


CIMB-PRINCIPAL CONSERVATIVE BOND FUND PROSPECTUS

Invest for regular income with less volatile investments in a well diversified portfolio of Malaysian bonds

FORWARD  Your Investments



Manager : CIMB-Principal Asset Management Berhad (304078-K)

Trustee : PB Trustee Services Berhad (7968-T)

This Prospectus Issue No. 1 for the CIMB-Principal Conservative Bond Fund is dated 8 August 2017.

This Fund is constituted on 8 August 2017.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 3.

THIS FUND IS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEW CLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.

ABOUT THIS DOCUMENT

This is a Prospectus which introduces you to CIMB-Principal Asset Management Berhad ("CIMB-Principal") and the CIMB-Principal Conservative Bond Fund ("Fund"). This Prospectus outlines in general the information you need to know to make an informed decision as to whether the Fund best suits your financial needs.

If you have any questions about the information in this Prospectus or would like to know more about investing in the CIMB-Principal family of unit trust funds, please call CIMB-Principal Customer Care Centre at (603) 7718 3100 between 8:45 a.m. and 5:45 p.m., Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m. on Fridays (except on Selangor public holidays).

Unless otherwise indicated, any reference in this Prospectus to any rules, regulations, guidelines, standards, directives, notices, legislations or statutes shall be reference to those rules, regulations, guidelines, standards, directives, notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

Any reference to a time, day or date in this Prospectus shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to "days" in this Prospectus will be taken to mean calendar days unless otherwise stated.

Please note that all references to currency amounts and NAV per unit in this Prospectus are in MYR unless otherwise indicated.

PROSPECTUS DETAILS

Issue No.	1
Prospectus Date	8 August 2017

RESPONSIBILITY STATEMENTS

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

STATEMENTS OF DISCLAIMER

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

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

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

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

ADDITIONAL STATEMENTS

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 the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the Fund.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Prospectus:

Application Fee	- Preliminary charge on each investment.
Asset-Backed Securities	- Refers to corporate bonds or sukuk that are issued pursuant to a securitisation transaction. Such Asset-Backed Securities shall exclude any corporate bonds or sukuk with convertible or exchangeable features.
Business Day	- Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
CIMB	- CIMB Investment Bank Berhad.
CIMB Group	- CIMB Group Sdn. Bhd.
CIMB-Principal or the Manager	- CIMB-Principal Asset Management Berhad.
CIMB-Principal Fund	- Any unit trust funds that may be offered by CIMB-Principal.
CIS	- Refers to collective investment schemes as defined under the SC Guidelines.
Class	- Any class of units representing similar interest in the assets of the Fund.
Class A and Class C	- The Class of units issued by the Fund denominated in Malaysian Ringgit and differentiated mainly by its Management Fee.
CMSA	- Capital Markets and Services Act 2007.
Commencement Date	- The next Business Day immediately following the end of the initial offer period.
CWA	- Refers to the unit trust consultants of CIMB-Principal.
Deed	- The principal deed and any supplemental deed in respect of the Fund made between the Manager, the Trustee and the Unit holders of the Fund, agreeing to be bound by the provisions of the Deed.
Deposits	- As per the definition of “deposit” in the Financial Services Act 2013 and “Islamic deposit” in the Islamic Financial Services Act 2013. Note: To exclude structured deposits.
Distributor	- Any relevant persons and bodies appointed by CIMB-Principal from time to time, who are responsible for selling units of the Fund.
EPF	- Employees Provident Fund.
Eligible Market	- A market which is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes of the Fund.
Fund or CBF	- CIMB-Principal Conservative Bond Fund.
GST	- Refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
IUTAs	- Institutional Unit Trust Advisers.
LPD	- Latest Practicable Date i.e, 30 June 2017, in which all information provided herein, shall remain current and relevant as at such date.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
MARC	- Malaysian Rating Corporation Berhad.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund’s NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day, save and except for Management Fee and those that is related to the specific Class only. The apportionment is expressed as a ratio and calculated as a percentage.
Medium to long term	- Refers to a period of three (3) years or more.
NAV	- Net Asset Value.
NAV of the Fund	- The NAV of the Fund is the value of all the Fund’s assets less the value of all the Fund’s liabilities, at the point of valuation. For the purpose of computing the annual Management Fee (if any) and annual Trustee Fee (if any), the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV per unit	- The NAV attributable to a Class of units divided by the number of units in circulation for that Class, at the valuation point.
OTC	- Over-the-counter.
PIA	- Principal International (Asia) Ltd.
PFG	- Principal Financial Group and its affiliates.
Prospectus	- Refers to the disclosure document issued by the Manager describing the details of the Fund.
RAM	- RAM Rating Services Berhad.
RM or MYR	- Malaysian Ringgit.

SC	- Securities Commission Malaysia.
SC Guidelines	- Guidelines on Unit Trust Funds issued by the SC.
Special Resolution	- A resolution passed by a majority of not less than $\frac{3}{4}$ of Unit holders voting at a meeting of Unit holders. For the purpose of terminating or winding up a fund, a Special Resolution is passed by a majority in number representing at least $\frac{3}{4}$ of the value of the units held by Unit holders voting at the meeting.
Switching Fee	- A charge that may be levied when switching is done from one fund or class to another.
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Transferable Securities	- Refers to: (a) equities and other securities equivalent to equities; and (b) bonds and other forms of securitised debt; but do not include money market instruments or any security the title to which can be transferred only with the consent of a third party.
Trustee	- PB Trustee Services Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
UK	- United Kingdom.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
US or USA	- United States of America.
Withdrawal Fee	- A charge levied upon redemption under certain terms and conditions (if applicable).

Note: Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa

CORPORATE DIRECTORY

The Manager

CIMB-Principal Asset Management Berhad

Business address

10th Floor Bangunan CIMB
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Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel : (603) 2084 8888

Registered address

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Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur MALAYSIA
Tel : (603) 2261 8888

Postal address

CIMB-Principal Asset Management Berhad
PO Box 10571
50718 Kuala Lumpur MALAYSIA

Customer Care Centre

50, 52 & 54 Jalan SS 21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA
Tel : (603) 7718 3100
Fax : (603) 7718 3003

Website

<http://www.cimb-principal.com.my>

E-mail

service@cimb-principal.com.my

The Trustee

PB Trustee Services Berhad

Business / Registered address

17th Floor, Menara Public Bank
146, Jalan Ampang
50450 Kuala Lumpur Malaysia
Tel: (03) 2162 6760
Fax: (03) 2164 3285

Note: You may contact our **Customer Care Centre** at **(03) 7718 3100** for more information.

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1. FUND INFORMATION

1.1. CIMB-PRINCIPAL CONSERVATIVE BOND FUND

- Fund Category/Type** : Debentures / Income.
- Investment Objective** : The Fund aims to provide regular income through diversified investments in Malaysian bonds.
We will require your approval if there is any material change to the Fund's investment objective.
- Benchmark** : 10% TR BPAM Government (1 – 3 years) all bond index + 10% TR BPAM Government (3 – 7 years) all bond index + 5% TR BPAM Quasi Government (1 - 3 years) all bond index + 5% TR BPAM Quasi Government (3-7 years) all bond index + 10% TR BPAM Corporate (1 - 3 years) all bond index + 60% TR BPAM Corporate (3 - 7 years) all bond index.
Note: *The Fund's benchmark is for performance comparison purpose only. The benchmark of the Fund is customised as such to align it closer to the structure of the portfolio. You are cautioned that the risk profile of the Fund is higher than the benchmark. Information on the benchmark can be obtained from <http://www.bpam.com.my>.*
- Distribution Policy** : The distribution policy of each of the Class(es) may differ. Please refer to the Annexure of the respective Class for more information. You may also refer to page 12 for information on the distribution payment.

Base Currency & Classes

The base currency of the Fund is RM.

Please note that the Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. You should note that the Fund is allowed to establish new Class(es) from time to time without your prior consent.

Under the Deed, Unit holders of each Class have materially the same rights and obligations except for additional reporting available for Unit holders of Class C. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, Unit holders should note that the assets of the Fund are pooled for investment purpose.

Currently, the Classes below are available for sale. Please refer to the Annexure for further details on the Classes. You should note that we have the discretion to decide on the offering of other Classes for sale in the future. This information will be communicated to you via our website at <http://www.cimb-principal.com.my>. When in doubt, you should consult professional advisers for better understanding of the multi-class structure before investing in the Fund.

Name of Class	Launch Date	Initial offer period	Initial offer price per unit
Class A	8 August 2017	Up to 21 days	MYR 1.0000
Class C	8 August 2017	Up to 21 days	MYR 1.0000

Investment Policy and Principal Investment Strategy

The Fund will be managed with the aim of achieving regular income through investments in a diversified portfolio of Malaysian bonds. The Fund will invest at least 97% of its NAV in Government bonds and corporate bonds, out of which the Fund will invest between 20% to 50% (both inclusive) of its NAV in Government bonds and between 50% to 80% (both inclusive) of its NAV in corporate bonds. For Government bonds, the Fund may invest up to 30% of its NAV in Government Agency bonds. In addition, the Fund may invest up to 10% of its NAV in Asset-Backed Securities. The Fund's investment in bonds will be restricted to bonds rated at least a minimum credit rating of "A3" by RAM or its equivalent rating by MARC. The Fund will also invest up to 3% of its NAV in liquid assets.

For diversification purpose, the Fund intends to invest in a variety of short-term (less than 1 year), short to medium term (1 - 3 years), medium to long term (3 - 5 years) and long term (more than 5 years) bonds, in which the Fund aims to maintain an overall portfolio duration ranging from 2.5 to 4.5 years. The Fund will also adopt a more conservative single issuer limit for different type of bonds. The value of the Fund's investment in unsecured corporate bonds rated AAA and AA by RAM or its equivalent rating by MARC issued by any single issuer must not exceed 4% of the Fund's NAV whilst the value of the Fund's investment in unsecured corporate bonds rated A by RAM or its equivalent rating by MARC issued by any single issuer must not exceed 1% of the Fund's NAV. In addition, the value of the Fund's investment in secured corporate bonds of the respective rating is four (4) times of the limit of the unsecured corporate bonds limit as above. Also, the value of the Fund's investment in subordinated corporate bonds of the respective rating is half of the limit of the unsecured corporate bonds limit as above.

The asset allocation strategy for the Fund is as follows:

- At least 97% of the Fund's NAV will be invested in Government bonds and corporate bonds, out of which:
 - Between 20% to 50% (both inclusive) of the Fund's NAV will be invested in Government bonds, out of which up to 30% of the Fund's NAV can be invested in Government Agency bonds;
 - Between 50% to 80% (both inclusive) of its NAV will be invested in corporate bonds;
 - Up to 10% of the Fund's NAV may be invested in Asset-Backed Securities; and
- Up to 3% of the Fund's NAV will be invested in liquid assets.

For bond investments, we formulate an interest rate outlook by considering factors such as the inflation rate, monetary policies and economic growth. We will adopt an active trading strategy with frequency that will depend on the market conditions and the market outlook. With an interest rate outlook and yield curve analysis, we identify the weighting of the investment tenure and credit for the Fund. In the unlikely event of a credit rating downgrade, we reserve the right to deal with the instrument in the best interest of the Unit holders. As an active fund manager, we have in place tolerance limits to cater to such situations. We can for example, continue to hold the downgraded instrument if the immediate disposal of the instrument would not be in the best interest of the Unit holders.

As part of risk management strategy, the Fund is constructed and managed within pre-determined guidelines. Essentially, we employ an active asset allocation strategy depending upon the market expectations and at the same time monitor the debt instruments portfolio according to three (3) parameters: tenure, credit ratings and sector. The duration of the debt instruments portfolio (i.e. the sensitivity of the portfolio to interest rate changes) is also monitored and modified according to our interest rate outlook.

If the Fund is eligible to be invested via the EPF-MIS, investment in futures and options will be subject to the EPF's requirements. Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. Please refer to our website at <http://www.cimb-principal.com.my> or <http://www.kwsp.gov.my> for updated information.

1.2. PERMITTED INVESTMENTS

Subject to the Deed, the investment policy for the Fund and the requirements of the SC and any other regulatory body, we have the absolute discretion as to how the assets of the Fund are to be invested. Under the Deed and provided always that there are no inconsistencies with the objective of the Fund, the Fund can invest in a wider range of securities, including but not limited to the following:

- Debentures and money market instruments traded in or under the rules of an Eligible Market;
- Deposits; and
- Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund's objectives.

The formulation of the investment policies and strategies of the Fund is based on the objective of the Fund after taking into consideration the regulatory requirements outlined in the SC Guidelines, with such exemptions or variations (if any) as permitted by the SC.

1.3. INVESTMENT RESTRICTIONS AND LIMITS

The Fund is subject to the following investment restrictions and limits:

Investment spread limits

- the value of the Fund's investments in debentures issued by any single issuer must not exceed 20% of the Fund's NAV;
- the value of the Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- the aggregate value of the Fund's investments in transferable securities (debentures), money market instruments and deposits issued by or placed with, as the case may be, any single issuer/institution must not exceed 25% of the Fund's NAV; and
- the value of the Fund's investment in debentures issued by any group of companies must not exceed 30% of the Fund's NAV.

Investment concentration limits

- the Fund's investments in debentures must not exceed 20% of the total debentures issued by any single issuer; and
- the Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size.

Please note that the above restrictions and limits do not apply to securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia. In respect of any restrictions and limits stipulated by the SC Guidelines, the SC Guidelines provides for an allowance of 5% where such restrictions and limits due to appreciation or depreciation of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the Fund's investments or as a result of repurchase of units or payment made out of the Fund). If the Fund is not within the above restrictions and limits, we should not make any further acquisitions in relation to the relevant restrictions and limits and must rectify as soon as practicable (maximum three (3) months from the date of occurrence).

1.4. APPROVALS AND CONDITIONS

There is no exemption and/or variation to the SC Guidelines for this Fund.

1.5. BORROWINGS/ FINANCING

The Fund may not borrow cash or obtain cash financing or other assets in connection with its activities. However, the Fund may borrow cash or obtain cash financing for the purpose of meeting withdrawal requests for units and for short term bridging requirements.

1.6. SECURITIES LENDING

The Fund may participate in the lending of securities within the meaning of the Guidelines on Securities Borrowing and Lending issued by the SC when we find it appropriate to do so with a view of generating additional income for the Fund with an acceptable degree of risk.

The lending of securities is permitted under the Deed and must comply with the above-mentioned as well as with the relevant rules and directives issued by Bursa Malaysia Securities Berhad, Bursa Malaysia Depository Sdn. Bhd. and Bursa Malaysia Securities Clearing Sdn. Bhd.

1.7. RISK FACTORS

1.7.1. GENERAL RISKS OF INVESTING IN A UNIT TRUST FUND

Any investment carries with it an element of risk. Therefore, prior to making an investment, you should consider the following risk factors in addition to the other information set out in this Prospectus.

Returns not guaranteed

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment returns, nor any assurance that the fund's investment objective will be achieved.

General market environment risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.

Inflation risk

This is the risk that your investment in the unit trust fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

Manager's risk

This risk refers to the day-to-day management of the fund by the manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.

Loan financing risk

This risk occurs when you take a loan/financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event units are used as collateral, you may be required to top-up your existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV as compared to the NAV per unit at the point of purchase towards settling the loan.

***Note:** Unit Trust Loan Financing Risk Disclosure Statement Form annexed as Appendix 1 hereto sets out the risks in detail.*

1.7.2. SPECIFIC RISKS ASSOCIATED WITH THE INVESTMENT PORTFOLIO OF THE FUND

There are specific risks associated with the investment portfolio of the Fund, which include but are not limited, to the following:

Credit and default risk

The Fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when the Fund invests in debt instruments, money market instruments and/or place Deposits. Credit risk relates to the creditworthiness of the instruments issuers or counterparties and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer or counterparties may impact the value as well as liquidity of the investments. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an instruments issuer or counterparties either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the Fund. We aim to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of its issuers or counterparties, and impose investment limits on exposures for issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted transaction.

Interest rate risk

Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments. When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. In managing the debt portfolio, we take into account the coupon rate and time to maturity of the debt instruments with an aim to mitigate the interest rate risk.

Liquidity risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.

The above summary of risks does not purport to be an exhaustive list of all the risk factors relating to investments in the Fund and are not set out in any particular order of priority. You should be aware that an investment in a unit trust fund may be exposed to other risks from time to time. If in doubt, you should consult professional advisers for a better understanding of the risks.

This Fund is a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent subject to the concurrence of the Trustee.

2. FEES, CHARGES AND EXPENSES

2.1. CHARGES

The following describes the charges that you may **directly** incur when you buy or withdraw units of the Classes.

2.1.1. Application Fee

When applying for units of the Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure of the respective Class for further information. If you invest via EPF's Members Investment Scheme (where available), you may be charged an Application Fee of up to 3.00% of the NAV per unit, or such other rate as may be determined by the EPF.

Below is an illustration on how the Application Fee is calculated:-

	Class ABC (Denominated in MYR)	Class XYZ (Denominated in MYR)
Investment amount	MYR 10,000	MYR 10,000
NAV per unit	MYR 1.0000	MYR 1.0000
Application Fee (NAV per unit)	2.00%	0.00%
Units issued to Unit holder = $\frac{\text{Investment amount}}{\text{NAV per unit}}$	= $\frac{\text{MYR } 10,000.00}{\text{MYR } 1.0000}$ = 10,000 units	= $\frac{\text{MYR } 10,000.00}{\text{MYR } 1.0000}$ = 10,000 units
Application Fee per unit = NAV per unit x Application Fee (%)	= MYR 1.0000 x 2.00% = MYR 0.02	= MYR 1.0000 x 0.00% = MYR 0.00
Total Application Fee	= 10,000 units x MYR 0.02 = MYR 200.00	= 10,000 units x MYR 0.00 = MYR 0.00

Note: Please note that the above example is for illustration purpose only and the illustration does not take into account GST. The Application Fee imposed will be rounded to two (2) decimal places.

2.1.2. Withdrawal Fee

The Withdrawal Fee is chargeable if withdrawal is made within three (3) months from the Commencement Date of the respective Classes. Thereafter, no Withdrawal Fee will be charged. All Withdrawal Fees will be retained by us. Please refer to the Annexure of the respective Class for further information.

2.1.3. Switching Fee

Switching is treated as a withdrawal from a Class and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, you may be charged administrative fee for each switch. Please refer to the Annexure of the respective Class for further information.

2.1.4. Transfer Fee

You may be charged Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you as disclosed or illustrated above.

2.2. FEES AND EXPENSES

All expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee, and those that are related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

The following describes the fees that you may **indirectly** incur when you invest in a Class.

2.2.1. Management Fee

Please note that the Management Fee is charged to the respective Class at the Class level, based on the NAV of the Class. Please refer to the Annexure of the respective Class for further information. The Management Fee shall be accrued daily and paid monthly.

Below is an illustration on how the Management Fee is calculated, assuming Management Fee of 1.00% per annum and MYR 150 million each for both Class ABC and Class XYZ:-

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Annual Management Fee	1.00% per annum	0.25% per annum
NAV of the class	MYR 150 million	MYR 150 million
Management Fee for the day = NAV of the class x Management Fee rate for the class (%) / 365 days	= MYR 150 million x 1.00% / 365 = MYR 4,109.59	= MYR 150 million x 0.25% / 365 = MYR 1,027.40

Note: In the event of a leap year, the computation will be based on 366 calendar days.

2.2.2. Trustee Fee

Please note that the Trustee Fee (including local custodian fee but excluding foreign sub-custodian fees and charges) charged to the Fund is based on the NAV of the Fund. The Trustee Fee shall be accrued daily and paid monthly.

The Trustee Fee is 0.025% per annum for the Fund.

Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is MYR 150 million:-

$$\begin{aligned}
 \text{Trustee Fee for the day} &= \text{NAV of the Fund} \times \text{annual Trustee Fee rate for the Fund (\%)} / 365 \text{ days} \\
 &= \text{MYR 150 million} \times 0.025\% \text{ per annum} / 365 \text{ days} \\
 &= \text{MYR 102.74}
 \end{aligned}$$

Note: In the event of a leap year, the computation will be based on 366 calendar days.

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund as disclosed or illustrated above.

2.2.3. Other Expenses

The Deed also provides for payment of other expenses. The major expenses recoverable directly from the Fund include:

- expenses incurred in the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- (where the foreign custodial function is delegated by the Trustee for foreign investment), charges and/or fees paid to the sub-custodian;
- expenses incurred in preparation and audit of the taxation returns and accounts of the Fund, including the printing of, purchasing of stationery and postage for the annual and interim (if any) reports;
- remuneration and out of pocket expenses of the independent members of the investment committee unless the Manager decides to bear the same;
- tax (including but not limited to GST) and other duties imposed by the government and other authorities, and bank fees;
- the fees and other expenses properly incurred by the auditor of the Fund and tax agent;
- fees for valuation of any investment of the Fund paid to independent valuers for the benefit of the Fund;
- costs incurred for the modification of the Deed for the benefit of Unit holders;
- costs incurred for any meeting of Unit holders other than those convened for the benefit of the Manager or Trustee; and

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

Expenses not authorised by the Deed must be paid by us or the Trustee out of our own funds if incurred for our own benefit.

- 2.2.4.** We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate (in percentage terms) that can be charged. All expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that is related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

You should note that we may alter the fees and charges (other than the Trustee Fee) within such limits, and subject to such provisions, as set out in the Deed and the SC Guidelines.

You should note that we may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by the you in respect of the Fund, either generally (for all investors) or specifically (for any particular investor or a group of investors) and for any period or periods of time at our absolute discretion.

2.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Fund unless the soft commission received is retained in the form of goods and services such as stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on most favourable terms for the Fund.

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

All fees and charges payable by you and/or the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and expenses from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

3. TRANSACTION INFORMATION

3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will carry out the valuation of the Fund in a fair manner in accordance with applicable law and guidelines. The valuation bases for the investment permitted by the Fund are as below:

- **Unlisted securities**
The value of any unlisted RM-denominated debt instruments shall be calculated on a daily basis using prices quoted by a bond pricing agency (BPA) registered with the SC. Where such prices are not available or where we are of the view that the price quoted by the BPA for a specific debt instrument differs from the market price by more than 20 basis points, we may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and we record its basis for using a non-BPA price, obtained necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield.
- **Money market instruments**
Valuation of tradable money market instruments such as repurchase agreements shall be determined each day by reference to the principal value of such permitted investments and the accrued income for the relevant period.
- **Deposits**
The value of Deposits shall be determined each day by reference to the principal value of such permitted investments and the accrued income thereon for the relevant period.
- **Listed securities**
The value of any permitted investments, which are quoted on an approved exchange, shall be calculated daily by reference to the last transacted price on that approved exchange. If the last transacted price does not represent the fair value of the securities, then the securities should be valued at fair price as determined in good faith by us, based on the methods or bases approved by the Trustee after appropriate technical consultation, such as the mean of bid and offer prices at the close of trading. Suspended securities will be valued at their last done price unless there is conclusive evidence to show that the value has gone below the suspended price or where the quotation of the securities has been suspended for a period exceeding fourteen (14) days or such shorter period as agreed by the Trustee, then the securities should be valued at fair value as determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.

3.2. UNIT PRICING

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on forward prices. This means that we will process your transactions request based on the NAV per unit at the next valuation point after we receive the completed relevant transaction forms from you.

If the transactions are made by 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit for that Business Day. For transactions made after 4:00 p.m., we will process the transactions using the NAV per unit on the next Business Day.

We will carry out the valuation for the Classes for a Business Day at the end of that Business Day (T). The unit price for a Business Day is available on our website at <http://www.cimb-principal.com.my> after 10:00 a.m. on the following Business Day (T+1).

Illustration:

For transaction request received by us by 4:00 p.m. on a Business Day

At the end of Business Day on 15 November 2017, your units will be calculated based on the NAV per unit on the same Business Days, that is, 15 November 2017. The NAV per unit will be available on our website on 16 November 2017.

For transaction request received by us after 4:00 p.m. on a Business Day

At the end of Business Day on 15 November 2017, your units will be calculated based on the NAV per unit on the next Business Day, that is, 16 November 2017. The NAV per unit will be available on our website on 17 November 2017.

The Fund must be valued at least once every Business Day except during the initial offer period.

The method of determining NAV per unit is calculated as follows:

$$\text{NAV per unit} = \frac{\text{NAV of the Class}}{\text{Number of units in issue of the Class}}$$

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund which also includes any provisions that may be made by us and the Trustee. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

The valuation of the Fund is in the base currency i.e. MYR. The NAV per unit of each Class will be the NAV of the Fund attributable to each Class divided by the number of units in circulation of that Class, at the same valuation point.

Note: We will ensure the accuracy of the prices submitted to the Federation of Investment Managers Malaysia - Funds Malaysia System.

3.2.1. Multi-class Ratio (MCR)

MCR is the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in MYR) of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

Below is an illustration on computation of the NAV of the Fund:

	Fund (MYR)	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before income and expenses	185,942,897	12,600,000	173,342,897
% MCR	100%	⁽¹⁾ 6.78%	⁽¹⁾ 93.22%
Add: Income	30,000	⁽²⁾ 2,034	⁽²⁾ 27,966
Less: Expenses	(10,000)	⁽²⁾ (678)	⁽²⁾ (9,322)
NAV of the Fund before management and trustee fee	185,962,897	12,601,356	173,361,541
Less: Management fee	(1,532)	1.00% p.a. (345)	0.25% p.a. (1,187)
Less: Trustee fee	(127)	0.025% p.a. (9)	(118)
NAV of the Fund	185,961,238	12,601,002	173,360,236
Units in circulation	200,000,000 units	30,000,000 units	170,000,000 units
NAV per unit		0.4200	1.0197

	Fund (MYR)	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYRD)
NAV of the Fund before creation of units for the day	185,961,238	12,601,002	173,360,236
⁽³⁾ Creation of units	2,000,000	1,000,000	1,000,000
Closing NAV	187,961,238	13,601,002	174,360,236
Units in circulation	203,361,632.97 units	32,380,952.38 units	170,980,680.59 units
NAV per unit		0.4200	1.0197

Note:

⁽¹⁾ MCR computation

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
$\frac{\text{NAV of the Class} \times 100}{\text{NAV of the Fund before income and expenses}}$	$\frac{12,600,000 \times 100}{185,942,897}$	$\frac{173,342,897 \times 100}{185,942,897}$
	= 6.78%	= 93.22%

⁽²⁾Apportionment based on MCR is as follows:

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Add: Income	30,000	MCR x Income
	= Income for Class ABC	= Income for Class XYZ
	= 6.78% x MYR 30,000	= 93.22% x MYR 30,000
	= MYR 2,034	= MYR 27,966

Less: Expenses	(10,000)	MCR x Expenses = Expenses for Class ABC = 6.78% x MYR 10,000 = MYR 678	MCR x Expenses = Expenses for Class XYZ = 93.22% x MYR 10,000 = MYR 9,322
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⁽³⁾Creation of units

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Creation of units	MYR 1,000,000	MYR 1,000,000
NAV per unit	MYR 0.4200	MYR 1.0197
Number of units	2,380,952.38 units	980,680.59 units
Creation of units	MYR 1,000,000	MYR 1,000,000

Note: Please note that the above is for illustration purpose only. NAV per unit is truncated to four (4) decimal places.

3.2.2. Calculation of investment amount and units entitlement

The calculation below is for illustration only and does not represent the actual percentage or amount that you may incur for in each Class. Please refer to the Annexure of the respective Class for the actual percentage or amount of charges.

Illustrations:

Calculation of number of units received, Application Fee and total amount payable by you

Assumptions:

NAV per unit of Class ABC denominated in MYR = RM1.0000 (truncated to 4 decimal places)
Application Fee charged by IUTA = 2.00%
You wish to invest RM10,000 in the Fund through an IUTA.

Calculation of number of units that you will receive*

= Investment amount / NAV per unit of Class ABC
= RM10,000.00 / RM1.0000
= 10,000.00 units

Calculation of Application Fee that you will incur (payable in addition to the amount invested)

= NAV per unit of Class ABC x number of units received x Application Fee rate
= RM1.0000 x 10,000.00 units x 2.00%
= RM200.00

Calculation of total amount that you will have to pay

= Investment amount + Application Fee paid
= RM10,000.00 + RM200.00
= RM10,200.00

* The number of units you will receive will be rounded down to two (2) decimal places

Calculation of investment value

Assuming you have 40,000 units in Class ABC of the Fund and the NAV per unit of Class ABC for the day (which will be made known on the following Business Day) is RM1.0240 (truncated to 4 decimal places).

Calculation of investment value

= Number of units x NAV per unit of Class ABC
= 40,000.00 units x RM1.0240
= RM40,960.00

Calculation of withdrawal value and amount payable to you

Assuming you request for a 10,000 units withdrawals from your investment on the fifth month* from the Commencement Date. Your withdrawal request is received by us by 4:00 p.m. on a Business Day. The NAV per unit for that Business Day (which will be made known on the following Business Day) is RM1.0240 (truncated to 4 decimal places).

Calculation of amount payable to you

= Number of units withdrawn x NAV per unit of Class ABC
= 10,000 units x RM1.0240
= RM10,240.00

* The Withdrawal Fee is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Fee will be charged.

Note: The above illustrations do not take into account GST.

3.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Fund or units of the Fund. Where such error has occurred, we shall reimburse the money in the following manner:

- (a) in the event of over valuation and/or pricing, we shall reimburse:
 - i. the Fund for any redemption of units; and/or
 - ii. you, if you have purchase units of the Fund at a higher price; or
- (b) in the event of under valuation and/or pricing, we shall reimburse:
 - i. the Fund for any subscription of units; and/or
 - ii. you, if you have withdrawn units of the Fund at a lower price.

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement as per the IMS, only where an incorrect pricing:

- (i) is equal or more than 0.50% of the NAV per unit; and
- (ii) results in a sum total of RM10.00 or more to be reimbursed to a Unit holder for each sale or repurchase transaction.

We shall have the right to amend, vary or revise the abovesaid limits or threshold from time to time, subject to any regulatory or governing body's requirements.

3.4. INVESTING

3.4.1. Who can invest?

You are eligible to invest in the Fund if you are:

- an individual who is at least eighteen (18) years of age and you are not an undischarged bankrupt. As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).
- an institution including a company, corporation, co-operative, trust or pension fund.

However, we have the right to reject an application on reasonable grounds.

Further, if we become aware of a US person (i.e. someone who has a USA address (permanent or mailing) or contact number) or US entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we will issue a notice to that Unit holder requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-US person or non-US entity.

We also have the right to withdraw all units held by you in the event we are of the opinion that such withdrawal is necessary to ensure that we comply with any relevant laws, regulations and guidelines. We will first notify you before making any such compulsory withdrawal of your units.

3.4.2. How to invest?

You may invest through any of our Distributors or our head office after completing the relevant application forms and attaching a copy of your identity card, passport or any other identification document. We may request for additional supporting document(s) or information from you. On the application form, please indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may invest:

- by crossed cheque, banker's draft, money order or cashier's order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any;
- directly from your bank account held with our Distributors, where applicable; or
- by such other mode of payment that we and/or the relevant authorities approve from time to time. Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

3.4.3. Can the units be registered in the name of more than one (1) Unit holder?

We may register units in the name of more than one (1) Unit holder but we have the discretion not to allow registration of more than two (2) joint Unit holders. All applicants must be at least eighteen (18) years of age.

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognized as the rightful owner. His/her units will be dealt with in accordance with the Deed and applicable laws and regulations.

3.4.4. Who is distributing this Fund?

The Fund may be distributed via the following channels:

- CIMB-Principal's offices;
- CWA;
- IUTAs; and
- such other channels as we may decide from time to time.

You may invest into the Fund via us or any of our Distributors. Please refer to the "Distributors of the Fund" chapter for further details. Please note that we have the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time. You may contact our Customer Care Centre at **(03) 7718 3100** for more information.

You are advised not to make payment in cash to any individual agent when purchasing units of a fund.

- 3.4.5.** Please take note that if your investments are made through an IUTA via a nominee system of ownership, you would not be deemed as a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

3.5. MINIMUM INVESTMENTS

The minimum initial and additional investment for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information.

3.5.1. Regular Savings Plan

Regular Savings Plan ("RSP") may be made available for certain Class. Please refer to the Annexure of the respective Class for further information. Where available, the RSP allows you to make regular monthly investments, direct from your account held with a bank approved by us or our Distributors. Monthly investments made via the RSP will be processed when we receive the application and/or monthly investment cheque. Monthly investment can be made by arranging a standing instruction with our Distributors to credit a pre-determined amount to the Class each month. You may cancel your RSP at any time by providing written instructions to the relevant Distributor to cancel your standing instruction.

3.5.2. Processing an application

If we receive a complete application by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the application after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day (T+1). We will only process the completed applications with all the necessary information. The number of units you receive will be rounded down to two (2) decimal places.

3.6. MINIMUM WITHDRAWALS

The minimum withdrawal amount for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure of the respective Class for further information. You may withdraw by completing a withdrawal form and sending it to the relevant Distributor or our head office. There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to your bank account in our records. Please note that for EPF's Members Investment Scheme (where available), your withdrawal proceeds will be paid to EPF. If we wish to increase the minimum withdrawal amount, we will consult with the Trustee and you will be notified of such changes before implementation.

3.6.1. Processing a withdrawal

If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the withdrawal request after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day (T+1). The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. You will be paid in RM within ten (10) days of receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any.

3.7. MINIMUM BALANCE

The minimum balance that must be retained in your account for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information. If the balance (i.e. number of units) of an investment drops below the minimum balance units, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we have the discretion to switch your units to another Class with lower minimum balance which may subject to higher fees or we can withdraw the entire investment and forward the proceeds to you. If we wish to increase the minimum balance amount, we will consult with the Trustee and you will be notified of such changes before implementation. However, you should note that we may, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you.

3.8. COOLING-OFF PERIOD

You have six (6) Business Days after your initial investment (i.e. from the date the application form is received and accepted by us or our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased. We will refund the investment amount including Application Fee (if any) to you in RM within ten (10) days, from the date we receive the complete documentations. Please note that the cooling-off right is only given to first time investor investing with us or our Distributors. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any of our Distributors are not entitled to the cooling-off right.

In addition, if you have invested via the EPF's Members Investment Scheme (where available), your cooling-off right is subject to EPF's terms and conditions.

3.9. SWITCHING

Switching is available between the Classes of the Fund or between a Class and other CIMB-Principal Funds (or its classes), which should be denominated in the same currency. You may contact our **Customer Care Centre** at **(03) 7718 3100** for more information on the availability of switching. Please also refer to the Annexure of the respective Class for further information.

To switch, simply complete a switch request form and send to the relevant Distributor or our head office. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the Fund or Class, either generally (for all Unit holders) or specifically (for any particular Unit holder of a group of Unit holders).

3.9.1. Processing a switch

We process a switch as a withdrawal from one fund or class and an investment into another fund or class. If we receive a complete switch request by 4:00 p.m. on a Business Day, we will process the switch out using the NAV per unit for that Business Day. If we receive the request after 4:00 p.m. on a Business Day, the switch out will be processed using the NAV per unit for the next Business Day (T+1).

However, you should note that switch in may be processed at a later Business Day, generally within one (1) to four (4) Business Days.

3.10. TRANSFER FACILITY

You are allowed to transfer your holdings subject to such terms and conditions as may be stipulated in the Deed. However, we may refuse to register any transfer of unit at our absolute discretion. You may be subjected to Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

3.11. DISTRIBUTION PAYMENT

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Class(es) according to its distribution policy. Each unit of the Class will receive the same distribution for a distribution period regardless of when those units were purchased. The distribution amount you will receive is calculated by multiplying the total number of units held by you in the Class with the distribution amount in cent per unit. On the distribution date, the NAV per unit will adjust accordingly. For information on the distribution policy of each Class, please see Annexure of the respective Class.

All distributions (if any) will be automatically reinvested into additional units in the Class at the NAV per unit on the distribution date (the number of units will be rounded down to two (2) decimal places), unless written instructions to the contrary are communicated to us, in which you should have first furnished us with details of your bank account, that all distribution payment shall be paid into (the cost and expense will be borne by you). No Application Fee is payable for the reinvestment.

If units are issued as a result of the reinvestment of a distribution or other circumstance after you have withdrawn your investment from the Class, those additional units will then be withdrawn and the proceeds will be paid to you.

Note: Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund.

3.12. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after twelve (12) months as prescribed by Unclaimed Moneys Act 1965 ("UMA"), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.

However, for income distribution payout to you, if any, which remain unclaimed for six (6) months will be reinvested into the Class within thirty (30) Business Days after the expiry of the cheque's validity period based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still hold units of the Class. As for income distribution payout by bank transfer, if any, shall be transmitted to your valid and active bank account. If the bank transfer remained unsuccessful and unclaimed for six (6) months, it will be reinvested into the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still hold units of the Class. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Class, the distribution money would be subject to the treatment mentioned in the above paragraph as prescribed by the UMA.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

4. ADDITIONAL INFORMATION

4.1. FINANCIAL YEAR-END

28 February (29 February in the event of a leap year).

4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Your CIMB-Principal investor number;
- Confirmation on all your transactions and distributions (if any);
- Confirmation on any changes to your address if you have written to us to make the changes;
- Quarterly statement showing details of your transactions and distributions (if any); and
- Interim and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the interim report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

Note: *The Unit holders of Class C may request for additional reports subject to payment of an administration fee. However, we also have the discretion to waive the administration fee. You should note that we may, for any reason at any time, at our discretion, accept or reject your request and without having to assign any reason and prior notice to you.*

The Fund's annual report is available upon request.

In the case of joint Unit holders, all correspondences and payments will be made and sent to the first registered Unit holder.

Please take note that if you have invested through an IUTA via a nominee system of ownership, you would not be deemed to be a Unit holder under the Deed. As such, you may obtain the above-mentioned information from that IUTA.

You may obtain up-to-date fund information from our monthly fund fact sheets and our website, www.cimb-principal.com.my.

If you have any questions about the information in this Prospectus or would like to know more about investing in this Fund, please contact our **Customer Care Centre** at **(603) 7718 3100** between 8:45 am and 5:45 pm, Mondays to Thursdays and between 8:45 am and 4:45 pm on Fridays (except on Selangor public holidays) or you may email us at service@cimb-principal.com.my.

If you wish to write-in, please address your letter to:

CIMB-Principal Asset Management Berhad
Customer Care Centre
50, 52 & 54 Jalan SS 21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA

4.3. DEED

The Fund is governed by the Deed dated 11 July 2017 including any supplemental deed (s) as may be issued from time to time.

4.4. DOCUMENTS AVAILABLE FOR INSPECTION

You may inspect the following documents or copies thereof in relation to the Fund (upon request) at our principal place of business and/or the business address of the Trustee (where applicable) without charge:

- The Deed and supplemental deed, if any;
- Current Prospectus and supplementary or replacement prospectus, if any;
- The latest annual and interim reports of the Fund;
- Material contracts or documents disclosed in this Prospectus;
- The audited financial statements of the Manager and the Fund (where applicable) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- Any report, letter or other document, valuation and statement by any expert, any part of which is extracted or referred to in this Prospectus;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; and
- Consent given by experts disclosed in this Prospectus, if any.

4.5. CONSENT

PricewaterhouseCoopers Taxation Services Sdn Bhd and PB Trustee Services Berhad have given their written consent to act in their respective capacity. They have also given their consent for the inclusion of their names and/or statements and/or reports in this Prospectus in the form and context in which it appears and have not subsequently withdrawn their consent to the inclusion of their names and/or statements and/or reports in the form and context in which it appears in this Prospectus.

4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED PARTY TRANSACTIONS

We (including our directors) will at all times act in your best interests and will not conduct ourselves in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that we face conflicts in respect of our duties as the Manager to the Fund and to other CIMB-Principal Funds that we manage, we are obliged to act in the best interests of our investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

We shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. We shall not make any investment for the Fund in any securities, properties or assets in which we or our officer has financial interest in or from which we or our officer derives a benefit, unless with the prior approval of the Trustee. We (including our directors) who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

As at LPD, none of our directors and substantial shareholders has either direct or indirect interest in other corporations that carry on a similar business with CIMB-Principal, except for the following:

Director / Shareholder	Position	Shareholding (Direct / Indirect)	Name of corporation
CIMB Group Sdn Bhd	Shareholder	√	CIMB-Principal Islamic Asset Management Sdn Bhd CIMB-Mapletree Management Sdn Bhd

The Fund may maintain Deposits with CIMB Bank Berhad, CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within the CIMB Group and the PFG provided that the transactions are effected at market prices and are conducted at arm's lengths.

We may conduct cross trades between funds that we manage, subject to regulatory requirements.

As for the Trustee and service provider for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of monies, structured products, etc);
- (2) where the Fund is being distributed by the related party of the Trustee;
- (3) where the assets of the Fund are being custodied by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtains financing as permitted under the SC Guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit holder or enter into any contract or transaction with each other, the Fund or any form of such contract or transaction or act in the same or similar capacity in relation to any other scheme.

4.7. INTERESTS IN THE FUND

Subject to any legal requirement, we or any of our related corporation, or any of our officers or directors, may invest in the Fund. Our directors will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Prospectus have been paid to any promoter of the Fund, or the Trustee (either to become a Trustee or for other services in connection with the Fund), or us for any purpose.

4.8. EMPLOYEES' SECURITIES DEALINGS

We have in place a policy contained in its Rules of Business Conduct, which regulates its employees' securities dealings. All of our employees are required to declare their securities trading annually to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers.

5. THE MANAGER

5.1. ABOUT CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD

CIMB-Principal holds a Capital Markets Services License for fund management and dealing in securities restricted to unit trust under the CMSA and specialises in managing and operating unit trusts for investors, both institutional and retail. CIMB-Principal's responsibilities include managing investment portfolios by providing fund management services to insurance companies, pension funds, unit trust companies, corporations and government institutions in Malaysia. In addition, CIMB-Principal is an approved private retirement scheme provider in Malaysia. It originally commenced its operations as a unit trust company in November 1995. As at LPD, CIMB-Principal has more than 21 years of experience in the unit trust industry. The shareholders of the company are CIMB Group and PIA.

CIMB Group is held in majority by CIMB Group Holdings Berhad. It is a fully integrated investment bank. It offers the full range of services in the debt markets, the equity markets and corporate advisory. Member companies of CIMB Group also provide services in lending, private banking, private equity, Islamic capital markets as well as research capability in economics, equity and debt markets.

PIA is a private company incorporated in Hong Kong and its principal activity is the provision of consultancy services to other PFG group of companies. PIA is a subsidiary of the PFG, which was established in 1879 and is a diversified global financial services group servicing more than 15 million customers.

The primary roles, duties and responsibilities of CIMB-Principal as the Manager of the Fund include:

- maintaining a register of Unit holders;
- implementing the appropriate investment strategies to achieve the Fund's investment objectives;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and repurchase of units;
- calculating the amount of income to be distributed to Unit holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by CIMB-Principal nor are there any facts likely to give rise to any proceedings, which might materially affect the business/financial position of CIMB-Principal.

5.1.1. The Board of Directors

As at LPD, the Board of Directors consists of eleven (11) members including four (4) Independent Directors. The Board of Directors oversees the management and operations of the CIMB-Principal and meets at least four (4) times a year.

Dato' Robert Cheim Dau Meng	- Non-independent director	Alejandro Elias Echegorri Rodriguez	- Non-independent director
Effendy bin Shahul Hamid	- Non-independent director	Dato' Anwar bin Aji	- Independent director
Thomas Cheong Wee Yee	- Non-independent director	Wong Joon Hian	- Independent director
Pedro Esteban Borda	- Non-independent director	A.Huzaima bin Dato' Abdul Hamid	- Independent director
Munirah binti Khairuddin	- Non-independent director	Hisham bin Zainal Mokhtar	- Independent director
Paul Wong Chee Kin	- Non-independent director		

5.1.2. The Investment Committee

We have appointed the Investment Committee for the Fund, pursuant to the requirements under the SC Guidelines. As at LPD, the Investment Committee consists of six (6) members including three (3) independent members. Generally, the Investment Committee meets once a month and is responsible for ensuring that the investment management of the Fund is consistent with the objectives of the Fund, the Deed, the SC Guidelines and relevant securities laws, our internal investment restrictions and policies, as well as acceptable and efficacious investment management practices within the unit trust industry. In this role, the powers and duties of the Investment Committee include formulating and monitoring our implementation of appropriate investment management strategies for the Fund and the measurement and evaluation of our performance.

5.1.3. Designated Person Responsible For Fund Management Function

Name:	Patrick Chang Chian Ping
Designation:	Chief Investment Officer, Malaysia
Experience:	Patrick was appointed as the Chief Investment Officer, Malaysia on 22 February 2016. He comes with an extensive 16 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he oversees ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal where he specialized in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specializing in managing global ETF portfolios. He is a holder of the Capital Markets Services Representative License.
Qualifications:	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick (Chevening Scholar), UK.

Note: For more information and/or updated information, please refer to our website at <http://www.cimb-principal.com.my>.

6. THE TRUSTEE

6.1. ABOUT PB TRUSTEE SERVICES BERHAD

PB Trustee Services Berhad was incorporated on 24 August 1968 and commenced its operations on 22 January 1969, with its registered and business office at 17th Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur. The Trustee has an 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. The Trustee is also acting as a custodian in its capacity.

The Trustees' main functions are to act as trustee and custodian of the assets of the Funds and to safeguard the interests of the Unit holders of the Funds. 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.

6.1.1. 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 rise to any proceedings which might materially affect the business or financial position of Trustee and any of the Trustees or any of its delegates.

Note: *We have obtained the necessary consent and confirmation from each of the relevant parties with regards to the information disclosed in this section.*

7. SALIENT TERMS OF DEED

Money invested by you in the Fund will purchase a number of units, which represents your interest in the Fund. Each unit held in a Class represents an equal undivided beneficial interest in the assets of that Class. However, the unit does not give you an interest in any particular part of the Class or a right to participate in the management or operation of the Fund (other than through Unit holders' meetings).

You will be recognised as a registered Unit holder in the Class on the Business Day your details are entered onto the register of Unit holders.

7.1. RIGHTS, LIABILITIES AND LIMITATION OF UNIT HOLDERS

7.1.1. Rights

As a Unit holder, you have the right, among others, to the following:

- (i) to inspect the register, free of charge, at any time at our registered office, and obtain such information pertaining to its units as permitted under the Deed and the SC Guidelines;
- (ii) to receive the distribution of the Fund (if any), participate in any increase in the capital value of the units and to other rights and privileges as set out in the Fund's Deed;
- (iii) to call for Unit holders' meetings;
- (iv) to vote for the removal of the Trustee or the Manager through a Special Resolution;
- (v) to receive annual reports, interim reports or any other reports of the Fund; and
- (vi) to exercise the cooling-off right.

We may, upon request from a Unit Holder of Class C, send a copy of the such additional report of the Fund (in addition to that required under Clause 14(9), (11) and (12) and Clause 20(7) of the Deed) after the request is received and upon payment of a reasonable sum as may be determined by us. We shall have the sole and absolute right to reject a Unit Holder of Class C's request to such additional report of the Fund without having to assign any reason or give prior notice.

Unit holders' rights may be varied by changes to the Deed, the SC Guidelines or judicial decisions or interpretation.

7.1.2. Liabilities

- (i) Your liability is limited to the purchase price per unit and the Application Fee paid or agreed to be paid for a unit. You need not indemnify the Trustee or us if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or ours in respect of the Class. The Unit holders of one Class will not be liable for any liabilities of the other Classes.
- (ii) Subject to our indemnity to the Trustee as provided in the Deed, the recourse of the Trustee, ours and any creditor is limited to the assets of the Fund.

7.1.3. Limitations

You cannot:

- (i) interfere with any rights or powers of ours and/or Trustee's under the Deed;
- (ii) exercise a right in respect of an asset of the Fund or lodge a caveat or other notice affecting the asset of the Fund or otherwise claim any interest in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to you.

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

7.2. MAXIMUM FEES AND CHARGES AND EXPENSES PERMITTED BY THE DEED

This table describes the maximum charges permitted by the Deed and payable directly by you.

Charges	Descriptions
(1) Application Fee	Up to 7.00% is charged on the NAV per unit.
(2) Withdrawal Fee	Up to 5.00% of the NAV per unit.
(3) Switching Fee	A fee not exceeding 7.00% of the NAV per unit. An administrative fee (if any) in relation to switching may be charged as set out in the Prospectus.

This table describes the maximum fees permitted by the Deed and payable indirectly by you.

Fees	Descriptions
(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV.
(2) Trustee Fee	Up to 0.025% per annum, calculated daily on the NAV (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).

A lower fee and/or charges than what is stated in the Deed may be charged, all current fees and/or charges are disclosed in the Prospectus.

Any increase of the fees and/or charges above that stated in the current Prospectus may be made provided that a supplemental prospectus is issued and the maximum stated in the Deed shall not be breached.

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

7.2.1. Expenses permitted by the Deed

The Deed also provides for payment of other expenses, which include (without limitation) expenses connected with:

- commissions and/or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts;
- (where the foreign custodial function is delegated by the Trustee), charges and/or fees paid to the sub-custodian;
- tax (including but not limited to GST) and other duties charged on the Fund by the government and other authorities if any and bank fees;
- the fees and other expenses properly incurred by the auditor of the Fund and tax agent;
- remuneration and out of pocket expenses of the independent members of the investment committee of that Fund, unless we decide to bear the same;
- fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- costs incurred for the modification of the Deed otherwise than for the benefit of the Manager or the Trustee;
- costs incurred for any meeting of Unit holders other than those convened for the benefit of the Manager or the Trustee;
- the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- the engagement of valuers, advisers and contractors of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or Manager;
- any proceedings, arbitration or other dispute concerning the Fund, Class or any asset, including proceedings against the Trustee or the Manager by the other of them for the benefit of the Fund or Class (except to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed out of the Fund);
- costs of obtaining experts opinion by the Trustee and the Manager for the benefit of the Fund or Class;
- all costs and/or expenses associated with the distributions declared pursuant to this Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer; and
- the costs of printing and dispatching to Unit Holders the accounts of the Funds, tax certificates, distribution warrants, notices of meeting of members, newspaper advertisement and such other similar costs as may be approved by the Trustee.

The Trustee and us are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed.

7.3. RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER

We must retire as the Manager when required to retire by law.

We may retire upon giving twelve (12) months' notice to the Trustee of our desire to do so, or such shorter notice as we and the Trustee may agree, in favour of another corporation.

We shall retire under the following circumstances:

- if a Special Resolution is duly passed by the Unit holders that the Manager be removed; or
- if we ceases to be approved by the SC to be the Manager of unit trust schemes.

We may be removed by the Trustee under certain circumstances outlined in the Deed. These include:

- if we have gone into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or cease to carry on business or if a receiver shall be appointed in respect of the undertaking or assets of the Manager or if any encumbrances shall take possession of any of its assets; or
- if we cease to carry on business; or
- if the Trustee is of the opinion that hawse have, to the prejudice of the Unit holders, failed to comply with any provision or covenant under the Deed or contravened any of the provisions of the CMSA; or
- if we have failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of the Unit holders for it to do so, after the Trustee has given reasonable notice to it of that opinion and the reasons for that opinion, and has considered any representations made by us in respect of that opinion, and after consultation with the SC and with the approval of the Unit holders; or
- if a petition has been presented for the winding up against us (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, we become or is declared insolvent).

In any of above said circumstances, we for the time being shall upon receipt of such notice by the Trustee cease to be the Manager and the Trustee shall by writing under its seal appoint another corporation to be the manager of the Fund subject to such corporation entering into a deed(s) with the Trustee and thereafter act as manager during the remaining period of the Fund.

We may be replaced by another corporation appointed as manager by Special Resolution of the Unit holders at a Unit holder's meeting convened in accordance with the Deed either by the Trustee or the Unit holders.

7.4. RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE

We and the Trustee may agree, and may by Deed appoint in its stead a new trustee approved by the SC.

The Trustee must retire as trustee of the Fund when required to retire by law. The Trustee may retire by giving twelve (12) months' notice to us or any shorter notice we accept.

We may remove the Trustee and the Trustee covenants that it will retire or removed from the Fund constituted by or pursuant to the Deed if and when requested so to do by us if:

- the Trustee shall go into liquidation;

- the Trustee is placed under receivership, ceases to exist, fails or neglects its duties;
- the Trustee ceases to be approved by the SC to be a trustee for unit trust schemes; or
- a Special Resolution is duly passed by the Unit holders that the Trustee be removed.

Additionally, we are legislatively empowered under Section 299 of the CMSA to remove the Trustee under specific circumstances set out therein.

The Trustee may be replaced by another corporation appointed as trustee by a Special Resolution of the Unit holders at a Unit holders' meeting convened in accordance with the Deed either by us or the Unit holders.

7.5. TERMINATION OF THE FUND

The Fund or any of the Classes may be terminated or wound-up upon the occurrence of any of the following events:

- (a) the SC's authorization is withdrawn under Section 256E of the CMSA; or
- (b) a Special Resolution is passed at a Unit holders' meeting of all the Unit holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA; or
- (c) a Special Resolution is passed at a Unit holders' meeting of all the Unit holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be; or
- (d) on reaching the Fund's or that Class' Maturity Date (if any); or
- (e) the effective date of an approved transfer scheme, as defined under the Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

A Class of a Fund may be terminated if a Special Resolution is passed at a Unit holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

7.6. MEETINGS OF UNIT HOLDERS

A Unit holders' meeting may be called by us, the Trustee and/or Unit holders.

Where we or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit holders in the following manner:

- (a) by sending by post a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit holder at the Unit holder's of the Fund or that Class, as the case may be, last known address or, in the case of joint Unit holders, to the joint Unit holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint Unit holder's last known address; and
- (b) by publishing, at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language newspaper published daily and circulating generally throughout Malaysia, and in one other newspaper as may be approved by the SC.

We shall within twenty-one (21) days after an application is delivered to us at our registered office, being an application by not less than fifty (50), or one-tenth (1/10) in number, whichever is less, of the Unit holders of the Fund or a Class, as the case may be, to which this Deed relates, summon a meeting of the Unit holders:

- (i) by sending a notice by post of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit holders of the Fund or that Class, as the case may be, at his/her last known address or in the case of joint Unit holder, to the joint Unit holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint Unit holder's last known address; and
- (ii) by publishing at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language national daily newspaper and in one other newspaper as may be approved by the SC; and
- (iii) specify in the notice, the place, time and terms of the resolutions to be proposed,

for the purpose of considering the most recent financial statements of the Fund or relevant Class, or for the purpose of requiring the retirement or removal of the Manager OR the Trustee, or for the purpose of giving to the Trustee such directions as the meeting thinks proper, or for the purpose of considering any other matter in relation to this Deed.

The quorum for a meeting of Unit holders of the Fund or Class, as the case may be, is five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be present in person or by proxy, provided that for a meeting which requires a Special Resolution the quorum for that meeting shall be five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue of the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting. If the Fund or Class, as the case may be, has five (5) or less Unit holders, the quorum required shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the units in issue for the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting.

All voting shall be carried out by poll. On a poll, the votes of each Unit holder present in person or by proxy shall be proportionate to the number or value of units held. In the case of joint Unit holders of the Fund, only the person whose name appears first in the register may vote. Units held by the Manager or its nominees shall have no voting rights in any Unit holders' meeting of the Fund.

8. TAXATION REPORT

PricewaterhouseCoopers Taxation Services Sdn Bhd

Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
P.O.Box 10192
50706 Kuala Lumpur

The Board of Directors

CIMB-Principal Asset Management Berhad
10th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

30 June 2017

Dear Sirs,

TAXATION OF THE TRUST OFFERED UNDER THE CIMB-PRINCIPAL CONSERVATIVE BOND FUND AND UNIT HOLDERS

This letter has been prepared for inclusion in the Prospectus Issue No. 1 (“hereinafter referred to as “the Prospectus”) in connection with the offer of units in the CIMB-Principal Conservative Bond Fund (“the Trust”).

The taxation of income for both the Trust and the unit holders are subject to the provisions of the Malaysian Income Tax Act, 1967 (“the Act”). The applicable provisions are contained in Section 61 of the Act, which deals specifically with the taxation of trust bodies in Malaysia.

TAXATION OF THE TRUST

The Trust will be regarded as resident for Malaysian tax purposes since the trustee of the Trust is resident in Malaysia.

(1) Foreign Investments

Income of the Trust in respect of overseas investment is exempt from Malaysian tax by virtue of Paragraph 28 of Schedule 6 of the Act and distributions from such income will be tax exempt in the hands of the unit holders. Such income from foreign investments may be subject to taxes or withholding taxes in the specific foreign country. However, any foreign tax suffered on the income in respect of overseas investment is not tax refundable to the Trust in Malaysia.

The foreign income exempted from Malaysian tax at the Trust level will also be exempted from tax upon distribution to the unit holders.

(2) Domestic Investments

(i) General taxation

The income of the Trust consisting of dividends, interest (other than interest which is exempt from tax) and other investment income derived from or accruing in Malaysia, after deducting tax allowable expenses, is liable to Malaysian income tax at the rate of 24 per cent.

Gains on disposal of investments by the Trust will not be subject to income tax.

(ii) Dividend and other exempt income

Effective 1 January 2014, all companies would adopt the single-tier system. Hence, dividends received would be exempted from tax and the deductibility of expenses incurred against such dividend income would be disregarded. There will no longer be any tax refunds available for single-tier dividends received. Dividends received from companies under the single-tier system would be exempted.

The Trust may receive Malaysian dividends which are tax exempt. The exempt dividends may be received from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Trust will not be taxable on such exempt income.

Interest income or discount income derived from the following investments is exempt from tax:

- a) Securities or bonds issued or guaranteed by the Government of Malaysia;
- b) Debentures or sukuk, other than convertible loan stocks, approved or authorized by, or lodged with, the Securities Commission Malaysia; and
- c) Bon Simpanan Malaysia issued by Bank Negara Malaysia.

As such, provided the investment in structured products is seen to be “debentures” under Capital Markets and Services Act 2007, the income received will be exempted. Otherwise, tax implications could arise.

Interest income derived from the following investments is exempt from tax¹:

- a) Interest paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013;
- b) Interest paid or credited by any development financial institution regulated under the Development Financial Institutions Act 2002;
- c) Bonds, other than convertible loan stocks, paid or credited by any company listed in Bursa Malaysia Securities Berhad ACE Market; and
- d) Interest income paid or credited by Malaysia Building Society Berhad².

The income exempted from tax at the Trust level will also be exempted from tax upon distribution to the unit holders.

(3) Hedging Instruments

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into.

Generally, any gain / loss relating to the principal portion will be treated as capital gain / loss. Gains / losses relating to the income portion would normally be treated as revenue gains / losses. The gain / loss on revaluation will only be taxed or claimed upon realisation. Any gain / loss on foreign exchange is treated as capital gain / loss if it arises from the revaluation of the principal portion of the investment.

(4) Securities Borrowing and Lending Transaction (“SBL”)

The following is a summary of tax treatment of SBL transactions in Malaysia and the Malaysian securities listed on Bursa Malaysia Berhad (“Bursa”).

Pursuant to Income Tax (Exemption) (No. 30) Order 1995 - Revised 2008, the authorised borrower or lender in a SBL approved by SC will qualify for tax exemption on any income (other than dividends, manufactured payments, lending fees and interest earned on collateral) arising from loan of securities listed under Bursa. The same exemption also applies on the return of the same or equivalent securities and the corresponding exchange of collateral.

Lending fees are taxable when received by the lender. Withholding tax of 10 percent is also applicable if the borrower pays lending fees to a non-resident lender.

Interest earned on collateral is not exempted from income tax / withholding tax. Interest or profit paid by Bursa Malaysia Securities Clearing Sdn Bhd on cash collateral will be exempted from tax when received by non-resident borrowers and individual borrowers who are residents.

Pursuant to Stamp Duty (Exemption) (No.28) Order 1995 and Stamp Duty (Exemption) (No. 12) Order 2000, the instrument of transfer of securities listed on Bursa and Bursa Malaysia Securities Malaysia Berhad ACE Market executed in favour of a borrower or lender and an instrument of transfer of collateral are exempted from stamp duty.

1 Pursuant to the Finance Act 2017 which was gazetted on 16 January 2017, the interest income received for a money market fund, the exemption shall only apply to a wholesale fund which the criteria as set out in the Securities Commission Malaysia guidelines effective from YA 2017.

2 Pursuant to the letters from Ministry of Finance Malaysia dated 11 June 2015 and 16 June 2015 with effect from year of assessment (“YA”) 2015.

(5) Other Income

The Trust may be receiving income such as exit fee which will be subject to tax at the rate of 24 per cent.

(6) Tax Deductible Expenses

Expenses wholly and exclusively incurred in the production of gross income are allowable as deductions under Section 33(1) of the Act. In addition, Section 63B of the Act provides for tax deduction in respect of managers' remuneration, expenses on maintenance of the register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postages. The deduction is based on a formula subject to a minimum of 10 per cent and a maximum of 25 per cent of the expenses. The above expenses will include the relevant irrecoverable Goods and Services Tax ("GST") incurred by the Trust.

(7) Real Property Gains Tax ("RPGT")

With effect from 1 January 2014, any gains on disposal of real properties or shares in real property companies³ would be subject to RPGT at the following rates:-

Disposal time frame	RPGT rates
Within 3 years	30%
In the 4 th year	20%
In the 5 th year	15%
In the 6 th year and subsequent years	5%

(8) Goods and Services Tax ("GST")

GST has been implemented effective 1 April 2015 at the rate of 6% to replace the existing sales tax and service tax. Based on the guidelines⁴ issued, the Trust, being collective investment vehicles, will be making exempt supplies. Hence, the Trust is not required to register for GST purposes. However, the Trust will incur expenses such as management fees, trustee fees and other administrative charges which will be subject to 6% GST. The 6% input tax incurred on such expenses will not be claimable by the Trust and represents a cost to the Trust.

TAXATION OF UNIT HOLDERS

Unit holders will be taxed on an amount equivalent to their share of the total taxable income of the Trust to the extent of the distributions received from the Trust. The income distribution from the Trust will carry a tax credit in respect of the Malaysian tax paid by the Trust. Unit holders will be entitled to utilise the tax credit against the tax payable on the income distribution received by them. No additional withholding tax will be imposed on the income distribution from the Trust.

Non-resident unit holders may also be subject to tax in their respective jurisdictions. Depending on the provisions of the relevant country's tax legislation and any double tax treaty with Malaysia, the Malaysian tax suffered may be creditable against the relevant foreign tax.

Corporate unit holders, resident⁵ and non-resident, will generally be liable to income tax at 24 per cent on distribution of income received from the Trust. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these unit holders.

3 A real property company is a controlled company which owns or acquires real property or shares in real property companies with a market value of not less than 75 per cent of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

4 Pursuant to GST Guide on Fund Management (as at 11 April 2016 issued by the Royal Malaysian Customs).

5 Resident companies with paid up capital in respect of ordinary shares of RM2.5 million and below will pay tax at 19* per cent for the first RM500,000 of chargeable income with the balance taxed at 24 per cent.

With effect from YA 2009, the above shall not apply if more than –

- 50 per cent of the paid up capital in respect of ordinary shares of the company is directly or indirectly owned by a related company;
- 50 per cent of the paid up capital in respect of ordinary shares of the related company is directly or indirectly owned by the first mentioned company;
- 50 per cent of the paid up capital in respect of ordinary shares of the first mentioned company and the related company is directly or indirectly owned by another company.

"Related company" means a company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of the basis period for a YA.

* Pursuant to the Finance Act 2017 which was gazetted on 16 January 2017, the tax rate for the first RM500,000 of chargeable income will be reduced to 18 per cent effective from YA 2017.

Individuals and other non-corporate unit holders who are tax resident in Malaysia will be subject to income tax at graduated rates ranging from 1 per cent to 28 per cent. Individuals and other non-corporate unit holders who are not resident in Malaysia will be subject to income tax at 28 per cent. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these unit holders.

The distribution of exempt income and gains arising from the disposal of investments by the Trust will be exempted from tax in the hands of the unit holders.

Any gains realised by unit holders (other than dealers in securities, insurance companies or financial institutions) on the sale or redemption of the units are treated as capital gains and will not be subject to income tax. This tax treatment will include gains in the form of cash or residual distribution in the event of the winding up of the Trust.

Unit holders electing to receive their income distribution by way of investment in the form of new units will be regarded as having purchased the new units out of their income distribution after tax.

Unit splits issued by the Trust are not taxable in the hands of unit holders.

The issuance of units by the Trust is an exempt supply. The selling or redemption of the units is also an exempt supply and therefore is not subject to GST. Any fee based charges related to buying of the units by unit holders in Malaysia and outside Malaysia such as sales or service charge or switching fees will be subject to GST at a standard rate of 6%.

We hereby confirm that the statements made in this report correctly reflect our understanding of the tax position under current Malaysian tax legislation. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Trust.

Yours faithfully,

for and on behalf of

PRICEWATERHOUSECOOPERS TAXATION SERVICES SDN BHD

Jennifer Chang
Senior Executive Director

PricewaterhouseCoopers Taxation Services Sdn Bhd have given their written consent to the inclusion of their report as tax adviser in the form and context in which it appears in the Prospectus and have not, before the date of issue of the Prospectus, withdrawn such consent.

9. DISTRIBUTOR OF THE FUND

Currently, Class A and Class C of the Fund are available for sale. As at LPD, Class A and Class C are available from the following distributors and their branches:

CIMB-Principal Asset Management Berhad (304078-K)

CWA

50, 52 & 54 Jalan SS21/39

Damansara Utama

47400 Petaling Jaya

Selangor Darul Ehsan MALAYSIA

Tel: (603) 7718 3000

***Note:** We have the discretion in determining the Distributors of the Classes of the Fund, including its appointment and/or termination from time to time. For updated information on the Distributors of the Classes of the Fund, please call our **Customer Care Centre** at **(603) 7718 3100** between 8:45 a.m. and 5:45 p.m, Mondays to Thursdays and between 8:45 am and 4:45 pm on Fridays (except on Selangor public holidays).*

APPENDIX I - UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

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

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

1. The higher the margin of financing (that is, the amount of money you borrowed for every RM of your own money which you put in as deposit or down payment) the greater the loss or gain on your investment.
2. You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
3. If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where units are used as collateral) or pay additional amounts on top of your normal instalments. If you fail to comply within the time prescribed, your units may be sold towards the settlement of your loan.
4. Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

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

ANNEXURE - CLASS A

This section is only a summary of the salient information about Class A. You should read and understand the entire Prospectus before investing and keep the Prospectus for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

This Fund is a multi-class fund and is allowed to establish new Class(es) from time to time.

Class A		Page
Currency denomination	RM	
Distribution policy	Distribution (if any) is expected to be distributed quarterly at our discretion. Such distributions will depend on the availability of realised income and/or realised gains.	12

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of Class A.

Charges	Class A	Page
Application Fee	CWA : Up to 2.00% of the NAV per unit. IUTAs : Up to 2.00% of the NAV per unit.	4
Withdrawal Fee	Up to 1.00% of the NAV per unit. Withdrawal Fee is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Fee will be charged. All Withdrawal Fees will be retained by us.	4
Dilution fee/ transaction cost factor	Nil.	
Switching Fee	Switching is treated as a withdrawal from Class A and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class A and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose a RM100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	4
Transfer Fee	Up to RM50.00 may be charged for each transfer.	4
Other charges payable directly by an investor when purchasing or withdrawing the units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.

This table describes the fees that you may **indirectly** incur when you invest in Class A.

Fees	Class A	Page
Management Fee	Up to 1.00% per annum of the NAV of the Class.	5
Trustee Fee	Up to 0.025% per annum of the NAV of the Fund.	5
Expenses directly related to Fund	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	5
Other fees payable indirectly by an investor when investing in the Fund	Nil.	

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

Note: Despite the maximum Application Fee or Withdrawal Fee disclosed above, you may negotiate with us or our Distributors for lower fee or charges. However, you should note that we or our Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all investors) or specifically (for any particular investor or a group of investors) and for any period or periods of time at our absolute discretion.

TRANSACTION INFORMATION

	Class A	Page
Minimum initial investment*	RM2,000 or such other amount as we may decide from time to time.	11
Minimum additional investment	RM500 or such other amount as we may decide from time to time.	11
Minimum withdrawal	500 units or such other amount as we may decide from time to time.	11
Minimum balance	2,000 units or such other amount as we may decide from time to time.	11
Regular Savings Plan	Regular Savings Plan ("RSP") is available for Class A. The RSP allows you to make regular monthly investments of RM500 or more, direct from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is RM2,000 or such other amount as we may decide from time to time.	11
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	11
Switching	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class that you intend to switch out; ○ the minimum balance required (after the switch) for the Class that you intend to switch out, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Fee of the Class that you intend to switch out (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class that you intend to switch into; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	12
Transfer	We may, at our absolute discretion, allow/refuse you to transfer your units subject to such terms and conditions as may be stipulated by us from time to time.	12

* The minimum initial investment for EPF's Members Investment Scheme (where available) shall be RM1,000 (or such other amount as may be determined by EPF) or as per the amount stated above, whichever is higher. Please note that there may be changes to the status of the eligibility of the Fund under the EPF's Members Investment Scheme from time to time. Please refer to our website at <http://www.cimb-principal.com.my> or <http://www.kwsp.gov.my> for updated information.

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request to lower the amount or number of units and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

ANNEXURE - CLASS C

This section is only a summary of the salient information about Class C. You should read and understand the entire Prospectus before investing and keep the Prospectus for your records. In determining which investment is right for you, we recommend you speak to professional advisers. CIMB-Principal Asset Management Berhad, member companies of the CIMB Group, the PFG and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

This Fund is a multi-class fund and is allowed to establish new Class(es) from time to time.

Class C		Page
Currency denomination	RM	
Distribution policy	Distribution (if any) is expected to be distributed quarterly at our discretion. Such distributions will depend on the availability of realised income and/or realised gains.	12

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of Class C.

Charges	Class C	Page
Application Fee	Nil.	4
Withdrawal Fee	Up to 1.00% of the NAV per unit. Withdrawal Fee is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Fee will be charged. All Withdrawal Fees will be retained by us.	4
Dilution fee/ transaction cost factor	Nil.	
Switching Fee	Switching is treated as a withdrawal from Class C and an investment into another Class or CIMB-Principal Fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class C and the Application Fee of the other Class or CIMB-Principal Fund (or its class). Switching Fee will not be charged if the Class or CIMB-Principal Fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose a RM100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.	4
Transfer Fee	Up to RM50.00 may be charged for each transfer.	4
Other charges payable directly by an investor when purchasing or withdrawing the units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.	

All fees and charges payable by you are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.

This table describes the fees that you may **indirectly** incur when you invest in Class C.

Fees	Class C	Page
Management Fee	Up to 0.25% per annum of the NAV of the Class.	5
Trustee Fee	Up to 0.025% per annum of the NAV of the Fund.	5
Expenses directly related to Fund	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.	5
Other fees payable indirectly by an investor when investing in the Fund	Nil.	

All fees and charges payable by the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

Note: Despite the maximum Application Fee or Withdrawal Fee disclosed above, you may negotiate with us or our Distributors for lower fee or charges. However, you should note that we or our Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all investors) or specifically (for any particular investor or a group of investors) and for any period or periods of time at our absolute discretion.

TRANSACTION INFORMATION

	Class C	Page
Minimum initial investment	RM300 million or such other amount as we may decide from time to time.	11
Minimum additional investment	RM50,000 or such other amount as we may decide from time to time.	11
Minimum withdrawal	50,000 units or such other amount as we may decide from time to time.	11
Minimum balance	300 million units or such other amount as we may decide from time to time.	11
Regular Savings Plan	Currently, Regular Savings Plan is not available for Class C.	11
Cooling-off period	Six (6) Business Days from the date the application form is received and accepted by us or our Distributors from the first time investor. However, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any Distributors are not entitled to the cooling-off right.	11
Switching	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal amount applicable to the Class that you intend to switch out; ○ the minimum balance required (after the switch) for the Class that you intend to switch out, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Fee of the Class that you intend to switch out (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class that you intend to switch into; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	12
Transfer	We may, at our absolute discretion, allow/refuse you to transfer your units subject to such terms and conditions as may be stipulated by us from time to time.	12

Note: You may request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject your request to lower the amount or number of units and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you. For increase in the amount or units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

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

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

CIMB-Principal Asset Management Berhad (304078-K)

Enquiries:

Customer Care Centre
(603) 7718 3100

Email
service@cimb-principal.com.my

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www.cimb-principal.com