1 Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03 - 2297 2001 Fax No.: 03 - 2297 2002
<i>For MSEC:</i> <b>EXTERNAL INVESTMENT MANAGER</b>	Maybank Islamic Asset Management Sdn Bhd (1042461-K)
<b>REGISTERED OFFICE</b>	5 <sup>th</sup> Floor, Tower A, Dataran Maybank No. 1 Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03 - 2074 7187 Fax No.: 03 - 2031 0071
<b>BUSINESS OFFICE</b>	Level 12, Tower C, Dataran Maybank No. 1 Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03 - 2297 7888 Fax No.: 03 - 2711 8588
<b>TRUSTEES</b>	
<i>Trustee for MECXI, MECXII &amp; MECXIII:</i> <b>PB TRUSTEE SERVICES BERHAD</b>	
<b>REGISTERED OFFICE AND BUSINESS OFFICE</b>	17 <sup>th</sup> Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur Tel No: 03- 2176 6651 Fax No: 03- 2164 3285

*Trustee for MSEC:*  
**AMANAHRAYA TRUSTEES BERHAD**

**REGISTERED OFFICE**                      Tingkat 11, Wisma AmanahRaya,  
No. 2, Jalan Ampang,  
50508 Kuala Lumpur.

**BUSINESS OFFICE**                      Tingkat 2, Wisma AmanahRaya II,  
No. 21, Jalan Melaka,  
50100 Kuala Lumpur.  
Tel No: 03- 2036 5000/5129  
Fax No : 03- 2072 0322

## (2) DEFINITIONS

In this Master Information Memorandum, the following abbreviations or words shall have the following meanings unless otherwise stated:

Act or CMSA	means the Capital Markets and Services Act 2007, including all amendments thereto and all regulations, rules and guidelines issued in connection therewith.
Bank Negara Malaysia	means the central bank of Malaysia.
Bursa Malaysia	means the stock exchange managed and operated by Bursa Malaysia Securities Berhad (635998-W).
Business Day	means a day on which the Bursa Malaysia is open for trading.
CMSRL	means capital markets services representative's licence.
CPs	means commercial papers.
Deed	means the deed in respect of the Funds and any other supplemental deed that may be entered into between the Manager and the Trustee.
External Investment Manager	refers to Maybank Islamic Asset Management Sdn Bhd (1042461-K), the external investment manager for the MSEC.
Fixed Deposit	means money placement with financial institutions ranging from overnight placement to any tenure offered by the financial institutions for the purpose of the Funds.
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.
Funds	means Maybank Enhanced Cash XI Fund ("MECXI"), Maybank Enhanced Cash XII Fund ("MECXII"), Maybank Enhanced Cash XIII Fund ("MECXIII") and Maybank Shariah Enhanced Cash Fund ("MSEC").
GST	means goods and services tax pursuant to the Goods and Services Tax Act 2014.
Guidelines	means the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC and any other relevant guidelines issued by the SC.
Info Memo	means the Master Information Memorandum for the Funds.
Investor(s)	means any potential Unit Holder(s).
Islamic Fixed Deposits	means Shariah-compliant money placement with financial institutions ranging from overnight placement to any tenure offered by the financial institutions for the purpose of the Funds.

LPD	means latest practicable date as at 30 June 2017.
Manager/ Management Company/Maybank AM	means Maybank Asset Management Sdn Bhd (421779-M).
MARC	means Malaysian Rating Corporation Berhad (364803-V).
NAV per Unit	means the NAV of the Fund divided by the total number of Units in circulation at the valuation point.
Net Asset Value or NAV	means the total value of the Fund's assets minus its liabilities at the valuation point. For the purpose of computing the annual management fee and annual trustee fee, it should include the management fee and the trustee fee for the relevant day.
NID	means negotiable instrument of deposits that would include both conventional and Shariah certificates.
PDS	means private debt securities.
RAM	means RAM Rating Services Berhad (208095-U).
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.
SACSC	means the Shariah Advisory Council of the Securities Commission.
SC	means the Securities Commission Malaysia.
Selling Price	means the price payable by an investor or a Unit Holder for the purchase of a Unit of the Fund and will be the NAV per Unit 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. The primary sources are the Quran, the Sunnah, Ijma' and Qiyas while the secondary ones are those established sources such as Maslahah, Istihsan, Istishab, 'Uruf and Sadd Zara'ie.
Shariah advisers	refers to Maybank Islamic Berhad (787435-M), the Shariah adviser for the MSEC.
Short Term	means a period between one (1) day to three hundred and sixty five (365) days.
Sophisticated Investor	means: <ul style="list-style-type: none"> <li>(a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceeds RM3 million or its equivalent in foreign currencies, excluding the value of the individual's primary residence;</li> <li>(b) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;</li> </ul>

- (c) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
- (d) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
- (e) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
- (f) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (g) a corporation that is a public company under the Companies Act 2016 which is approved by the SC to be a trustee under CMSA and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
- (h) a pension fund approved by the Director General of Inland Revenue under the Income Tax Act 1967;
- (i) a statutory body established by an Act of Parliament or an enactment of any State;
- (j) Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009;
- (k) a holder of a capital markets services licence;
- (l) an executive director or chief executive officer of a holder of a capital markets services licence;
- (m) a unit trust scheme or a prescribed investment scheme;
- (n) a closed-end fund approved by the SC;
- (o) a licensed institution as defined in the Financial Services Act 2013 or an Islamic bank as defined in the Islamic Financial Services Act 2013;
- (p) a Labuan bank as defined under the Labuan Financial Services and Securities Act 2010;
- (q) an insurance company registered under the Financial Services Act 2013;
- (r) an insurance licensee licensed under the Labuan Financial Services and Securities Act 2010;
- (s) a takaful licensee licensed under the Labuan Islamic Financial Services and Securities Act 2010;
- (t) a takaful operator registered under the Islamic Financial Services Act 2013;
- (u) a private retirement scheme as defined in CMSA; and
- (v) such other investor(s) as may be permitted by the Securities Commission Malaysia from time to time and/or under the relevant guidelines for wholesale funds.
- Trustee(s) i) PB Trustee Services Berhad for MECXI, MECXII and MECXIII; and  
ii) AmanahRaya Trustees Berhad for MSEC.
- Unit(s) means a measurement of the right or interest of a Unit Holder in the Fund and means a Unit (including a fraction of a Unit) of the Fund.
- Unit Holder(s) means the person registered as a holder of a Unit or Units including persons jointly registered for the Fund.
- 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.

### (3) RISK FACTORS

This section of the Info Memo provides you with information on the general risks involved when investing in the Funds and the specific risks associated with the securities/instruments that the Funds will be investing in.

#### 3.1 General Risks of Investing in the Funds

An investor should consider the following general risks when investing in the Funds:

- **Management Risk**  
Poor management of a Fund might jeopardize the investment of Unit Holders. This risk arises as performance of the Fund is dependent on investment decisions of the Manager that may adversely affect the Fund's performance. The quality of management is also dependent on the internal circumstances within the Manager and other factors that may be beyond the control of the Manager. This risk is reduced through the implementation of a structured operational process and internal controls.
- **Market Risk**  
The value of an investment will decrease due to changes in market factors i.e. economic, political, or other events that impact large portions of the market. Market risk cannot be eliminated, hence the Manager will monitor the financial markets closely and act on any adverse news accordingly.
- **Liquidity risk**  
The ability of a Fund to honour requests for redemption or to pay back Investors' investments is subject to the Fund's holding of adequate liquid assets. This liquidity risk is mitigated by investing in a wide range of securities with satisfactory trading volumes and avoiding securities with poor liquidity.
- **Inflation risk**  
Inflation is one of the long term risks as it creates uncertainty over the future value of the investments. In an inflationary environment, a return on investment which is lower than the inflation rate will lead to a loss of purchasing power per RM to the Unit Holder.
- **Loan financing risk**  
The price of Units in a Fund fluctuates with the value of the underlying portfolios. Investors are discouraged from financing the purchased Units via borrowings and should assess the inherent risk of investing with borrowed money as returns are not guaranteed. Investors may either be forced to provide additional collateral to top up on loan margin should price of Units fall beyond a certain level or Investors could be burdened with a higher cost of financing when interest rate increases.
- **Non-compliance risk**  
It is the risk that the Manager might not follow the provisions set out in the Info Memo or the Deed or the law that governs the Funds or its own internal procedures, or will act fraudulently or dishonestly which may result in the Funds being mismanaged and may affect the Unit Holders' investments.
- **Returns are not Guaranteed**  
Investors should be aware that by investing in a Fund, there is no guarantee of any income distribution, returns or capital appreciation. Unlike fixed deposits placed directly by the Investors into any financial institutions which carry a specific rate of return, a Fund does not provide a fixed rate of return.

### 3.2 Specific Risks of the Funds

An investor should consider the following risks when investing in the Funds:-

Funds	Specific Risks
<p><b>Maybank Enhanced Cash XI Fund</b></p>	<ul style="list-style-type: none"> <li> <p>• <b>Interest Rate Risk</b> Interest rate fluctuations do affect the deposit returns of the Fund. Interest rates offered by the financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Fixed Deposit. The Fund's investment in Fixed Deposits will benefit from higher interest rate and in the event that the interest rate is low the Fund's returns will also be low. Changes in the level of interest will cause prices of money market instruments to change inversely. This risk can largely be eliminated by holding the instruments until maturity, thereby locking in price and yields.</p> </li> <li> <p>• <b>Credit / Default Risk</b> This risk occurs when the issuer of the investments of the Fund, for example, when a financial institution defaults on its agreement, i.e. unable to service any deposit interest/coupon payments or pay the principal amount upon maturity. In such cases, Investors may suffer significant capital losses with regards to their capital invested and interest foregone.</p> </li> <li> <p>• <b>Deposit Account Risk</b> When the Fund invests into Fixed Deposits account, the interest/profits are safeguarded by the bank. However, the investments are not without risk. In the event that the bank becomes insolvent, the Fund might have difficulty in getting back the money.</p> </li> <li> <p>• <b>Liquidity Risk</b> It is the risk on the ability of the Fund to honour requests for redemption or to pay back Unit Holders' investments whereby it is subject to the Fund's holding of adequate liquid assets. This liquidity risk is alleviated by the Fund's primary investments in the Fixed Deposits.</p> </li> </ul>
<p><b>Maybank Enhanced Cash XII Fund</b></p>	<ul style="list-style-type: none"> <li> <p>• <b>Interest Rate Risk</b> Interest rate fluctuations do affect the Fixed Deposit returns of the Fund. Interest rates offered by the financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Fixed Deposit. The Fund's investment in Fixed Deposits will benefit from higher interest rate and in the event that the interest rate is low the Fund's returns will also be low. Changes in the level of interest will cause prices of money market instruments to change inversely. This risk can largely be eliminated by holding the instruments until maturity, thereby locking</p> </li> </ul>

	<p>in price and yields.</p> <ul style="list-style-type: none"> <li>• <b>Credit / Default Risk</b> This risk occurs when the issuer of the investments of the Fund, for example, when a financial institution defaults on its agreement, i.e. unable to service any deposit interest/coupon payments or pay the principal amount upon maturity. In such cases, Investors may suffer significant capital losses with regards to their capital invested and interest foregone.</li> <li>• <b>Deposit Account Risk</b> When the Fund invests into Fixed Deposits account, the interest/profits are safeguarded by the financial institutions. However, the investments are not without risk. In the event that the financial institutions become insolvent, the Fund might have difficulty in getting back the money.</li> <li>• <b>Liquidity Risk</b> It is the risk on the ability of the Fund to honour requests for redemption or to pay back Unit Holders' investments whereby it is subject to the Fund's holding of adequate liquid assets. This liquidity risk is alleviated by the Fund's primary investments in the Fixed Deposits.</li> </ul>
<p><b>Maybank Enhanced Cash XIII Fund</b></p>	<ul style="list-style-type: none"> <li>• <b>Interest Rate Risk</b> Interest rate fluctuations do affect the Fixed Deposit returns of the Fund. Interest rates offered by the financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Fixed Deposit. The Fund's investment in Fixed Deposits will benefit from higher interest rate and in the event that the interest rate is low the Fund's returns will also be low. Changes in the level of interest will cause prices of money market instruments to change inversely. This risk can largely be eliminated by holding the instruments until maturity, thereby locking in price and yields.</li> <li>• <b>Deposit Account Risk</b> When the Fund places monies into the Fixed Deposits, profits are safeguarded by the financial institutions. However, their investment is not without risk. In the event that the financial institutions become insolvent, the Fund may have difficulty getting back their money.</li> </ul>
<p><b>Maybank Shariah Enhanced Cash Fund</b></p>	<ul style="list-style-type: none"> <li>• <b>Profit Rate Risk</b> Profit rate fluctuations do affect the Islamic Fixed Deposit returns of the Fund. Profit rates offered by the Shariah-compliant financial institutions will fluctuate according to the overnight policy rate determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Islamic Fixed Deposit. The Fund's investment in Islamic Fixed Deposit will benefit from higher profit rate and in the event that the</li> </ul>

	<p>profit rate is low the Fund's returns will also be low. Changes in the level of profit will cause prices of money market instruments to change inversely. This risk can largely be eliminated by holding the instruments until maturity, thereby locking in price and yields.</p> <ul style="list-style-type: none"> <li>• <b>Credit / Default Risk</b> This risk occurs when the issuer of the investments of the Fund, for example, when a Shariah-compliant financial institution defaults on its agreement, i.e. unable to service any profit arise from deposit/coupon payments or pay the principal amount upon maturity. In such cases, Investors may suffer significant capital losses with regards to their capital invested and profit foregone.</li> <li>• <b>Deposit Account Risk</b> When the Fund invests into Islamic Fixed Deposit account, the profits are safeguarded by the Shariah-compliant financial institutions. However, the investments are not without risk. In the event that the Shariah-compliant financial institutions become insolvent, the Fund might have difficulty in getting back the money.</li> <li>• <b>Liquidity Risk</b> It is the risk on the ability of the Fund to honour requests for redemption or to pay back Unit Holders' investments whereby it is subject to the Fund's holding of adequate liquid assets.</li> <li>• <b>Risk of Non-Compliance with Shariah requirements</b> This risk occurs when the investment involves instrument(s) that does not comply with Shariah principles. However, it can be minimized through careful selection of Shariah-compliant placements and money market instruments.</li> </ul>
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### 3.3 Risk Management Strategies and Techniques

<b>Maybank Enhanced Cash XI Fund</b>	Prudent strategies will be adopted in structuring the Fund's portfolio as the Manager will assess the investment prospects of the placements/instruments and securities to the underlying interest rate factors, market outlook and other prevailing factors. The Fund has very limited exposure to market risk by nature of its investments in placing 100% of the NAV of the Fund in Fixed Deposits and money market instruments.
<b>Maybank Enhanced Cash XII Fund</b>	Prudent strategies will be adopted in structuring the Fund's portfolio as the Manager will assess the investment prospects of the placements/instruments and securities to the underlying interest rate factors, market outlook and other prevailing factors. The Fund has very limited exposure to market risk by nature of its investments in

	Fixed Deposits and money market instruments in addition to its other permitted investment of up to 15% of the Fund's NAV into Short Term bank guaranteed PDS with minimum credit rating of AA by RAM and/or its equivalent and PDS issued by private sector with AAA rated by RAM and/or its equivalent.
<b>Maybank Enhanced Cash XIII Fund</b>	Prudent strategies will be adopted in structuring the Fund's portfolio as the Manager will assess the investment prospects of the placements/instruments and securities to the underlying interest rate factors, market outlook and other prevailing factors. The Fund has very limited exposure to market risk by nature of its investment of 100% of the NAV of the Fund in Fixed Deposits. Fixed deposit shall be placed in any strong financial institutions with a minimum A rating by RAM or equivalent rating by MARC. In the event that such rating is not available to the financial institutions, the Manager shall depend on the rating given by RAM or MARC to the holding company of the respective financial institutions.
<b>Maybank Shariah Enhanced Cash Fund</b>	Prudent strategies will be adopted in structuring the Fund's portfolio as the Manager will assess the investment prospects of the placements/instruments and securities to the underlying profit rate factors, market outlook and other prevailing factors.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. The various asset classes generally exhibit different levels of risks. Please note that the returns of the Funds are not guaranteed.

The investments of the Funds carry risks and Investors are recommended to read the whole Info Memo to assess the risks of the Fund.

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

## (4) INFORMATION ON THE FUNDS

### 4.1 Maybank Enhanced Cash XI Fund

#### 4.1.1 Fund Type

Income.

#### 4.1.2 Fund Category

Money Market.

#### 4.1.3 Financial Year End

Every 31 December of the calendar year.

#### 4.1.4 Trustee

PB Trustee Services Berhad.

#### 4.1.5 Deed

The deed dated 3 October 2007 as amended by the first supplemental deed dated 28 September 2011 and the second supplemental deed dated 8 October 2012.

#### 4.1.6 Investment Objective

The Fund is a Short Term money market fund that aims to provide Investors with an enhanced yield while providing daily liquidity (T+1).

*Note: T is the day where a request/application to redeem is received by the Manager before the cut-off time.*

#### 4.1.7 Investor Profile

MECXI is suitable for Sophisticated Investors:-

- with a very Short Term investment horizon;
- who have a low risk tolerance;
- who seek a regular income stream\* from their investments; and
- who wish to obtain a yield that exceeds the Maybank overnight deposit rates.

*\*Note: Regular income stream is dependable on the choice of distribution mode selected by Unit Holders. The income could be in the form of cash or Units. For further details, please refer to item 7.6 on Income Distribution Policy and Distribution Mode of the Fund.*

#### 4.1.8 Asset Allocation

Limits	Investment instruments
0% to 100% of the Fund's NAV	<ul style="list-style-type: none"> <li>• Fixed Deposits; and/or</li> <li>• Money market instruments such as treasury bills, CPs, NID, bankers acceptances as well as Short Term debentures maturing within 365 days with a minimum credit rating of "P1" by RAM or equivalent rating by MARC. The strategy is to</li> </ul>

	invest in liquid, low risk Short Term investments.
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#### 4.1.9 Benchmark

The benchmark of the Fund is the Maybank overnight deposit rates which is available at [www.maybank2u.com.my](http://www.maybank2u.com.my).

#### 4.1.10 Investment Style & Strategy

The Fund is a money market fund that is actively managed to provide liquidity to meet the cash requirements of its Unit Holders while providing a reasonable level of current income. Consequently, the investments of the Fund are largely confined to Short Term money market placements/instruments that are highly liquid.

#### 4.1.11 Permitted Investments

Subject to the Deed, the investment policies for the Fund and the requirements of the SC and any other regulatory body, the Manager has the absolute discretion as to how the assets of the Fund are to be invested.

Under the Deed, the Fund can invest in a wide range of securities, including but not limited to those as set out below:-

- Fixed Deposits; and/or
- Money market instruments including Treasury bills, CPs, NID, bankers acceptances, as well as Short Term debentures.

#### 4.1.12 Investment Restrictions

The Fund is subject to the following investment restrictions/limits:-

- The value of the Fund's placement in Fixed Deposit with any licensed financial institutions must not exceed 40% of the Fund's NAV, save for placements with Malayan Banking Berhad and Maybank Islamic Berhad;
- The value of the Fund's holding in money market instruments issued by any single issuer must not exceed 40% of the Fund's NAV, save for investments in money market instruments issued by Bank Negara Malaysia and government of Malaysia;
- Short Term debentures maturing within 365 days with a minimum credit rating of "P1" by RAM or equivalent rating by MARC;
- CPs issued by any single issuer must not exceed 40% of the Fund's NAV; and
- CPs maturing within 365 days with a minimum credit rating of "P1" by RAM or equivalent rating by MARC.

The above stated restriction shall be complied with at all times based on the most up-to-date value of the Fund's investments and instruments. However, a 5% allowance in excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (as a result of an appreciation or depreciation in value of investments or as a result of the redemption of Units or payment made from the Fund). Once the relevant limit is breached, no further acquisitions of the particular securities involved shall be made and the Manager should, within a reasonable period of not more than ninety (90) days from

the date of the breach take all necessary steps and actions to rectify the breach.

#### 4.1.13 Valuation of Investment

The valuation bases of the permitted investments of the Fund are as follows:

- (a) **Investments such as placement and Fixed Deposits placed with financial institutions** shall be valued each day by reference to the principal value of such investments and income accrued thereon for the relevant period; and
- (b) **CPs, treasury bills, bankers acceptance, Bank Negara Malaysia bills, Bank Negara Malaysia negotiable notes and Short Term debentures** shall be valued daily based on accretion to maturity value of the securities. Whilst, NID will be valued each day based on the yield to maturity rate on the remaining tenure of the instruments using the interest rate swap quoted by Bank Negara Malaysia. In the event that interest rate swap quoted by Bank Negara Malaysia is not available, the average of the interest rate swaps quoted by three (3) local financial institutions shall be deemed to be the most appropriate valuation to be referred to by the Manager.

## 4.2 Maybank Enhanced Cash XII Fund

### 4.2.1 Fund Type

Income.

### 4.2.2 Fund Category

Money Market.

### 4.2.3 Financial Year End

Every 31 March of the calendar year.

### 4.2.4 Trustee

PB Trustee Services Berhad.

### 4.2.5 Deed

The deed dated 11 February 2008 as amended by the supplemental deed dated 12 October 2010 and the second supplemental deed dated 8 October 2012.

### 4.2.6 Investment Objective

The Fund is a Short Term money market fund that invests in instruments which generate tax exempted income. The Fund is targeted for corporate and institutional investors who are generally risk averse and prefer Short Term investments. The Fund aims to provide liquidity at any time (T+1) without forgoing interest earned and generate better returns compared to Fixed Deposits and/or over-the-counter repurchase agreements (repo) rates.

*Note: T is the day where a request/application to redeem is received by the Manager before the cut-off time.*

### 4.2.7 Investor Profile

MECXII is suitable for Sophisticated Investors:

- with a Short Term investment horizon;
- who have a low risk tolerance;
- who seek a regular income stream\* from their investments; and
- who wish to obtain a yield that exceeds the Maybank overnight deposit rates.

*Note: Regular income stream is dependable on the choice of distribution mode selected by Unit Holders. The income could be in the form of cash or Units. For further details, please refer to item 7.6 on Income Distribution Policy and Distribution Mode of the Fund.*

### 4.2.8 Asset Allocation

Limits	Investment instruments
Up to 100% of the Fund's NAV	<ul style="list-style-type: none"> <li>• Fixed Deposits; and</li> <li>• Money market instruments.</li> </ul>
0% to 15% of the Fund's NAV	<ul style="list-style-type: none"> <li>• Short Term fixed income securities issued by the private sector.</li> </ul>

#### 4.2.9 Benchmark

The benchmark of the Fund is the Maybank overnight deposit rates which is available at [www.maybank2u.com.my](http://www.maybank2u.com.my).

#### 4.2.10 Investment Style & Strategy

The Fund seeks to provide liquidity to meet the Short Term cash flow requirements of its Unit Holders by investing primarily in liquid, low risk and Short Term investments. It will seek to obtain a yield that exceeds the benchmark by placing up to 100% of the NAV of the Funds in Fixed Deposits and money market instruments that are highly liquid with maturity not exceeding one (1) year and invest into PDS with maturities not exceeding one (1) year. The Manager adopts an active investment strategy in managing the Fund in order to provide a reasonable level of return within the liquidity requirements.

#### 4.2.11 Permitted Investments

Subject to the Deed, the investment policies for the Fund and the requirements of the SC and any other regulatory body, the Manager has the absolute discretion as to how the assets of the Fund are to be invested.

The Fund is permitted under the Deed to invest in the following:-

- Fixed Deposits;
- Money market instruments such as treasury bills, banker's acceptance, Bank Negara Malaysia bills, Bank Negara Malaysia negotiable notes, NID with maturities not exceeding one (1) year and CPs maturing one (1) year and below with a minimum credit rating of "P1" by RAM or equivalent rating by MARC; and
- Short Term fixed income securities issued by the private sector.

#### 4.2.12 Investment Restrictions

The Fund is subject to the following investment restrictions/limits:-

- The value of the Fund's placement in Fixed Deposit with any single licensed financial institutions must not exceed 40% of the Fund's NAV, save for placements with Malayan Banking Berhad and Maybank Islamic Berhad;
- The value of the Fund's holding in money market instruments issued by any single issuer must not exceed 40% of the Fund's NAV, save for investments in money market instruments issued by Bank Negara Malaysia and government of Malaysia;
- CPs issued by any single issuer must not exceed 40% of the Fund's NAV;
- Bank-guaranteed PDS, maturing within one (1) year with a minimum credit rating of "AA-rated" by RAM or equivalent rating by MARC;
- "AAA-rated" PDS by RAM or equivalent rating by MARC maturing within six (6) months or less; and
- The value of the Fund's investments in PDS issued by any single issuer must not exceed 15% of the Fund's NAV.

The above stated restriction shall be complied with at all times based on the most up-to-date value of the Fund's investments and instruments. However, a 5% allowance in

excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (as a result of an appreciation or depreciation in value of investments or as a result of the redemption of Units or payment made from the Fund). Once the relevant limit is breached, no further acquisitions of the particular securities involved shall be made and the Manager should, within a reasonable period of not more than ninety (90) days from the date of the breach take all necessary steps and actions to rectify the breach.

#### 4.2.13 Valuation of Investment

The valuation bases of the permitted investments of the Fund are as follows:

- a) Fixed Deposits placed with financial institutions are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period.
- b) CPs, treasury bills, bankers' acceptance, Bank Negara Malaysia bills and Bank Negara Malaysia negotiable notes shall be valued daily based on accretion to maturity value of the securities. Whilst, NID will be valued each day based on the yield to maturity rate on the remaining tenure of the instruments using the interest rate swap quoted by Bank Negara Malaysia. In the event that interest rate swap quoted by Bank Negara Malaysia is not available, the average of the interest rate swaps quoted by three (3) local financial institutions shall be deemed to be the most appropriate valuation to be referred to by the Manager.
- c) Fixed income securities shall be valued daily based on the closing price quoted by Bond Pricing Agency ("BPA"). Where such prices are not available or where the Manager is of the view that the price quoted by the BPA for a specific fixed income securities differs from the market price by more than twenty (20) basis point, the Manager may use the market price by reference to the last available quote, provided such quote was obtained within the previous thirty (30) days and the Manager records its basis for using a non-BPA price. Additionally, the Manager shall obtain necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield.

### 4.3 Maybank Enhanced Cash XIII Fund

#### 4.3.1 Fund Type

Income.

#### 4.3.2 Fund Category

Money Market.

#### 4.3.3 Financial Year End

Every 30 September of the calendar year.

#### 4.3.4 Trustee

PB Trustee Services Berhad.

#### 4.3.5 Deed

The deed dated 3 March 2008 as amended by the first supplemental deed dated 8 October 2012.

#### 4.3.6 Investment Objective

The Fund is a Short Term money market fund that invests in instruments which generate tax exempted income. The Fund aims to provide regular income that potentially higher than prevailing money market and traditional bank deposits, stability of capital and a high level of liquidity. The Fund aims to distribute income on a quarterly basis.

#### 4.3.7 Investor Profile

MECXIII is suitable for Sophisticated Investors:

- with a Short Term investment horizon;
- who have a low risk tolerance;
- who seek a regular income stream\* from their investments; and
- who wish to obtain a yield that exceeds the Maybank overnight deposit rates.

*Note: Regular income stream is dependable on the choice of distribution mode selected by Unit Holders. The income could be in the form of cash or Units. For further details, please refer to item 7.6 on Income Distribution Policy and Distribution Mode of the Fund.*

#### 4.3.8 Asset Allocation

Limits	Investment instruments
Up to 100% of the Fund's NAV	<ul style="list-style-type: none"> <li>• Short Term Fixed Deposits</li> </ul>

#### 4.3.9 Benchmark

The benchmark of the Fund is the Maybank Overnight Deposit Rates which is available at [www.maybank2u.com.my](http://www.maybank2u.com.my).

#### 4.3.10 Investment Style & Strategy

The Fund seeks to provide liquidity to meet the Short Term cash flow requirements of its Unit Holders by investing primarily in liquid, low risk and Short Term investments.

It will seek to obtain a yield that exceeds the benchmark by placing up to 100% of the NAV of the Fund in Short Term Fixed Deposits.

The Manager adopts an active investment strategy in managing the Fund in order to provide a reasonable level of return within the liquidity requirements.

#### 4.3.11 Permitted Investments

Subject to the Deed, the investment policies for the Fund and the requirements of the SC and any other regulatory body, the Manager has the absolute discretion as to how the assets of the Fund are to be invested.

The Fund is permitted under the Deed to invest in Fixed Deposits.

#### 4.3.12 Investment Restrictions

The Fund is subject to the following investment restrictions/limits:-

- The value of the Fund's placement in Fixed Deposit with any licensed financial institutions must not exceed 40% of the Fund's NAV, save for placements with Malayan Banking Berhad and Maybank Islamic Berhad, subject always to a money market placement tenure of not more than one (1) year.

The above stated restriction shall be complied with at all times based on the most up-to-date value of the Fund's investments and instruments. However, a 5% allowance in excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (as a result of an appreciation or depreciation in value of investments or as a result of the redemption of Units or payment made from the Fund). Once the relevant limit is breached, no further acquisitions of the particular securities involved shall be made and the Manager should, within a reasonable period of not more than ninety (90) days from the date of the breach take all necessary steps and actions to rectify the breach.

#### 4.3.13 Valuation of Investment

The valuation bases of the permitted investments of the Fund are as follows:

- (a) **Fixed Deposits placed with financial institutions** are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period.

#### 4.4 Maybank Shariah Enhanced Cash Fund

##### 4.4.1 Fund Type

Income.

##### 4.4.2 Fund Category

Money Market.

##### 4.4.3 Financial Year End

Every 30 November of the calendar year.

##### 4.4.4 Trustee

AmanahRaya Trustees Berhad.

##### 4.4.5 Deed

The deed dated 24 November 2008 as amended by the first supplemental deed dated 8 October 2012.

##### 4.4.6 Investment Objective

The Fund is a Short Term money market fund that invests in instruments which generate tax exempted income. The Fund aims to provide liquidity (T+1) and current (regular) income, while maintaining capital stability by investing in instruments that comply with the Shariah principles. The Fund is targeted at corporate and high net worth individuals who are generally risk averse and prefer Short Term investments.

*Note: T is the day where a request/application to redeem is received by the Manager before the cut-off time.*

##### 4.4.7 Investor Profile

MSEC is suitable for Sophisticated Investors:

- with a Short Term investment horizon;
- who have a low risk tolerance;
- who wish to obtain a yield that exceeds the Maybank Islamic overnight deposit rate; and
- who are looking for investments that conform to Shariah principles.

##### 4.4.8 Asset Allocation

Limits	Investment instruments
Up to 100% of the Fund's NAV	<ul style="list-style-type: none"> <li>• Short Term Islamic money market instruments including Islamic Fixed Deposits</li> </ul>

##### 4.4.9 Benchmark

The benchmark of the Fund is Maybank Islamic overnight deposit rate which can be obtained from [www.maybank2u.com.my](http://www.maybank2u.com.my).

#### 4.4.10 Investment Style & Strategy

The Fund shall invest in Islamic money market instruments, including Islamic NIDs, Islamic bills of acceptance, Islamic CPs and Islamic Fixed Deposits. The fund manager will invest, within acceptable risk parameters, in a diversified portfolio of Islamic money market instruments in order to maximize return.

#### 4.4.11 Permitted Investments

Subject to the Deed, the investment policies for the Fund and the requirements of the SC and any other regulatory body, the Manager has the absolute discretion as to how the assets of the Fund are to be invested.

The Fund is permitted under the Deed to invest in the following:-

- Islamic Fixed Deposits; and/or
- Islamic money market instruments such as NIDs, government investment issues, bills acceptance, Bank Negara Malaysia negotiable notes and CPs.

#### 4.4.12 Investment Restrictions

The Fund is subject to the following investment restrictions/limits:-

- The value of the Fund's holding in Short Term money market instruments of any single issuer maturing one (1) year and below must not exceed 40% of the Fund's NAV, save for investments in money market instruments issued by Bank Negara Malaysia and government of Malaysia;
- The value of the Fund's holding in Islamic CPs maturing one (1) year and below with a minimum credit rating of "P1" by RAM or equivalent rating by MARC must not exceed 40% of the Fund's NAV; and
- The value of the Fund's placement in Islamic Fixed Deposits with any financial institution must not exceed 40% of the Fund's NAV, **save for placements with Maybank Islamic Berhad.**

The above stated restriction shall be complied with at all times based on the most up-to-date value of the Fund's investments and instruments. However, a 5% allowance in excess of any limits or restrictions may be permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (as a result of an appreciation or depreciation in value of investments or as a result of the redemption of Units or payment made from the Fund). Once the relevant limit is breached, no further acquisitions of the particular securities involved shall be made and the Manager should, within a reasonable period of not more than ninety (90) days from the date of the breach take all necessary steps and actions to rectify the breach.

#### 4.4.13 Valuation of Investment

The valuation bases of the permitted investments of the Fund are as follow:

- a) Islamic Fixed Deposits placed with Shariah-compliant financial institutions are valued each day by reference to the value of such investments and the profits accrued thereon for the relevant period; and
- b) CPs, treasury bills, bankers acceptance, Bank Negara Malaysia bills and Bank Negara Malaysia negotiable notes shall be valued daily based on accretion to maturity value of the securities. Whilst, NID will be valued each day based on the yield to maturity rate on the remaining tenure of the instruments using the profit rate swap quoted

by Bank Negara Malaysia. In the event that profit rate swap quoted by Bank Negara Malaysia is not available, the average of the profit rate swaps quoted by three (3) local Shariah-compliant financial institutions shall be deemed to be the most appropriate valuation to be referred to by the Manager.

## (5) FEES, CHARGES AND EXPENSES

It is important that Investors fully understand the fees and charges associated with an investment in the Funds.

Before making a decision, the fees, charges and expected returns must be considered to assess the pros and cons of investing in the Funds.

### Fees/ Charges

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

#### 5.1 Sales Charge

No sales charge will be imposed on Unit Holders.

#### 5.2 Redemption Charge

The Manager will not impose a redemption charge.

#### 5.3 Transfer Fee

Not applicable as transfer facility is not available.

#### 5.4 Switching Fee

Funds	Switching Fee
Maybank Enhanced Cash XI Fund	Not applicable as switching facility is not available.
Maybank Enhanced Cash XII Fund Maybank Enhanced Cash XIII Fund Maybank Shariah Enhanced Cash Fund	Unit Holders are entitled to two (2) free switches per calendar year. Thereafter, a switching fee of RM25 per switch will be imposed on Unit Holders.

*Note: The Manager reserves the right to waive or reduce the switching fee at its absolute discretion. Switching fee stated above is exclusive of GST.*

### Fees And Expenses

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

#### 5.5 Management Fee

Funds	Management Fee
Maybank Enhanced Cash XI Fund	Up to 0.45% per annum of the NAV of the Fund.
Maybank Enhanced Cash XII Fund	Up to 0.50% per annum of the NAV of the Fund.
Maybank Enhanced Cash XIII Fund	Up to 0.45% per annum of the NAV of the Fund.
Maybank Shariah Enhanced Cash Fund	Up to 0.45% per annum of the NAV of the Fund.

*Note: Management fee stated above is exclusive of GST.*

Please note that the example below is for illustration only:

Assuming the NAV of the Fund (before deducting the management fee and trustee fee) for a particular day is RM30,000,000 with a management fee of 0.45% (exclusive of GST), then the accrued management fee (exclusive of GST) for that day would be:-

$$\frac{\text{RM30,000,000} \times 0.45\%}{365 \text{ days}} = \text{RM369.86 per day}$$

Assuming GST of 6% is applicable to the management fee, the GST applicable to the management fee for that day would be:-

$$\begin{aligned} &= \text{management fee for that day} \times \text{GST} \\ &= \text{RM369.86} \times 6\% \\ &= \text{RM22.19 (rounded to 2 decimal points)} \end{aligned}$$

Management fee for that day charged by the Fund inclusive of GST:

$$\begin{aligned} &= \text{RM369.86} + \text{RM22.19} \\ &= \underline{\text{RM392.05}} \end{aligned}$$

## 5.6 Trustee Fee

Funds	Trustee Fee
<b>Maybank Enhanced Cash XI Fund</b> <b>Maybank Enhanced Cash XII Fund</b> <b>Maybank Enhanced Cash XIII Fund</b> <b>Maybank Shariah Enhanced Cash Fund</b>	0.05% per annum of the NAV of the Fund, subject to a minimum fee of RM 18,000 per annum.

*Note: Trustee fee stated above is exclusive of GST.*

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is RM 30,000,000 for the day with a trustee fee of 0.05% (exclusive of GST), the accrued trustee fee (exclusive of GST) for that day would be:-

$$\frac{\text{RM30,000,000} \times 0.05\%}{365 \text{ days}} = \text{RM41.10 per day}$$

Assuming GST of 6% is applicable to the trustee fee, the GST applicable to the trustee fee for that day would be:-

$$\begin{aligned} &= \text{trustee fee for that day} \times \text{GST} \\ &= \text{RM41.10} \times 6\% \\ &= \text{RM2.47 (rounded to 2 decimal points)} \end{aligned}$$

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

$$\begin{aligned} &= \text{RM41.10} + \text{RM2.47} \\ &= \underline{\text{RM43.57}} \end{aligned}$$

## 5.7 Fund Expenses

Only expenses directly related and necessary in operating and administering the Funds as provided in the Deed may be paid out of the Funds. These include the following:

- a) Tax and other duties charged on the Fund by the government and other authorities;
- b) The fees and other expenses properly incurred by the auditor appointed for the Fund;
- c) Fees for the valuation of any investments of the Fund by independent valuers;

- d) Cost incurred for the modification of the Deed of the Fund other than those for the benefit of the Manager or Trustee;
- e) Cost incurred for any meeting of the Unit Holders other than those convened by, or for the benefit of, the Manager or Trustee; and
- f) Any other fees/expenses permitted in the Deed.

These costs shall be factored into the computation of the NAV.

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

## (6) TRANSACTION INFORMATION

### 6.1 Valuation Point

The Funds must be valued at least once every Business Day. The valuation of the Funds will be carried out in a fair and accurate manner. The Funds will be valued at **11.30 a.m. every Business Day.**

### 6.2 Computation of NAV

NAV of the Fund is determined by deducting the value of the Fund's liabilities from the value of the Fund's assets, as at the valuation point. The liabilities are inclusive of the management fee and trustee fee for the day.

An illustration on how NAV per Unit is calculated (on a Business Day) is as follows:

<b>Example</b>			
NAV	=	RM 25,023,711.32	
Units	=	25,000,000	
NAV/Units	=	<u>RM 25,023,711.32</u>	
		25,000,000	
NAV per Unit		RM 1.000948	

*Note: RM 1.000948 (rounded to nearest 6 decimal places for publication purposes)*

### 6.3 Pricing of Units

#### Forward Pricing

The selling and redemption transactions are executed at Forward Pricing.

#### Selling Price

Based on the single pricing regime, the Selling Price per Unit is the NAV per Unit of the Fund. Any sales charge payable by the Unit Holder would be calculated as a percentage of the Selling Price per Unit of the Fund.

The Selling Price per Unit shall be the NAV of a Unit as at the next valuation point after an application of Unit is received by the Manager. A sales charge (if any) will be computed separately based on the net investment amount / purchase amount.

#### *Illustration:*

If a Unit Holder makes an investment of RM5,000,000.00 at the Selling Price per Unit of RM1.022900 (which is the Fund's NAV of a Unit as at the next valuation point) with no sales charge, a sum of RM5,000,000.00 would be payable as follows:

Investment amount	=	RM 5,000,000.00
Add: sales charge @ Nil	=	-
Add: GST @ Nil	=	-
Total amount paid by the Unit Holder	=	<u>RM 5,000,000.00</u>

The Unit Holder will be allotted with Units calculated as follows:

Units computed is	<u>RM 5,000,000.00</u>	=	4,888,063.3493 Units
calculated as	RM 1.022900	=	4,888,063.35 Units*

*\*Units computed are rounded to the nearest 2 decimal places.*

### **Redemption Price**

The Redemption Price of a Unit of the Fund is the NAV per Unit of the Fund as at the next valuation point after the redemption request is received by the Manager. Any redemption charge payable by the Unit Holder would be calculated as a percentage of the Redemption Price per Unit of the Fund.

The Redemption Price shall be the NAV per Unit as at the next valuation point after the redemption request is received by the Manager.

Illustration:

If a Unit Holder redeems 100,000 Units, assuming the NAV per Unit as at the next valuation point is RM1.022900, the Unit Holder would receive net proceeds of redemption of RM102,290.00 as follows:

Redemption proceeds:      100,000 Units x RM 1.022900      =      RM102,290.00

## **6.4 Error in Pricing**

Subject to any relevant law, if there is an error in the valuation and/or pricing of the Fund and/or NAV per Unit of the Fund, the Manager will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursements of money as follows if the error is, at or above the significant threshold of 0.5% of the NAV per Unit:

- (a) if there is an over pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
- (b) if there is an over pricing in relation to the repurchase of Units, the Manager shall reimburse the Fund;
- (c) if there is an under pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and
- (d) if there is an under pricing in relation to the repurchase of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

The Manager retains the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit or where the total impact on an individual account is less than RM10.00 in absolute amount as the reprocessing costs might be greater than the adjustment amount.

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

## (7) TRANSACTION DETAILS

### 7.1 Making an Investment

The initial investment and subsequent additional investment of the Funds is as follows:-

Funds	Minimum Initial Investment	Minimum Additional Investment
MECXI	RM250,000 or such other amount as may be decided by the Manager from time to time	RM250,000 or such other amount as may be decided by the Manager from time to time
MECXII	RM250,000 or such other amount as may be decided by the Manager from time to time	RM250,000 or such other amount as may be decided by the Manager from time to time
MECXIII	RM250,000 or such other amount as may be decided by the Manager from time to time	RM250,000 or such other amount as may be decided by the Manager from time to time
MSEC	RM250,000 or such other amount as may be decided by the Manager from time to time	RM250,000 or such other amount as may be decided by the Manager from time to time

#### Processing of Application

For any purchase application received or deemed to have been received via fax notification by the Manager **on or before the cut off time of 10.00 am on any Business Day**, the Units would be created based on the NAV per Unit as at the next valuation point after the request for purchase of Units is received and accepted by the Manager. Any application received or deemed to have been received after this cut-off time would be considered as being transacted on the next Business Day.

### 7.2 Redemption of Units

Redemption request/application can be made on any **Business Day**.

For any redemption application received or deemed to have been received via fax notification by the Manager **on or before the cut off time** specified below, the Units would be cancelled based on the NAV per Unit as at the next valuation point after the request for redemption of Units is received and accepted by the Manager. Any application received or deemed to have been received **after this cut-off time** would be considered as being transacted on the next Business Day.

Funds	Cut Off Time
MECXI	Before 4.30 pm on the previous Business Day
MECXII	Before 4.30 pm on the previous Business Day
MECXIII	Before 4.30 pm on the previous Business Day
MSEC	Before 4.30 pm on the previous Business Day

However, if the total redemption amount for that day exceeds 50% of the Fund's NAV, the Manager reserves the right to pay the redemption proceeds to the Unit Holders within 30 Business Days from the day the redemption request is received by the Manager.

The Manager shall remit redemption proceeds to the account held in the name of the Unit Holder(s).

The Manager will pay the redemption proceeds to Unit Holders on:

Funds	Duration on the Payable Redemption Proceeds
MECXI	T + 1 day
MECXII	T + 1 day
MECXIII	T + 1 day
MSEC	T + 1 day

Note: T is the day where a request/application to redeem is received by the Manager before the cut off time.

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

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

#### Frequency and Minimum Units Redeemed

There is no restriction on the number of times and Units a Unit Holder can redeem.

For partial redemptions, the minimum balance of Units remaining in the Fund must be as specified below or any other amount as may be determined by the Manager. If the remaining balance of Units is less than the amounts specified below or any other amount as may be determined by the Manager due to redemption requests, the Manager has the right to redeem the entire investment/ close the account of any Unit Holder and forward all the proceeds to the respective Unit Holder without prior notice.

Funds	Minimum Units Held
MECXI	250,000 Units
MECXII	250,000 Units
MECXIII	50,000 Units
MSEC	250,000 Units

### 7.3 Transfer Ownership of Units

Transfer of ownership of Units is **not allowed** for this Fund save for the account of the deceased Unit Holder.

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.

### 7.4 Switching between Funds

Funds	Switching between Funds
MECXI	Switching is not allowed.

MECXII MECXIII MSEC	<p>Unit Holders are permitted to switch from and to other funds managed by the Manager.</p> <p>Switching will be made at the prevailing net asset value per unit of the fund to be switched from and the intended fund to be switched to on a Business Day when the switching request is received by the Manager, subject to availability and any terms and conditions imposed by the intended fund, if any.</p> <p>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. If the Unit Holder switches from a fund with higher sales charge to a fund with a lower sales charge, and subsequently switches back to a fund with a higher sales charge similar to the first fund, the Unit Holder would need to pay the difference in sales charge between these funds unless waived by the Manager.</p> <p>Switching from Shariah-compliant fund to a conventional fund is discouraged especially for Muslim Unit Holders.</p>
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#### 7.5 Cut-Off Time for Investment and Redemption of Units

The cut-off times for the Funds are as specified under items 7.1 and 7.2 above.

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

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

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

#### 7.6 Income Distribution Policy and Distribution Mode

Funds	Distribution Policy
MECXI	The Fund will distribute income on a <b>quarterly</b> basis, subject to availability.
MECXII	The Fund will distribute income on a <b>half yearly</b> basis, subject to availability.
MECXIII	The Fund will distribute income on a <b>quarterly</b> basis, subject to availability.
MSEC	The Fund will distribute income on a <b>monthly</b> basis, subject to availability.

##### Distribution Mode

Distribution would be re-invested or paid to Unit Holders via cheque or credited into the Unit Holders' bank accounts. Unit Holders are required to indicate their preference in the Unit Application Form upon purchase. In the event that there is no indication of Unit

Holder's preference in the Unit Application Form, the Manager shall re-invest all the distributions received by the Unit Holders. There is no incidental cost associated with the re-investment.

For the purpose of calculation, any amount invested by a Unit Holder at any time, shall be entitled for distribution whereby the difference in days and price will be calculated and accounted via distribution equalization.

Distribution will be re-invested or paid to the Unit Holders on the income payment date (which is within ten (10) calendar days from the distribution declaration date announced by the Manager, save for MECXI and MSEC which is within seven (7) Business Days from the distribution declaration date). Reinvestment of Units will be based on the NAV per Unit on the income payment date.

The source of income, if any, for the purpose of distribution shall be derived from the realised income and/or gain.

### 7.7 Notice of Cooling-off Period

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

- (i) a 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 six (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 the sum of:

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

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

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

### 7.8 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.

### 7.9 Winding Up of the Fund

The Manager, in accordance with the Deed, reserves the right to wind-up the Funds should the total NAV of the Funds fall below RM50,000,000 or where the Manager determines that it is in the best interest of the Unit Holders.

The Manager, upon termination, shall notify the existing Unit Holders of the Fund in writing that they shall receive the net cash proceeds derived from the sale of all the investments of the Fund less any payment for liabilities of the Fund and any cash

produce available for distribution (if any), in proportion to the number of Units held by the Unit Holders respectively.

## **(8) THE MANAGER**

### **8.1 Background Information**

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

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

The Manager has over 30 years of experience including the period prior to its corporatization at MIB in managing investments ranging from equities, fixed income securities, money market instruments to unit trust funds and wholesale funds mainly on behalf of corporations, institutions, insurance and takaful companies and individuals.

### **8.2 Functions, Duties and Responsibilities of the Manager**

The general functions, duties and responsibilities of the Manager include, but 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 Funds and the general administration of the Funds in accordance with the Deed, the Act and the relevant guidelines and other applicable laws at all times and acceptable and efficacious business practices within the industry;
- observing high standards of integrity and fair dealing in managing the Funds to the best and exclusive interest of the Unit Holders; and
- acting with due care, skill and diligence in managing the Funds and effectively employ the resources and procedures necessary for the proper performance of the Funds.

### **8.3 Board of Directors of the Manager**

The Manager has an experienced board of directors with background in the financial markets. They are responsible for overseeing the activities of the Manager and the establishment of the Funds’ policies. Board meetings are held at least four (4) times annually or more frequently should the circumstances require.

#### Board of Directors

Dr Hasnita binti Dato’ Hashim  
Goh Ching Yin  
Khalijah binti Ismail  
Badrul Hisyam bin Abu Bakar

### **8.4 Fund Management Team**

The fund management team formulates, establishes and implements investment strategies and policies. The fund management team will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Funds. The fund management team will also ensure investment guidelines and regulations are complied with. The fund management team will meet at least once a month or more should the need arise.

The profile of the designated fund manager for the Funds are as follow:

### **Suzana Thosam**

Suzana Thosam, money market executive is the designated fund manager for the Fund. She joined Maybank AM in December 2003. She has 20 years of experience in the fund management industry. Prior to joining Maybank AM, she served at RHB Investment Management Sdn Bhd (now known as RHB Asset Management Sdn Bhd) for 10 years in various units such as operation department, administration and accounting unit. She is the holder of a CMSRL.

## **8.5 External Investment Manager (for MSEC)**

The Manager has appointed Maybank Islamic Asset Management Sdn Bhd (“MIAM”) as the External Investment Manager for the MSEC. The role and responsibilities of MIAM include management of the investment portfolio in accordance with the investment objective and subject to the CMSA and the Guidelines as well as the terms and conditions of the investment management agreement between MIAM and the Manager.

### Background of MIAM

MIAM is owned by Maybank through Maybank Asset Management Group (“MAMG”), a wholly-owned subsidiary of Maybank. MAMG is the holding entity for all Maybank’s asset management and private equity businesses. MIAM was incorporated on 15 April 2013 with an authorised capital and paid-up capital of RM3.0 million. MIAM is a holder of a capital markets services licence to carry out Islamic fund management business pursuant to Section 61 of the CMSA. As at LPD, the External Investment Manager’s total assets under management is approximately RM1.89 billion.

As of 30 June 2017, MIAM has a total staff force of eleven (11) employees.

### Board of Directors of MIAM

Dato’ Azian binti Mohd Noh (Chairman)  
Wong Yee Fun  
Ahmad Najib bin Nazlan

### Designated fund manager for the External Investment Manager

#### **Nor Rozleen Nazri**

Nor Rozleen Nazri joined Maybank AM on 16 August 2013 as a money market dealer. She was later transferred to MIAM on 11 June 2014 as a fixed income fund manager. She started her career as an executive in the investment department within Mayban Ageas Holdings Berhad since July 2003. Prior to joining Maybank AM, she was in Etiqa Insurance & Takaful as a fixed income portfolio manager overlooking proprietary insurance funds. She holds a degree in Actuarial Science from Universiti Kebangsaan Malaysia. She is a CMSRL holder and a Persatuan Pasaran Kewangan Malaysia licence holder since 2012.

## **8.6 Shariah advisers (for MSEC)**

Maybank Islamic Berhad (“Maybank Islamic”) was incorporated on 5 September 2007 and is the Maybank Group’s full-fledged licensed Islamic bank which is wholly-owned by Maybank. Maybank Islamic leverages on its parent bank’s infrastructure and resources. As an acknowledged industry icon, Maybank Islamic continues to lead the industry through development of new, innovative and internationally accepted propositions. Its diversified product and service ranges are available at dedicated branches and also co-located at more than 400 Maybank branches.

Being a bank licensed under the Islamic Financial Services Act 2013, Maybank Islamic also advises on sukuk issuance, Islamic investment funds and all other approved Islamic capital market instrument. Currently, Maybank Islamic acts as Shariah advisers for three (3) Islamic unit trust funds and ten (10) Islamic wholesale funds.

### **Roles and Responsibilities of the Shariah advisers**

As the appointed Shariah advisers 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 Info Memo, 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 quarterly reports stating the Shariah advisers' 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.

Members of the Shariah committee of Maybank Islamic are:-

***Assoc. Prof. Dr. Aznan Hasan***

Associate Professor, IIUM Institute of Islamic Banking and Finance, International Islamic University of Malaysia

***Assoc. Prof. Dr. Ahcene Lahsasna***

Vice President, Research & Publication of Malaysian Financial Planning Council

***Dr. Marjan Muhammad***

Head, Research Quality Assurance Office, International Shariah Research Academy for Islamic Finance

***Dr. Mohamed Fairooz bin Abdul Khir***

Associate Professor, School of Law and Shariah, Islamic University of Malaysia

***Ustaz Mohd Kamal bin Mokhtar***

Judge, Shariah Appeal Court of Singapore

## (9) THE TRUSTEE

### 9.1 ABOUT PB TRUSTEE SERVICES BERHAD

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

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

The Trustee’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of the Unit holders of the Fund. They shall:

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

#### 9.1.1 Trustee’s Disclosure of Material Litigation

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

## 9.2 AMANAHRAYA TRUSTEES BERHAD

### 9.2.1 Background Information

AmanahRaya Trustees Berhad (“ART”) was incorporated under the Companies Act 1965 on 23 March 2007 and registered as a trust company under the Trust Companies Act 1949. ART is a subsidiary of Amanah Raya Berhad (“ARB”) which is wholly owned by the Minister of Finance (Incorporated). ART took over the corporate trusteeship functions of ARB and acquired ARB’s experience of more than 50 years in trustee business. ART has been registered and approved by the SC to act as Trustee to unit trust funds.

### 9.2.2 Duties and Obligations

The role of ART, as the Trustee, is to safeguard the rights and interests of the Unit holders by ensuring that the Manager performs its duties and obligations in accordance with the Deed, the Act, the Guidelines and other relevant laws. The Trustee acts on behalf of each Unit holder by monitoring the actions of the Manager, and by having custodianship of the Fund through the holding of the investments of the Fund in trust for the Unit holders.

The Trustee is responsible:

- To act as custodian of the assets of the Fund;
- To act with due care, skill, diligence and vigilance, and act in accordance with the Act, the Deed, the Guidelines and securities laws in carrying out its duties and responsibilities;
- To ensure at all times, through proper and adequate supervision, ensure that the Fund is managed and administered by the Manager in accordance with the Act, the Deed, the Guidelines and securities laws and acceptable and efficacious business practices within the unit trust industry;
- To ensure that it is fully informed of the investment policies of the Fund as set by the Manager, and of any changes made thereto;
- To notify the SC immediately of any irregularity, any breach of the provisions of the Act, the Deed, the Guidelines or securities laws and any other matter properly regarded by the Trustee as not being in the interests of the Unit holders;
- To ensure that the systems, procedures and processes employed by the Manager to value and/or price the Fund or the Units of the Fund are adequate, and that such valuation/pricing is carried out in accordance with the Act, the Deed, the Guidelines and securities laws;
- To ensure that the sale, repurchase, creation and cancellation of Units of the Fund are carried out in accordance with the Act, the Deed, the Guidelines and securities laws;
- To submit or make available any statements, documents, books, records and other information relating to the Fund and the business of the Trustee or such periodical returns, as may be required by the SC from time to time;
- To take all steps to effect any instructions properly given by the Manager as to the acquisition or disposal of, or the exercise of the rights attaching to, the assets of the Fund; and
- To maintain and ensure that the Manager maintains proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is managed and administered in accordance with the Deed of the Fund, the guidelines and securities laws.

### **9.2.3 Statement of Responsibility**

The Trustee consents and agrees to assume the position as Trustee of the Funds and undertakes all the obligations in accordance with the Deeds, all relevant laws and rules of law for the benefit of the registered Unit holders of the Funds.

### **9.2.4 Material Litigation and Arbitration**

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

## **(10) SALIENT TERMS OF THE DEED**

### **10.1 Unit Holders' Rights and Liabilities**

#### **Unit Holders' Rights**

A Unit Holder has the right, amongst others:

1. to receive distributions, if any, of that Fund;
2. to participate in any increase in the NAV of Units of that 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 quarterly reports on that 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 this 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 Termination of the Fund**

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

- (a) A special resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund;
- (b) The Fund has reached its maturity date as specified in the Deed (if any).

### **10.3 Power To Call For A 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.

The Unit Holders may apply to the Manager to summon a meeting for any purpose including without limitation, for the purposes of:

- (a) Requiring the retirement or removal of the Manager;
- (b) Requiring the retirement or removal of the Trustee;
- (c) Considering the most recent financial statements of the Fund;
- (d) Giving to the Trustee such directions as the meeting thinks proper; or
- (e) Considering any matter in relation to the deed

Provided always that the Manager shall not be obliged to summon such a meeting unless the conditions below have been fulfilled:

Funds	Conditions to Call for a Meeting
MECXI MECXII MECXIII MSEC	<p>(a) The call for a meeting is made by any number of Unit Holders holding amongst them collectively more than fifty per centum (50%) of the Units of the Fund;</p> <p>(b) The Manager shall within thirty (30) days of receiving an application, summon a meeting of the Unit Holders by sending by post at least ten (10) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders.</p>

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.

The quorum for a meeting of Unit Holders of the Fund is seven (7) Unit Holders, whether present in person or by proxy.

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

## (11) COMMUNICATION WITH UNIT HOLDERS

### 11.1 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 or her transactions, as well as to provide the Unit Holder with an updated record of his or her investment account(s) with the Manager.

### 11.2 Unit Price

Unit Holders will be able to obtain the Unit prices of the Funds from [www.maybank2u.com.my](http://www.maybank2u.com.my).

### 11.3 Financial Reports

The Manager will provide Unit Holders with an annual report within two (2) months of the Fund's financial year-end and quarterly reports within two (2) months of the end of the period covered. A financial statement audited by the Fund's appointed auditors will be included in the annual report. The Trustee will prepare a report to Unit Holders in the annual report stating its opinion on the conduct of the Manager, in particular whether the Manager had managed the Fund in accordance with the limitation on its investment powers as set out in the Deed and whether the Manager had acted in accordance with the Deed and Guidelines.

The quarterly and annual reports shall provide Unit Holders with a regular snapshot of the key risk factors faced by the Fund and the Fund's investment outlook for that reporting period. They are to contain, inter alia, the Fund's financial performance, market outlook, changes in key investment team, illiquid holdings, details on portfolio exposure and information on the Fund performance and volatility, whichever is applicable.

### 11.4 Customer Information Service

Unit Holders can seek assistance on any issue relating to the Fund, from the Manager's client servicing personnel at Maybank AM's office at 03 - 2297 7888 from 8.45 a.m. to 5.45 p.m. from Monday to Thursday and from 8.45 a.m. to 4.45 p.m. on Friday. Alternatively, Unit Holders may e-mail their enquiries to [mamcs@maybank.com.my](mailto:mamcs@maybank.com.my).

Alternatively, Unit Holders can contact:

- (i) Complaints Bureau, FIMM via:
  - Tel No: 03 - 2092 3800
  - Fax No: 03 - 2093 2700
  - email: [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
  - Online complaint form: [www.fimm.com.my](http://www.fimm.com.my)
  - Letter: Complaints Bureau  
Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6<sup>th</sup> 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](mailto: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) Investors Affairs & Complaints Department, Securities Commission Malaysia via:
- Tel No: 03 - 6204 8999 (Aduan hotline)
  - Fax No: 03 - 6204 8991
  - email: [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
  - Online complaint form: [www.sc.com.my](http://www.sc.com.my)
  - Letter: Investor Affairs & Complaints Department  
Securities Commission Malaysia  
No. 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur.

### 11.5 Goods and Services Tax

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

**(12) TAX ADVISER'S LETTER**

Ernst & Young Tax Consultants Sdn. Bhd.  
179793-K  
GST Reg No: 000021962752  
Level 23A Menara Milenium  
Jalan Damanlela, Pusat Bandar Damansara  
50490 Kuala Lumpur Malaysia

Tel: +603 7495 8000  
Fax: +603 2095 5332 (General line)  
+603 2095 7043  
ey.com

**Taxation adviser's letter in respect of the taxation  
of the unit trust and the unit holders  
(prepared for inclusion in this Master Information Memorandum)**

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

26 July 2017

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

Dear Sirs

**Taxation of the unit trust and unit holders**

This letter has been prepared for inclusion in the Master Information Memorandum to be dated 9 August 2017 in connection with the offer of units in the unit trust known as Maybank Enhanced Cash XI Fund, Maybank Enhanced Cash XII Fund, Maybank Enhanced Cash XIII Fund and Maybank Shariah Enhanced Cash Fund (hereinafter referred to as "the Funds").

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

**Taxation of the Funds**

The taxation of the Funds 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 Funds comprising interest 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 year of assessment 2016.



The Board of Directors  
 Maybank Asset Management Sdn Bhd  
 26 July 2017

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

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

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

"Permitted expenses" refer to the following expenses incurred by the Funds 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<sup>1</sup>, interest and rent chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividend<sup>1</sup> 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,

<sup>1</sup> 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.



The Board of Directors  
 Maybank Asset Management Sdn Bhd  
 26 July 2017

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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.

#### Exempt income

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

- **Malaysian sourced dividends**

All Malaysian-sourced dividends should be exempt from income tax.
- **Malaysian sourced interest (profits)**
  - (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;
  - (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;
  - (iii) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;
  - (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013<sup>2</sup>;
  - (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002<sup>2</sup>;
  - (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)<sup>3</sup>; and

<sup>2</sup> Effective from the year of assessment 2017, in the case of a wholesale fund which is a money market fund, the exemption shall only apply to a wholesale fund which complies with the criteria as set out in the relevant guidelines of the Securities Commission Malaysia.

<sup>3</sup> 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.



The Board of Directors  
Maybank Asset Management Sdn Bhd  
26 July 2017

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(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.

#### **Foreign sourced income**

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

#### **Gains from the realisation of investments**

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

#### **Goods and Services Tax ("GST")**

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



The Board of Directors  
Maybank Asset Management Sdn Bhd  
26 July 2017

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### **Taxation of unit holders**

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

The income of unit holders from their investment in the Funds 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 Funds will have to be grossed up to take into account the underlying tax paid by the Funds 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 other exempt income earned by the Funds will not be subject to Malaysian income tax in the hands of the unit holders.



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### Rates of tax

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

Unit holders	Malaysian income tax rates
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders (such as associations and societies)</li> <li>• Co-operatives<sup>4</sup></li> <li>• Trust bodies</li> <li>• Corporate unit holders               <ul style="list-style-type: none"> <li>(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)<sup>5</sup></li> <li>(ii) Companies other than (i) above</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Progressive tax rates ranging from 0% to 28%</li> <li>• Progressive tax rates ranging from 0% to 24%</li> <li>• 24% (Note 1)</li> <li>• First RM500,000 of chargeable income @ 19%<sup>6</sup></li> <li>• Chargeable income in excess of RM500,000 @ 24% (Note 1)</li> <li>• 24% (Note 1)</li> </ul>

<sup>4</sup> Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society–  
(a) in respect of a period of five years commencing from the date of registration of such co-operative society;  
and

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

<sup>5</sup> A company would not be eligible for the 20% tax rate on the first RM500,000 of chargeable income if:-

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

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

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

<sup>6</sup> Effective from the year of assessment 2017, the tax rate is reduced from 19% to 18%.



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Unit holders	Malaysian income tax rates
Non-Malaysian tax resident (Note 2):	
<ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders</li> <li>• Corporate unit holders and trust bodies</li> </ul>	<ul style="list-style-type: none"> <li>• 28%</li> <li>• 24% (Note 1)</li> </ul>

**Note 1:**

The Income Tax (Exemption) (No. 2) Order 2017 [P.U.(A) 117], gazetted on 10 April 2017, exempts a "qualifying person"<sup>7</sup> from payment of income tax on an ascertained amount of chargeable income derived from the business source in the basis period for a year of assessment. This exemption is only applicable for the years of assessment 2017 and 2018.

**Note 2:**

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.

<sup>7</sup> In order to be a qualifying person, such person must be resident in Malaysia and:

- (a) a company incorporated under the Companies Act 2016;
- (b) a limited liability partnership registered under the Limited Liability Partnership Act 2012;
- (c) a trust body;
- (d) an executor of an estate of a deceased individual who was domiciled outside Malaysia at the time of his death; or
- (e) a receiver with respect to whom Section 68(4) of the MITA applies.

The exemption order only applies to a qualifying person:

- (a) whose business has been in operation for not less than twenty four months; and
- (b) who has chargeable income from a source consisting of a business in the basis period for a year of assessment and the year of assessment immediately preceding that year of assessment and has made up its account for a period of twelve months ending on the same date for each of those years of assessment.

The exemption order shall not apply to a qualifying person who in the basis period for a year of assessment;

- (a) has made a claim for reinvestment allowance under Schedule 7A to the MITA or investment allowance for service sector under Schedule 7B to the MITA;
- (b) has been granted any incentive under the Promotion of Investments MITA 1986;
- (c) has been granted an exemption under section 127 of the MITA;
- (d) has made a claim for group relief under section 44A of the MITA;
- (e) is an investment holding company under section 60F or 60FA of the MITA;
- (f) is a unit trust which is defined under subsection 63C(5) of the MITA; or
- (g) has a debt that has been released under subsection 30(4) of the MITA.



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#### **Gains from sale of units**

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

#### **Unit splits and reinvestment of distributions**

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

- Unit splits - new units issued by the Funds 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 Funds.

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

The statements made in this letter are not intended to be a complete analysis of the tax consequences relating to an investor in the Funds. 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 Funds.

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 Master Information Memorandum and has not withdrawn such consent before the date of issue of this Master information Memorandum.