

CIMB-PRINCIPAL TOTAL RETURN BOND* FUND 5 PROSPECTUS

Investments that stand the test of time



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

Trustee : HSBC (Malaysia) Trustee Berhad (1281-T)

The Offer Period for this Fund is 13 December 2016 to 26 January 2017, (both dates inclusive). No units will be offered for sale after the Offer Period. The Offer Period may be shortened if the Manager deems appropriate to enter the market in order to capitalise on the prevailing yields or when a desired fund size as determined by the Manager has been reached. The offer is closed for subscription after the Offer Period.

This Prospectus Issue No. 1 for the **CIMB-Principal Total Return Bond* Fund 5** is dated **13 December 2016** and expires on **26 January 2017**.

This Fund was constituted on **13 December 2016**.

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 9.

**In the context of this Fund, refers to debt instruments which include bonds (such as investment grade bonds, Locally Rated Securities, High Yield Securities and Unrated Securities), fixed rate debt instruments, floating rate debt instruments, certificates of deposit, commercial papers and notes.*

Preface

Dear Valued Investors,

Thank you for considering investing in the CIMB-Principal Total Return Bond Fund 5 ("Fund").

The CIMB-Principal Total Return Bond Fund 5 is a close-ended fund that aims to provide investors with total return through investments in a portfolio of primarily debt instruments.

The Fund seeks to achieve its investment objective by investing up to 100% of its NAV in a diversified portfolio of debt instruments, money market instruments and Deposits.

The Fund will invest at least 70% of its NAV in debt instruments issued by governments, government agencies, supranational organizations and corporate issuers, which include but not limited to bonds and other fixed or floating rate debt instruments, certificates of deposit, commercial papers and notes. The Fund will also invest at least 1% of its NAV in Liquid Assets for liquidity purposes.

In order to maximize the total return, the Fund may invest up to 99% of its NAV in Locally Rated Securities. Up to 40% of its NAV may be invested in High Yield Securities and Unrated Securities for yield enhancement. When deemed necessary, the Manager may also utilize derivative instruments such as forward contracts, options, futures contracts and/or swap agreements for the purpose of hedging. The use of derivatives is subject to the prevailing SC Guidelines.

As this is a close-ended fund, the Manager will buy the debt instruments with the intention of holding through the tenure of the Fund or until the debt instruments mature. However, the Manager reserves the right to deal with the debt instruments in the best interest of the Unit holders. For more information, please see "Fund's Detailed Information" chapter of this Prospectus.

The Fund is suitable for investors who have medium term investment goals and are not planning to have access to their money in the next three (3) years. It is also suitable for investors who want a diversified portfolio of debt instruments.

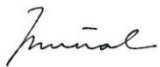
As with any investment, we wish to highlight that there are risks involved with investing in this Fund. The main risks are interest rate risk, mismatch risk, liquidity risk, credit (default) and counterparty risk, redemption risk, country risk, currency risk and early termination risk. The risks are outlined in detail in the "Risk Factors" chapter of this Prospectus.

An application fee of up to 3.00% of the Initial Offer Price per unit will be charged when investing in this Fund. In addition, a withdrawal penalty of up to 2.00% of the NAV per unit is chargeable on any withdrawal made prior to the maturity date. There will be no management fee charge during the tenure of the Fund. The trustee charges a fee of up to 0.04% per annum of the Fund's NAV.

Investments in this Fund can be made directly at our offices or with any of our distributors. The list of distributors can be found in the "Distributors of the Fund" chapter at the back of this Prospectus.

Please read through this Prospectus carefully in order to decide on the suitability of this Fund for you. For more information, kindly contact our Customer Care Centre at (03) 7718 3100; our helpful personnel will gladly assist you in making a decision that is balanced and well-informed.

Yours faithfully,
for **CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD**



Munirah Khairuddin
Chief Executive Officer

About this document

This is a Prospectus which introduces you to CIMB-Principal Asset Management Berhad ("CIMB-Principal") and the CIMB-Principal Total Return Bond Fund 5 ("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 our family of unit trust funds, please call our Care Centre at (03) 7718 3100 between 8:30 a.m. and 5:30 p.m. (Malaysian time), Mondays to Fridays (except on Selangor public holidays).

This Prospectus is dated 13 December 2016. Units will be offered for sale on any Business Day from 13 December 2016 to 26 January 2017 ("Offer Period"). However, the Offer Period may be shortened at our discretion if we deem that it is appropriate to enter the market in order to capitalise on the prevailing yields or when a desired fund size as determined by us have been reached.

Unless otherwise indicated, any reference in this Prospectus to any legislation, statute or statutory provision is a reference to that legislation, statute or statutory provision for the time being, as amended or re-enacted, and to any repealed legislation, statute or statutory provision which is re-enacted (with or without modification).

Any reference to a time or day in this Prospectus shall be a reference to that time or day in Malaysia, unless otherwise stated.

Please note that all references to currency amounts and unit prices in this Prospectus are in Ringgit Malaysia unless otherwise indicated.

Prospectus details

Issue No.	1
Prospectus date	13 December 2016
Expiry date	26 January 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, 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 the registration of this Prospectus, should not be taken to indicate that Securities Commission Malaysia recommends the said 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 CIMB-Principal 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

No units will be issued or sold based on this Prospectus after the Offer Period.

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws and regulations including any statement in 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.

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Definitions

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

Application Fee	- Preliminary charge on each investment.
Auditor	- PricewaterhouseCoopers.
BNM	- Bank Negara Malaysia.
Bursa Malaysia	- Bursa Malaysia Securities Berhad.
Business Day	- Mondays to Fridays when Bursa Malaysia is open for trading, and banks in Kuala Lumpur and/or Selangor are open for business. Note: <i>The Manager may declare certain Business Days to be a non-Business Day although Bursa Malaysia and the banks are open for business if the Fund's investment in foreign markets which are closed for business is at least 50% of the Fund's NAV. This information will be communicated to the Unit holders via CIMB-Principal's website at http://www.cimb-principal.com.my. Alternatively, Unit holders can contact our Customer Care Centre at (03) 7718 3100.</i>
CIMB	- CIMB Investment Bank Berhad.
CIMB Group	- CIMB Group Sdn. Bhd.
CIMB Group Holdings	- CIMB Group Holdings Berhad.
CIMB-Principal or the Manager or the Management Company	- CIMB-Principal Asset Management Berhad.
CIMB-Principal Fund	- Any unit trust funds that may be offered by CIMB-Principal.
CMSA	- Capital Markets and Services Act 2007.
Commencement Date	- The next Business Day immediately following the end of the Offer Period.
CWA	- Refers to unit trust consultants of CIMB-Principal.
Deed	- The Deed dated 8 August 2016 and any supplemental thereto 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.
Deposit	- Refers to placement of fixed deposit with financial institution with maturities ranging anywhere from one (1) day to one (1) year, being 365 days or 366 days in the event of a leap year.
Distributor	- Any relevant persons and bodies appointed by us from time to time, who are responsible for selling units of the 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.
FIMM	- Federation of Investment Managers Malaysia.
Fitch	- Fitch Ratings.
Fund or TRBF5	- CIMB-Principal Total Return Bond* Fund 5. *In the context of this Fund, refers to debt instruments which include bonds (such as investment grade bonds, Locally Rated Securities, High Yield Securities and Unrated Securities), fixed rate debt instruments, floating rate debt instruments, certificates of deposit, commercial papers and notes
GST	- Refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014.
High Yield Securities	- Securities that are rated below investment grade i.e. bonds rated below Baa by Moody's or equivalent rating by S&P or Fitch. As these bonds are riskier than investment grade bonds, these bonds pay higher coupon than investment grade bonds.
IDC	- Interactive Data Corporation.
Initial Offer Price	- Issue price per unit during the Offer Period.
IOSCO	- International Organization of Securities Commissions. For further details, please refer to http://www.iosco.org .
IUTAs	- Institutional Unit Trust Advisers.
Latest Practicable Date or LPD	- 30 June 2016, in which all information provided herein, shall remain current and relevant as at such date.
Launch Date	- Date of this Prospectus.
Liquid Assets	- Refers to Deposits and money market instruments.
Locally Rated Securities	- Securities that are rated by local rating agencies. In this context, local rating agencies refer to the rating agencies in the countries where the securities are issued, such as RAM and MARC in Malaysia, TRIS in Thailand and PEFINDO in Indonesia.
Management Fee	- A percentage of the NAV of the Fund that is paid to the Manager for managing the portfolio of the Fund.

Maturity Date	- The Maturity Date is on the day immediately preceding the third (3rd) anniversary of the Commencement Date. If the Maturity Date falls on a weekend or a public holiday, it should be the following Business Day. If the Fund is terminated earlier in accordance with the provisions of the Deed, Maturity Date shall mean the date of such early termination.
Moody's	- Moody's Investors Service.
Net Asset Value or NAV	- 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.
NAV per unit	- The Net Asset Value of the Fund divided by the number of units in circulation, at the valuation point.
Offer Period	- 45 calendar days from the Launch Date. No unit will be offered for sale after the Offer Period. The Offer Period may be shortened at the discretion of the Manager if the Manager deems appropriate to enter the market in order to capitalize on the prevailing yields as notified in writing to the Trustee or when a desired fund size as determined by the Manager has been reached. The offer is closed for subscription after the Offer Period.
OTC	- Over-the-counter.
PIA	- Principal International (Asia) Ltd.
Principal Financial Group or PFG	- Principal Financial Group and its affiliates.
RM and Sen	- Ringgit Malaysia and Sen respectively.
S&P	- Standard & Poor's.
SC	- Securities Commission Malaysia.
SC Guidelines	- SC Guidelines on Unit Trust Funds as may be amended and/or updated from time to time.
Special Resolution	- A resolution passed by a majority of not less than 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 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 to another.
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Trustee or HSBCT	- HSBC (Malaysia) Trustee Berhad (1281-T).
Trustee Fee	- A fee that is paid to the Trustee for its services rendered as trustee of the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
Unrated Securities	- Unrated Securities refers to debt securities which are not rated by any rating agencies, including but not limited to treasury bills, bonds issued by government, government agency, statutory board or corporate. Note: In this context, Unrated Securities are not junk bonds. The Fund will only invest in Unrated Securities that fulfill the selection criteria of the credit evaluation process, as pre-determined in its investment policy and strategy of the Manager.
Withdrawal Penalty	- 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.

Reference to "days" in this Prospectus will be taken to mean calendar days unless otherwise stated.

Corporate Directory

The Manager

CIMB-Principal Asset Management Berhad (304078-K)

Business address

10th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Tel: (03) 2084 8888

Penang office

Level 4, Menara BHL
51, Jalan Sultan Ahmad Shah
10050 Penang MALAYSIA
Tel: (04) 227 2177

Kuching office

Level 6, Wisma STA
26, Jalan Datuk Abang Abdul Rahim
93450 Kuching Sarawak MALAYSIA
Tel: (082) 330 033

Registered address

13th Floor, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur Malaysia
Tel: (03) 2261 8888

Postal address

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

Customer Care Centre

50, 52 & 54 Jalan SS21/39
Damansara Utama
47400 Petaling Jaya Selangor MALAYSIA
Tel: (03) 7718 3100
Fax: (03) 7718 3003

Website

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

E-mail

service@cimb-principal.com.my

Board of Directors

Dato' Robert Cheim Dau Meng
Hisham bin Zainal Mokhtar*
Dato' Anwar bin Aji*
Wong Joon Hian*
Auyeung Rex Pak Kuen
Pedro Esteban Borda
A.Huzaima Bin Dato' Abdul Hamid*
Munirah binti Khairuddin
Effendy Shahul Hamid
Alejandro Echegorri

** Independent director*

Investment Committee

Kim Teo Poh Jin*
Effendy Shahul Hamid
Mohamad Safri bin Shahul Hamid
Wong Fook Wah*
A.Huzaima Bin Dato' Abdul Hamid*
Alejandro Elias Echegorri Rodriguez

** Independent member*

Audit Committee

Wong Joon Hian*
Dato' Anwar bin Aji*
Effendy Shahul Hamid

** Independent Member*

Company Secretaries

Datin Rossaya Mohd Nashir (LS 0007591)
Halimah binti Habib (LS 0007999)
13th Floor, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur Malaysia
Tel: (03) 2261 8888

The Trustee

HSBC (Malaysia) Trustee Berhad

Business/Registered address

13th Floor, Bangunan HSBC, South Tower
No. 2, Leboh Ampang
50100 Kuala Lumpur MALAYSIA
Tel: (03) 2075 7800
Fax: (03) 2179 6511

Delegate of HSBC (Malaysia) Trustee Berhad

Delegate of HSBC (Malaysia) Trustee Berhad

(for local investments)
The Hongkong And Shanghai Banking Corporation Limited
(as custodian) and assets held through:
HSBC Nominees (Tempatan) Sdn Bhd

Business/Registered address

No. 2, Leboh Ampang
50100 Kuala Lumpur MALAYSIA
Tel: (03) 2075 3000
Fax: (03) 2179 6488

Delegate of HSBC (Malaysia) Trustee Berhad

(for foreign investments)
HSBC Institutional Trust Services (Asia) Limited
6th Floor, Tower One
HSBC Centre
1 Sham Mong Road
Kowloon HONG KONG
Tel: (852) 2822 1111
Fax: (852) 2810 5259

Federation of Investment Managers Malaysia (FIMM)

19-06-1, 6th Floor, Wisma Tune
19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel: (03) 2093 2600
Fax: (03) 2093 2700
E-mail: info@fimm.com.my
<http://www.fimm.com.my>

Auditor of the Manager and of the Fund / Reporting Accountant

PricewaterhouseCoopers
Chartered Accountants
Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
PO Box 10192
50706 Kuala Lumpur MALAYSIA

Tax Adviser

PricewaterhouseCoopers
Taxation Services Sdn Bhd
Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
PO Box 10192
50706 Kuala Lumpur MALAYSIA

Solicitors

Soon Gan Dion & Partners
1st Floor, 73 Jalan SS21/1A
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA
Tel: (03) 7726 3168
Fax: (03) 7726 3445

Principal Banker

CIMB Bank Berhad
Menara Bumiputera-Commerce
11, Jalan Raja Laut
50350 Kuala Lumpur MALAYSIA

Key Data

This section is only a summary of the salient information about this Fund. 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 Principal Financial Group and the Trustee do not guarantee the repayment of capital.

Fund information

CIMB-Principal Total Return Bond Fund 5		Page
Fund Category / Type	Debenture (close-ended) / Growth.	
Investment Objective	The Fund aims to provide investors with total return through investments in a portfolio of primarily debt instruments.	11
Benchmark	<p>3-year CIMB Bank fixed deposit rate at the Commencement Date.</p> <p>The Fund shall benchmark itself against the fixed deposit rate for performance comparison purpose only. Since the Fund may invests across various debt instruments of different ratings, investors are cautioned that the risk profile of the Fund is higher than investing in fixed deposits; hence, investors should expect the Fund to outperform the benchmark.</p> <p><i>Information on the benchmark is available in our monthly fund fact sheets and can be obtained from http://www.cimb-principal.com.my.</i></p>	11
Investment Policy and Principal Investment Strategy	<p>The Fund seeks to achieve its investment objective by investing up to 100% of its NAV in a diversified portfolio consisting of debt instruments, money market instruments and/or Deposits.</p> <p>The Fund will invest at least 70% of its NAV in debt instruments issued by governments, government agencies, supranational organizations and corporate issuers, which include but not limited to bonds and other fixed or floating rate debt instruments, certificates of deposit, commercial papers and notes. The Fund will also invest in Liquid Assets for liquidity purposes.</p> <p>In order to maximize the total return, the Fund may invest up to 99% of its NAV in Locally Rated Securities. Up to 40% of the Fund's NAV may be invested in High Yield Securities and Unrated Securities for yield enhancement of which up to 20% of the Fund's NAV in Unrated Securities. When deemed necessary, we may also utilize derivative instruments such as forward contracts, options, futures contracts and/or swap agreements for the purpose of hedging. The use of derivatives is subject to the prevailing SC Guidelines.</p> <p>Investment universe of the Fund will be in countries globally, where the regulatory authority is an ordinary or associate member of the IOSCO. Where necessary, we will apply for licenses/permits to invest in these countries, and if the licenses/permits are revoked or not renewed (as the case may be) we will seek to invest in other accessible markets.</p> <p>As this is a close-ended fund, we will buy the debt instruments with the intention of holding through the tenure of the Fund or until the debt instruments mature. However, we reserve the right to deal with the debt instruments in the best interest of the Unit holders, such as (i) in the event of a credit rating downgrade or during market upheavals where we are of the opinion that trading of the debt instruments is required to protect the investment return of the Fund (nevertheless we can continue to hold the downgraded debt instruments if the immediate disposal of the debt instruments would not be in the best interest of the Unit holders), and (ii) where we deem that the trading of debt instruments is necessary to provide the investment return in order to achieve the objective of the Fund.</p> <p>Further, for debt instruments that mature during the three (3) months period to the Maturity Date, we will seek to reinvest into other debt instruments for the remaining period to the Maturity Date. However, in the event that we are not able to find suitable replacement debt instruments, we will invest in Deposits and/or money market instruments. As such, Unit holders should note that during this period of time, the Fund's investment may deviate from the stipulated investment strategy.</p>	11
Asset Allocation	<p>Up to 100% in debt instruments, money market instruments and/or Deposits, of which:</p> <ul style="list-style-type: none"> At least 70% of the Fund's NAV in debt instruments issued by governments, government agencies, supranational organizations and corporate issuers, which include but not limited to bonds and other fixed rate or floating rate debt instruments, certificates of deposit, commercial papers and notes; Up to 99% of the Fund's NAV in Locally Rated Securities; Up to 40% of the Fund's NAV in High Yield Securities and Unrated Securities, of which up to 20% of the Fund's NAV in Unrated Securities; and At least 1% of the Fund's NAV in Liquid Assets. 	12
Investment Timeframe	Medium term. In this context, "medium term" refers to a period of three (3) years.	
Principal Risks	Interest rate risk, mismatch risk, liquidity risk, credit (default) and counterparty risk, redemption risk, country risk, currency risk and early termination risk.	9

CIMB-Principal Total Return Bond Fund 5		Page
Investor Profile	The Fund is suitable for investors who: <ul style="list-style-type: none"> have medium term investment goals and are not planning to have access to their money in the next three (3) years; and/or want a diversified portfolio of debt instruments. 	
Trustee	HSBC (Malaysia) Trustee Berhad.	29
Distribution Policy	Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, are at the discretion of the Manager and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.	21
Initial Offer Price per unit	RM1.0000	
Offer Period	45 calendar days from the Launch Date. No unit will be offered for sale after the Offer Period. The Offer Period may be shortened at the discretion of the Manager if the Manager deems appropriate to enter the market in order to capitalize on the prevailing yields as notified in writing to the Trustee or when a desired fund size as determined by the Manager has been reached. The offer is closed for subscription after the Offer Period.	
Commencement Date	The next Business Day immediately following the end of the Offer Period.	
Financial Year-End	Financial year-end means: <ul style="list-style-type: none"> (i) for the first financial year, 30th April; if the first year from the launch date of the Fund to the financial year-end stated in the Prospectus is less than twelve (12) months, then, the first financial report can be issued in the following calendar year, provided it is for a period of not more than eighteen (18) months; (ii) for the last financial year, if the Fund is not determined earlier in accordance with the provisions of this Deed, it shall end on the Maturity Date; and (iii) in all other circumstances, the twelve (12) month period ending on 30th April. 	
Maturity Date	The Maturity Date is on the day immediately preceding the third (3 rd) anniversary of the Commencement Date. If the Maturity Date falls on a weekend or a public holiday, it should be the following Business Day. If the Fund is terminated earlier in accordance with the provisions of the Deed, Maturity Date shall mean the date of such early termination.	20

Fees & Charges

This table describes the charges that you may **directly** incur when you buy or redeem units of the Fund.

Charges	CIMB-Principal Total Return Bond Fund 5		Page														
Application Fee*	CWA : Up to 3.00% of the Initial Offer Price per unit. IUTAs : Up to 3.00% of the Initial Offer Price per unit.		15														
Withdrawal Penalty	A Withdrawal Penalty of up to 2.00% of the NAV per unit is chargeable on any withdrawal made prior to the Maturity Date. All Withdrawal Penalties borne by you will be retained by the Fund.		15														
	<table><tr><th rowspan="2">Withdrawal during</th><th colspan="2">Withdrawal Penalty chargeable (% of NAV per unit)</th></tr><tr><th>CWA</th><th>IUTAs</th></tr><tr><td>≤ 1 year after Commencement Date of the Fund</td><td>2.00%</td><td>2.00%</td></tr><tr><td>> 1 to < 3 years after Commencement Date of the Fund</td><td>1.00%</td><td>1.00%</td></tr><tr><td>At Maturity</td><td>Nil</td><td>Nil</td></tr></table>			Withdrawal during	Withdrawal Penalty chargeable (% of NAV per unit)		CWA	IUTAs	≤ 1 year after Commencement Date of the Fund	2.00%	2.00%	> 1 to < 3 years after Commencement Date of the Fund	1.00%	1.00%	At Maturity	Nil	Nil
Withdrawal during	Withdrawal Penalty chargeable (% of NAV per unit)																
	CWA	IUTAs															
≤ 1 year after Commencement Date of the Fund	2.00%	2.00%															
> 1 to < 3 years after Commencement Date of the Fund	1.00%	1.00%															
At Maturity	Nil	Nil															
Dilution fee / transaction cost factor	Nil.																
Switching Fee	No switching facility is available for this Fund. Hence, switching fee is not applicable.		15														
Transfer Fee	A maximum of RM50.00 may be charged for each transfer.		15														
Other charges payable directly by an investor when purchasing or redeeming units	Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.																

* Notwithstanding the Application Fee disclosed above, you may negotiate with the Distributors for lower charges.

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

Fees	CIMB-Principal Total Return Bond Fund 5	Page
Management Fee	Nil.	15
Trustee Fee	Up to 0.04% per annum (including local custodian fees and charges but excluding foreign sub-custodian fees and charges) of the NAV of the Fund.	15
Other fees payable indirectly by an investor	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.

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 of the Fund. Where necessary, the amendments will be notified to the Trustee. We will communicate to you if there is any amendments to the fees and charges.

Transaction information

	CIMB-Principal Total Return Bond Fund 5	Page
Minimum Initial Investment	RM1,000 or such other amount as we may decide from time to time. <i>Please note that investment is only accepted during the Offer Period.</i>	19
Minimum Additional Investment	RM500 or such other amount as we may decide from time to time. <i>Please note that additional investment is only accepted during the Offer Period.</i>	19
Minimum Withdrawal	500 units, or such other amount as we may decide from time to time. You need to keep a minimum balance of 1,000 units or such other amount as we may decide from time to time. If we wish to increase the minimum withdrawal or the minimum balance, we will consult with the Trustee beforehand and communicate such adjustment to you before implementation. Withdrawal is limited to every Monday of the week. That amount will be paid in RM within ten (10) days of receiving the withdrawal request.	20
Frequency of Withdrawal	With the exception of withdrawal during the Offer Period, you are only allowed to redeem your units in the Fund every Monday. Withdrawal requests must be received by us by 4:00 p.m. on Monday. Withdrawal requests that are received after 4:00 p.m. on Monday will only be processed on the following Monday. Should a Monday be a non-Business Day, you can redeem on the immediate next Business Day. In such cases, withdrawal requests must be received by us by 4:00 p.m. on the immediate next Business Day. Note: In order to be consistent with the Fund's valuation, you are only allowed to redeem your units on every Monday (or the immediate next Business Day if Monday is a non-Business Day).	20
Cooling-off Period	Six (6) Business Days from the date the application form is received and accepted by the Manager or Distributor from the first time investor.	20
Switching	No switching facility is available for the Fund.	20
Transfer	Transfer of unit holdings is allowed subject to the provisions stipulated in the Deed.	20

Deed

The Deed relating to the Fund is dated 8 August 2016.

Avenues for advice available to prospective investors

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 **(03) 7718 3100** between 8:30 a.m. to 5:30 p.m. (Malaysian time), Mondays to Fridays (except on Selangor public holidays) or you can e-mail us at **service@cimb-principal.com.my**.

There are fees and charges involved and you 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.

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.

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

For information concerning certain risk factors which should be considered by prospective investors, see “Risk Factors” commencing on page 9.

Risk Factors

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 net asset value.

Inflation risk

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

Manager's risk

This risk refers to the day-to-day management of the fund by us, the manager of the fund 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 investors take a loan/financing to finance their investment. The inherent risk of investing with borrowed money includes investors being unable to service the loan repayments. In the event units are used as collateral, an investor may be required to top-up the investors' existing installment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.

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

Specific risks associated with the investment portfolio of the Fund

There are specific risks associated with the investment portfolio of the Fund. The key ones include but are not limited to the following:

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, we take into account the coupon rate and time to maturity of the debt instruments with an aim to mitigate the interest rate risk.

Mismatch risk

This risk refers to the non-matching of the maturity date of the Fund and that of the debt instruments it holds. The Fund may invest in some debt instruments with maturity exceeding or shorter than the maturity date of the Fund. The difference in debt instruments maturity relative to the maturity date of the Fund may result in a loss to the Fund. If a debt instruments with maturity longer than the maturity date of the Fund cannot be liquidated close to the theoretical value (a value projected by us at which it should be liquidated to ensure the portfolio's projected rate of return), the Fund may suffer a loss. If proceeds from a debt instruments maturing earlier than the Fund's maturity date cannot be reinvested at equal or higher rates offered by the matured debt instruments, the Fund may experience a reduction in projected returns. However, we seek to mitigate this risk by investing in debt instruments which closely match the maturity of the Fund.

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.

Credit (default) and counterparty risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a debt instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the debt instruments. 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 counterparties, and impose investment limits on exposures for 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.

Redemption risk

In the event of large redemptions, the Fund may need to dispose some of the debt instruments to fulfil redemption obligations. If the debt instruments are sold when interest rates rise or are expected to rise, the price of the debt instruments will fall. This in turn

would depress the NAV of the Fund. The Fund discourages redemptions by imposing a Withdrawal Penalty which is ploughed back to the Fund. We will also manage the relationship with large investors to reduce the risk of unplanned redemptions. You are advised to be prepared to commit your investments up till the Maturity Date.

Country risk

Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the Net Asset Value of the Fund or prices of units to fall.

Where necessary, we will obtain the necessary licenses/permits for investments in countries that require such licenses/permits. In the event that such licenses/permits to invest are revoked or not renewed, we would seek to invest in other accessible markets.

Currency risk

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

Early termination risk

During the Offer Period, we reserve the right, with the consent of Trustee, to terminate the Fund earlier than the Maturity Date and return to Unit holders the Initial Offer Price per unit and the Application Fee paid in the event that the sales proceeds/amount collected of the Fund at the expiry of the Offer Period is below RM50 million or when the expected return of the Fund does not or may not match or exceed the Fund's benchmark. In accordance with the provisions of the Deed, early termination may also take place after the Offer Period if we are of the opinion that by doing so is in the best interest of the Unit holders. In the event that these circumstances arise, you may have to reinvest the monies returned to you into other investment vehicles which may not be able to match the returns that would have been provided by the Fund if it has not been terminated early.

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.

Fund's Detailed Information

If you are an investor who is looking for an investment in a bond fund that aims at providing total return through investments in a portfolio of primarily debt instruments, invest with the **CIMB-Principal Total Return Bond Fund 5**.

Investment objective

The Fund aims to provide investors with total return through investments in a portfolio of primarily debt instruments.

Any material changes to the investment objective of the Fund would require your approval.

Benchmark

The benchmark for the Fund is the 3-year CIMB Bank fixed deposit rate at the Commencement Date.

The Fund shall benchmark itself against the fixed deposit rate for performance comparison purpose only. Since the Fund may invests across various debt securities of different ratings, investors are cautioned that the risk profile of the Fund is higher than investing in fixed deposits; hence, you should expect the Fund to outperform the benchmark.

Information on the benchmark is available in our monthly fund fact sheets and can be obtained from <http://www.cimb-principal.com.my>.

Investment policy and principal investment strategy

The Fund seeks to achieve its investment objective by investing up to 100% of its NAV in a diversified portfolio consisting of debt instruments, money market instruments and/or Deposits.

The Fund will invest at least 70% of its NAV in debt instruments issued by governments, government agencies, supranational organizations and corporate issuers, which include but not limited to bonds and other fixed or floating rate debt instruments, certificates of deposit, commercial papers and notes. The Fund will also invest in Liquid Assets for liquidity purposes.

In order to maximize the total return, the Fund may invest up to 99% of its NAV in Locally Rated Securities. Up to 40% of the Fund's NAV may be invested in High Yield Securities and Unrated Securities for yield enhancement, of which up to 20% of the Fund's NAV in Unrated Securities. When deemed necessary, we may also utilize derivative instruments such as forward contracts, options, futures contracts and/or swap agreements for the purpose of hedging. The use of derivatives is subject to the prevailing SC Guidelines.

Investment universe of the Fund will be in countries globally, where the regulatory authority is an ordinary or associate member of the IOSCO. Where necessary, we will apply for licenses/permits to invest in these countries, and if the licenses/permits are revoked or not renewed (as the case may be) we will seek to invest in other accessible markets. Also, we formulate an interest rate outlook through examining factors such as local and foreign interest rate, inflation rate, monetary policies and economic growth of the respective countries. Foreign exchange rate movements will also play an important part of our decision in allocating the Fund's asset.

As this is a close-ended fund, we will buy the debt instruments with the intention of holding through the tenure of the Fund or until the debt instruments mature. However, we reserve the right to deal with the debt instruments in the best interest of the Unit holders, such as (i) in the event of a credit rating downgrade or during market upheavals where we are of the opinion that trading of the debt instruments is required to protect the investment return of the Fund (nevertheless we can continue to hold the downgraded debt instruments if the immediate disposal of the debt instruments would not be in the best interest of the Unit holders), and (ii) where we deem that the trading of debt instruments is necessary to provide the investment return in order to achieve the objective of the Fund.

Further, for debt instruments that mature during the three (3) months period to the Maturity Date, we will seek to reinvest into other debt instruments for the remaining period to the Maturity Date. However, in the event that we are not able to find suitable replacement debt instruments, we will invest in Deposits and/or money market instruments. As such, Unit holders should note that during this period of time, the Fund's investment may deviate from the stipulated investment strategy.

Debt Instruments Selection Process

As pre-determined in our investment guidelines, there are three (3) main screening processes for debt instruments selection, i.e. management review, business and financial risk assessment and debt instruments valuation; the primary consideration for debt instruments is the credit strength of the company and the relative value in comparison with the similar rated debt instruments.

The fund manager utilizes the database maintained by the in-house credit research team and the recommendation of our in-house credit committee as a guide in their debt instruments selection for the Fund. The in-house credit research provides an independent view of each debt instruments. Each debt instruments is thoroughly analyzed by the respective credit analyst for their quantitative and qualitative elements.

All debt instruments will have to go through an internal credit evaluation process, which covers three (3) aspects of the analysis, i.e. quantitative, qualitative and security of the issue. The debt instruments will then be assigned credit ratings, and that the credit ratings assigned may or may not be identical to that of the external and/or independent rating agencies. Below please find the details of the analysis mentioned.

Analysis	Areas of assessment
Quantitative Analysis	<ul style="list-style-type: none"> • Quality of cash flows and forecasts; • Balance sheet structure; • Debt repayment schedule; • Profitability, and sustainability of profit margins; • Interest rate sensitivity; • Ratio analysis; and • Future capital expenditure and funding requirements.
Qualitative Analysis	<ul style="list-style-type: none"> • Business risk and market positioning; • Management strategy and risk appetite; • Corporate governance and market reputation; and • Industry risk assessment.
Security of the Issue	<ul style="list-style-type: none"> • Guarantee and quality of guarantors (government, banks or corporations); • Security and quality of secured assets; • Sinking fund; • Terms & conditions of the issue; • Definition of event of default, cross-default clauses, negative pledged clauses; • Seniority of the issue; and • Availability and quality of underwriters.

The credit research team supplements the in-house financial and business analysis with meetings with corporate management, rating agency opinions, brokers' research and up-to-date market information with the objective of obtaining a comprehensive and well-rounded view of an issuer's fundamental credit strength and debt-repayment ability.

Asset Allocation

- Up to 100% in debt instruments, money market instruments and/or Deposits, of which:
 - At least 70% of the Fund's NAV in debt instruments issued by governments, government agencies, supranational organizations and corporate issuers, which include but not limited to bonds and other fixed rate or floating rate debt instruments, certificates of deposit, commercial papers and notes;
 - Up to 99% of the Fund's NAV in Locally Rated Securities;
 - Up to 40% of the Fund's NAV in High Yield Securities and Unrated Securities, of which up to 20% of the Fund's NAV in Unrated Securities; and
 - At least 1% of the Fund's NAV in Liquid Assets.

Risk management strategy

Risk management, with an emphasis on portfolio diversification, will form an integral part of the investment process. The Fund is constructed and managed within pre-determined guidelines. The risk management strategies and techniques employed include diversifying the Fund's asset within its portfolio in terms of its exposure to various countries, sectors, industries and companies.

Essentially, we 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 according to our interest rate outlook.

We may, within the context of its investment strategies and within the limits set forth in the investment restrictions and limits, engage in certain transactions involving the use of derivatives instruments, including but not limited to options, futures, OTC derivatives instruments (including forward contracts and swaps) for currency risk management purposes and/or as a hedge against any adverse movement in the value of debt instruments invested.

Temporary defensive positions

We may take a temporary defensive position when it believes the markets or the economies are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. Under these circumstances, the Fund may be unable to pursue its investment goal.

In case of severe adversities such as global credit crunch, the Fund may need to dispose debt instruments in favour of Deposits and/or money market instruments to safeguard the investment portfolio of the Fund. In the unlikely event of a credit rating downgrade, the Manager reserves the right to deal with the debt instruments in the best interest of the investors.

Authorised investments

Subject to the Deed, the investment policy for the Fund and the requirements of the SC, the Manager has 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 the following:

- Debentures traded in or under the rules of an Eligible Market;
- Liquid Assets;
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps;
- Structured products;
- Securities listed or traded on foreign markets where the regulatory authority is a member of the IOSCO; 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/variations (if any) as approved by the SC.

Investment restrictions and limits

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

- the value of the Fund's investments in debentures issued by any single issuer must not exceed 20% of the Fund's NAV. This single issuer limit may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal;
- the value of the Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- for investments in derivatives:
 - the exposure of the underlying assets must not exceed the investment spread limits stipulated in the SC Guidelines;
 - the value of the Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV; and
 - the Fund's exposure from derivatives position should not exceed the Fund's NAV at all times.
- the value of the Fund's investments in structured products issued by a single counter party must not exceed 15% of the Fund's NAV;
- the aggregate value of the Fund's investments in transferable securities (debentures), money market instruments, deposits, OTC derivatives and structured products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV. Where the value of a Fund's investment in debentures issued by a single issuer is increased to 30%, the aggregate value of a Fund's investment must not exceed 30%;
- the value of the Fund's investment in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- the value of the Fund's investments in debentures issued by any one group of companies must not exceed 30% of the Fund's NAV;
- the Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- 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;
- the Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme; and
- the value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV. This exposure limit does not apply to:
 - debentures traded on an organized OTC market; and
 - structured products.

In respect of any restrictions and limits stipulated by the SC Guidelines, there is an allowance of 5% where such restrictions and limits are breached through 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 ceases to comply with the above limitations on investments, the Manager must remedy the non-compliance as soon as practicable (maximum three (3) months from the date of the breach).

Valuation of authorised investments

Valuation of Fund will be carried out by the Manager in a fair manner in accordance with the applicable laws and guidelines. The valuation bases for the authorised investments of the Fund are as below:

- **Debt instruments**
The value of any unlisted RM-denominated bonds shall be calculated on a weekly basis using prices quoted by a Bond Pricing Agency (BPA) registered with the SC. Where such prices are not available or where the Manager is of the view that the price quoted by the BPA for a specific bond differs from the market price by more than 20 basis points, the Manager may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and the Manager records its basis for using a non-BPA price, 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.

The value of any unlisted non RM-denominated bonds shall be calculated daily using prices quoted by IDC using its proprietary methodology. The bond prices by IDC are calculated using prices contributed by financial institutions and other market inputs listed in approximate order of priority, include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads and reference data (e.g. corporate action announcements and ratings). Where the prices from IDC are not available on any business day, these bonds will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions.

- **Money market instruments**

Valuation of money market instruments such as repurchase agreements shall be determined weekly by reference to the principal value of such authorised investments and the accrued income for the relevant period.

- **Deposits**

The value of Deposits shall be determined weekly by reference to the principal value of such authorised investments and the interest/profit accrued thereon for the relevant period.

- **Derivatives**

For unlisted derivative instruments, the value will be determined by the financial institution that issued the instrument. In any event, the Manager shall ensure that the valuation of the investment is valued at fair value as determined in good faith by the Manager, on methods and bases which have been verified by the auditor of the Fund and approved by the Trustee.

For listed derivative instruments, the value of any derivatives, which are quoted on an approved exchange, shall be calculated 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 shall be valued at fair price as determined by reference to the Manager, 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 derivatives 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 derivatives has been suspended for a period exceeding 14 days, whereupon their fair value will be determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

- **Listed securities**

The value of listed securities, which are quoted on an approved exchange, shall be calculated by reference to the market price. However, if a valuation based on market price does not represent the fair value of the securities or no market price is available including in the event of a suspension in the quotation of the securities 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 the Manager or its delegate based on the methods or bases approved by the Trustee after appropriate technical consultation.

As the value of the Fund's assets is denominated in a foreign currency, the assets are translated on a weekly basis to RM based on the bid foreign exchange rate quoted by either Reuters or Bloomberg, at United Kingdom time 4:00 p.m. on the same day as per the Investment Management Standard (FIMM/IMS (I&SP)-004 (2nd Edition)) issued by Federation of Investment Managers Malaysia, which may be amended/updated from time to time.

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 for the purpose of meeting withdrawal requests for units and for short-term bridging requirements.

Fees, Charges and Expenses

Charges

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

Application Fee

When applying unit of the Fund, you may be charged an Application Fee based on the Initial Offer Price per unit of the Fund, which may be differ between distribution channels. An Application Fee of up to 3.00% is charged on the Initial Offer Price per unit.

Distribution Channels	Application Fee (% of Initial Offer Price per unit)*
CWA	Up to 3.00% of the Initial Offer Price per unit
IUTAs	Up to 3.00% of the Initial Offer Price per unit

* Notwithstanding the Application Fee disclosed above, you may negotiate with the Distributors for lower charges.

Note: Please refer to “Calculation of investment amount and units entitlement” section under “Transaction Information” chapter for an illustration on how the Application Fee is calculated. The Application Fee imposed will be rounded using the normal rounding policy to two (2) decimal places.

Withdrawal Penalty

A Withdrawal Penalty of up to 2.00% of the NAV per unit is chargeable on any withdrawal made prior to the Maturity Date. The Withdrawal Penalty borne by you will be retained by the Fund.

The Withdrawal Penalty is displayed below:

Withdrawal during	Withdrawal Penalty chargeable (% of NAV per unit)	
	CWA	IUTAs
≤ 1 year after Commencement Date of the Fund	2.00%	2.00%
> 1 to < 3 years after Commencement Date of the Fund	1.00%	1.00%
At Maturity	Nil	Nil

Notwithstanding the above, no Withdrawal Penalty will be levied:

- If the withdrawal is made during the Offer Period (and including the cooling-off period from the end of the Offer Period) in which case the withdrawal price will be the Initial Offer Price per unit during the Offer Period, i.e. RM1.0000; or
- If the withdrawal is due to termination of the Fund.

Note: Please refer to “Calculation of investment amount and units entitlement” section under “Transaction Information” chapter for an illustration on how the Withdrawal Penalty is calculated. The Withdrawal Penalty imposed will be rounded using the normal rounding policy to two (2) decimal places.

Switching Fee

Currently, switching facility is not available for this Fund; hence, Switching Fee is not applicable.

Transfer Fee

A Transfer Fee of not more than RM50.00 may be charged for each transfer.

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.

Fees and Expenses

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

Management Fee

Nil.

Trustee Fee

The Trustee is entitled to a fee of up to 0.04% per annum (including local custodian fee but excluding foreign sub-custodian fee and charges) of the Fund's NAV. The Trustee Fee shall be accrued daily and paid monthly to the Trustee.

Illustration on how the Trustee Fee is calculated

Trustee Fee for the day = NAV of the Fund x Trustee Fee rate for the Fund (%) / 365 days

If the NAV of the Fund is RM100 million, then

Trustee Fee for the day = RM100 million x 0.04% / 365
= RM109.59

Note: Trustee Fee shall be computed on the basis of 365 days (or 366 days in a leap year).

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.

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 and 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), all costs associated with the custody of investment and charges/fees paid to the sub-custodian;
- expenses incurred in 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;
- tax agent's and auditor's fees and expenses;
- valuation fees paid to independent valuers for the benefit of the Fund;
- costs incurred in modifying the Deed other than for the benefit of the Manager and the Trustee;
- costs of convening and holding meetings of Unit holders (other than those meetings convened for the benefit of the Manager or the Trustee); and
- all costs, bank charges and expenses related to income distribution of the Fund; for example, postage and printing of all cheques, statements and notices to Unit holder of the Fund.

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.

We may alter the fees and charges (other than the Management Fee and Trustee Fee) within such limits, and subject to such provisions, as set out in the Deed and the SC Guidelines.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Management Fee and 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) and for any period or periods of time at its absolute discretion.

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.

Rebates and soft commissions

We and the Trustee (including their officers) 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 financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on best available terms.

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.

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 provisions stipulated in the Deed of the Fund. Where necessary, the amendments will be notified to the Trustee. We will communicate to you if there are any amendments to the fees and charges.

Transaction Information

Unit pricing

We adopt a single pricing method for any transaction (i.e. application and withdrawal) based on forward prices. This means that we will process your transactions request based on the unit pricing on a Business Day (i.e. the NAV per unit*) that we receive the completed relevant transaction forms from you. The Application Fee or Withdrawal Penalty (if any) will be computed and charged separately based on your application or withdrawal amount. After the Offer Period (or such shortened period as determined by us), no units will be available for sale. The pricing for the withdrawal of units shall be the NAV per unit at the next valuation point after we receive the completed relevant transaction form.

** As this is close-ended fund, the NAV per unit refers to Initial Offer Price during Offer Period.*

We will value the Fund on weekly basis; i.e. every Monday. The Fund's valuation point for Monday will be at 4:00 p.m. on the next Business Day as the Fund has exposure to investments outside Malaysia. This is to cater for the currency translation of the foreign securities/instruments to the Funds' base currency. Currently, the currency translation is based on the bid exchange rate quoted by Bloomberg/Reuters at UK time 4:00 p.m. (Malaysian time 11:00 p.m. or 12:00 a.m.) on the same day, or such other time as stipulated in the Investment Management Standards issued by the Federation of Investment Managers Malaysia. The unit price for Monday is available on our website at <http://www.cimb-principal.com.my> by 5:30 p.m. on the following Business Day (T+1). We will also publish the unit price on the local dailies two (2) Business Days later (T+2). If Monday is a non-Business Day, the Fund will be valued on the next Business Day.

For any withdrawal by 4:00 p.m. on Monday, the price for these transactions will be the unit pricing for that Monday, which will only be known on the following Business Day (T+1). Transactions after 4:00 p.m. will be processed using the unit pricing for the following Monday. If a Monday is a non-Business Day, you can redeem on the immediate next Business Day. In such cases, the request must be received by us no later than 4:00 p.m. the immediate next Business Day and we will process the request using the unit pricing for that immediate next Business Day.

Illustration

For transaction made by 4:00 p.m. Monday

For the market close on 8 August 2016, the unit price for that Monday will be calculated on the next Business Day, that is, 9 August 2016. The unit pricing will be made known on our website after 1:30 p.m. on 9 August 2016. However, the publication date on local dailies for the prices as at 8 August 2016 will be on 10 August 2016.

For transaction made after 4:00 p.m. Monday

For the market close on 8 August 2016, the unit price for the next Monday i.e. 15 August 2016 which will be calculated on the following Business Day, that is, 16 August 2016. The unit pricing will be made known on our website after 1:30 p.m. on 16 August 2016. However, the publication date on local dailies will be on 17 August 2016.

The Fund must be valued at least once a week except during the Offer Period. Unit price (i.e. NAV per unit) is calculated by dividing the NAV of the Fund with the number of units in issue at the valuation point, as follows:

$$\text{NAV per unit} = \frac{\text{Net Asset Value}}{\text{Number of units in issue}}$$

The NAV of a 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 our Unit holders, less all amounts owing or payable in respect of the Fund which also includes any provisions that we and the Trustee consider should be made. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

Note: We will ensure the accuracy of the prices to the FIMM - Funds Malaysia System for publication. However, we will not be held liable for any error or inaccuracies in prices published in the local dailies.

Incorrect Pricing

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

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

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement 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 repurchase transaction.

Calculation of investment amount and units entitlement

Illustration 1:

Calculation of number of units received, Application Fee and total amount payable by you (during Offer Period)

Assumptions:

Initial Offer Price per unit = RM1.0000

You wish to invest RM10,000.00 in the Fund through an IUTA, at an Application Fee of 3.00%.

Calculation of number of units received by you

= Investment amount / Initial Offer Price per unit
= RM10,000.00 / RM1.0000
= 10,000 units

Calculation of Application Fee paid by you (to be payable in addition to the amount invested)

= Initial Offer Price per unit x number of units received x Application Fee rate
= RM1.0000 x 10,000 units x 3.00%
= RM300.00

Calculation of total amount payable by you

= Investment amount + Application Fee paid
= RM10,000.00 + RM300.00
= RM10,300.00

Illustration 2:

Calculation of withdrawal value, Withdrawal Penalty amount and amount payable to investor (prior to Maturity Date)

Assuming you have 50,000 units, you wish to withdraw 10,000 units from your investment in the Fund which is more than one (1) year but less than two (2) years after the Commencement Date of the Fund. Your withdrawal request is received by 4:00 p.m on Monday. The NAV per unit for that Monday (which will be made known on the following Business Day) is RM1.2010 (truncated to 4 decimal places).

A Withdrawal Penalty of 1.00% on the NAV per unit will be charged on the withdrawal.

Calculation of your withdrawal amount

= Units withdrawn x NAV per unit
= 10,000 x RM1.2010
= RM12,010.00

Calculation of Withdrawal Penalty amount paid by you (to be deducted from the withdrawal value)

= NAV per unit x number of units withdrawn x Withdrawal Penalty rate
= RM1.2010 x 10,000 x 1.00%
= RM120.10

Calculation of amount payable to you

= Withdrawal Value – Withdrawal Penalty amount paid
= RM12,010.00 – RM120.10
= RM11,889.90

Illustration 3:

Calculation of withdrawal value and amount payable to you (at Maturity Date)

At Maturity Date, the Fund will be liquidated and the proceeds (after deducting all expenses) would be returned to you in accordance with the proportion of your unit holdings in the Fund. No Withdrawal Penalty is charged and the amount payable to you is the withdrawal value. Assuming you have 10,000 units and the NAV per unit on Maturity Date is RM1.3300 (truncated to 4 decimal places).

Calculation of withdrawal value

= Number of units x NAV per unit
= 10,000 x RM1.3300
= RM13,300.00

Calculation of amount payable to you

= Withdrawal value
= RM13,300.00

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

Transaction Details

Offer Period

The Offer Period is 45 calendar days from the Launch Date. No units will be offered for sale after the Offer Period. The Offer Period may be shortened at our discretion if we deem appropriate to enter the market in order to capitalize on the prevailing yields as notified in writing to the Trustee or when a desired fund size as determined by us has been reached.

Investing

Who can invest?

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

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

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 commission charges for outstation cheques;
- directly from your bank account held with our Distributors, where applicable;
- by cash if you make an application in person at any branch of our Distributors, where acceptable; 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.

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 may issue a notice to that Unit holder requiring the US person/US entity to, within thirty (30) days, either withdraw the units or transfer the units to a non-US person or non-US entity.

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 are not bound to register more than two (2) joint Unit holders and both applicants must be at least eighteen (18) years of age.

In the event of the demise of a joint holder who is a non-Muslim, we will only recognize the surviving joint holder as the rightful owner. Where the deceased joint holder is a Muslim, his Units will be dealt with in accordance with the Deed and applicable laws and regulations.

Who is distributing this Fund?

The Fund is distributed via the following channels:

- CWA; and
- IUTAs.

The addresses and contact numbers of the head office and regional offices are disclosed in the "Corporate Directory" chapter. The Distributors of the Fund are listed in the "Distributors of the Fund" chapter.

Please take note that if your investments are made through an IUTA via a nominee system of ownership, you would not be deemed to be 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).

Minimum investments

The minimum initial investment in the Fund is RM1,000 and the minimum additional investment in the Fund is RM500 or such other amount as the Manager may decide from time to time. Please note that initial and additional investments are only accepted during the Offer Period.

Processing an investment application

If we receive a complete application during the Offer Period, we will process it using the Initial Offer Price per unit (i.e. RM1.0000) of the Fund. The Application Fee will be computed based on your investment amount. We will only process complete applications, i.e.

when we have received all the necessary information and/or documentations. The number of units you receive will be rounded down to the second decimal place.

Minimum Withdrawals

The minimum withdrawal for the Fund is 500 units or such other amount as we may decide from time to time, unless you are withdrawing your entire investment. If we wish to increase the minimum withdrawal, we will consult with the Trustee beforehand and such adjustment will be communicated to Unit holders before implementation. Withdrawals can be made from the Fund by completing a redemption form and sending it to the relevant Distributor or the head office of CIMB-Principal. Withdrawal is limited to every Monday of the week. Please see below.

Processing a withdrawal

With the exception of withdrawals during the Offer Period, you are only allowed to redeem your units in the Fund every Monday.

If we receive a complete withdrawal request by 4:00 p.m. on Monday, we will process it using the unit pricing for that Monday, which will be known on the following Business Day. If we receive the withdrawal request after 4:00 p.m. Monday, it will be processed using the unit pricing for the following Monday. If Monday is a non-Business Day, you can redeem on the next Business Day. In such cases, the request must be received by us no later than 4:00 p.m. the next Business Day and we will process the request using the unit pricing for that next Business Day. The amount that you will receive is the withdrawal value. You will be paid in RM within ten (10) calendar days.

Upon the maturity of the Fund, the Fund shall be compulsorily terminated and your units will be redeemed based on the NAV per unit on the Maturity Date.

Any applicable bank charges and other bank fees incurred as a result of a withdrawal by way of telegraphic transfer, bank cheque or other special payment method will be borne by you.

Note: *In order to be consistent with the Fund's valuation, you are only allowed to redeem your units on Monday (or the next Business Day if Monday is a non-Business Day).*

Minimum balance

The minimum balance that must be retained in the Fund is 1,000 units or such other amount as we may decide from time to time. If the balance (i.e. number of units) of an investment drops below 1,000 units, we can withdraw the entire investment and forward the proceeds to you. If we wish to increase the minimum balance, we will consult with the Trustee beforehand and such adjustment will be communicated to you before implementation.

Cooling-off period

You have six (6) Business Days after your initial investment (i.e. the date we received the application form) to reconsider your investment. Within this period, you may withdraw your investment at the NAV per unit* on the day the units were first purchased and have the Application Fee repaid. Please note that the cooling-off right is only given to first time investor investing with us or any of our Distributors. However, corporations/institutions, CIMB-Principal's staff and person(s) registered to deal in unit trust of CIMB-Principal or any of our Distributor are not entitled to the cooling-off right.

***Note:** *As this is close-ended fund, the NAV per unit refers to Initial Offer Price during Offer Period.*

Switching

There is no switching facility for this Fund.

Transfer facility

You are allowed to transfer your unit holdings, but is subject to provisions stipulated in the Deed. However, we may refuse to register any transfer of a unit at our absolute discretion. You may be subject to a Transfer Fee of not more than RM50.00 for each transfer.

Minimum size for continued operation of the Fund

We reserve the right, with the consent of the Trustee, not to launch the Fund and return to the investors the Initial Offer Price per unit and the Application Fee paid if the sales proceeds/amount collected of the Fund at the expiry of the Offer Period is below RM50 million, or when the expected return of the Fund does not or may not match or exceed the benchmark of the Fund. All monies will be returned to the investors free of interest should this occur.

Maturity of the Fund

As this is a close-ended fund, the Fund will be mature on the day immediately preceding the third (3rd) anniversary of the Commencement Date. If the Maturity Date falls on a weekend or a public holiday, it should be the following Business Day. If the Fund is terminated earlier in accordance with the provisions of the Deed, Maturity Date shall mean the date of such early termination.

The final payment of proceeds shall be paid to you within fourteen (14) days from the Maturity Date. However, in the event of adversity such as credit crunch, the debt instruments of the Fund may encounter liquidity issues. If such scenario occurs, please note that you may receive the final payment of proceeds within 180 days from the Maturity Date as the Management Company and Trustee shall agree.

Distributions of the Fund

Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.

Unclaimed moneys

As prescribed by Unclaimed Moneys Act, 1995 ("UMA"), as may be amended from time to time, any moneys payable to you which remain unclaimed after twelve (12) months 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.

You are advised not to make payment in cash to any individual agent when purchasing units of a 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 of the Fund and/or SC Guidelines. Where necessary, the amendments will be notified to the Trustee. We will communicate to you if there are any amendments to the fees and charges.

The Manager

About CIMB-Principal Asset Management Berhad

CIMB-Principal holds a Capital Markets Services License for fund management and dealing in unit trust products 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.

As at LPD, CIMB-Principal was responsible for managing more than RM42.35 billion on behalf of individuals and corporations in Malaysia.

It originally commenced its operations as a unit trust company in November 1995. As at LPD, CIMB-Principal has more than 20 years of experience in the unit trust industry.

As at LPD, the shareholders of the company are CIMB Group Sdn. Bhd. ("CIMB Group") (60%) and Principal International (Asia) Limited ("PIA") (40%).

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 Principal Financial Group, which was established in 1879 and is a diversified global financial services group servicing more than 15 million customers.

As at LPD, CIMB-Principal managed 44 conventional unit trust funds (including 2 Exchange-Traded Funds) and 19 Islamic unit trust funds.

In addition to being able to draw on the financial and human resources of its shareholders, CIMB-Principal has staff strength of 324, comprising of 285 Executives and 39 Non-Executives, as at LPD.

The primary 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.

Summary of the financial position of the Company

	31 December 2015 (RM) Audited	31 December 2014 (RM) Audited	31 December 2013 (RM) Audited
Issued and paid-up share capital	123,474,795	123,474,795	123,474,795
Shareholders' funds	530,215,817	453,418,293	381,541,726
Revenue	446,552,633	363,530,072	277,489,369
Profit before taxation	88,006,851	80,842,217	101,924,364
Taxation	11,249,725	9,018,294	24,902,816
Profit after taxation	76,757,126	71,823,923	77,021,548

Key Personnel

Name:	Alejandro Elias Echegorri Rodriguez
Designation:	Chief Executive Officer, ASEAN Region, Executive Director of CIMB-Principal and Director of CIMB-Principal Asset Management (S) Pte Ltd and Director of CIMB-Principal Islamic Asset Management Sdn Bhd.
Experience:	He is the Chief Executive Officer, ASEAN Region of CIMB-Principal. He was appointed as Executive Director of CIMB-Principal on 28 March 2016, Director of CIMB-Principal Asset Management (S) Pte Ltd on 4 April 2016 and Director of CIMB-Principal Islamic Asset Management Sdn Bhd on 7 April 2016. He joined CIMB-Principal on 1 March 2015. Previously he was the Chief Investment Officer for Principal International in Latin America, where he was responsible for the overall investment strategy and the investment process for the group and for overseeing the management of pension, mutual funds and general accounts in the region as well as for supporting the overall development of the asset management business in the region. He joined Principal in 2003 as Head of Institutional Asset Management and Chief Investment Officer for Principal Financial Group in Mexico. Prior to that, he was the Senior Investment Officer for Citibank's Pension Fund Business in Latin America. He had also held different positions in the investment area in countries such as Uruguay, Argentina, Chile, Mexico and the United Kingdom.
Qualifications:	Degree in Economics from the Universidad Mayor de la Republica, Uruguay and a Master in Economics degree from Universidad Centro de Estudios Macroeconomicos de Argentina.

Name:	Munirah binti Khairuddin
Designation:	Chief Executive Officer / Executive Director.
Experience:	She is the Chief Executive Officer of CIMB-Principal since August 2013. She joined CIMB-Principal on 1 November 2006 and was appointed as Deputy Chief Executive Officer in November 2008. She has been an Executive Director of CIMB-Principal since 31 January 2012. Previously worked as a G7 Economist and strategist for a Fortune 500 multinational oil and gas company. Prior to that, she was a fixed income portfolio manager for emerging markets at Rothschild Asset Management in London. Apart from her Senior Management role, she has been instrumental in helping the company to grow its asset under management, deepening its retail leadership with new focus in private retirement space, and maintaining consistent risk management and investment performance whilst elevating the overall customer experience. Munirah also oversees both the retail and corporate businesses for Singapore. During her tenure as Deputy CEO from November 2008 to July 2013, she was responsible for the development of institutional, corporate and international business opportunities and institutional sales. In Malaysia, she has overseen retail funds marketing, market development and fund operations. Under her ambit, the company has spearheaded an international client base, listed exchange traded funds ("ETF") in Malaysia and Singapore, and developed products for regional distribution. She also played an integral part in strategic business development initiatives of CWA.
Qualifications:	Bachelor of Arts (Honours) in Accounting & Financial Analysis, University of Newcastle Upon Tyne, UK; Chartered Financial Analyst Charterholder; Capital Markets Services Representative's License holder for fund management.

Name:	Yap Ben Shiew
Designation:	Head of Compliance.
Experience:	Joined CIMB-Principal on 3 February 2009. He has over 15 years of experience in the capital market. He is a registered Compliance Officer for CIMB-Principal with the Securities Commission Malaysia. He is a designated person responsible for compliance matter. Prior to joining CIMB-Principal, he was attached to an asset management company that focused on private equity investments and held a Capital Markets Services Representative's License for fund management under CMSA from November 2005 to June 2008. Prior to that, he was attached to a reputable and established unit trust management company for approximately five years. During the period, he was the designated person for compliance matters. Before his involvement in unit trust industry, he has also gained valuable knowledge in capital market when he was with an investment company.
Qualifications:	Master of Business Administration from University of South Australia. Bachelor of Business Administration, majoring in Finance and Management and a Bachelor of Science, majoring in Economics from University of Kentucky, Lexington, the USA.

The Investment Committee

The Manager has appointed the Investment Committee for the Fund pursuant to the requirements under the SC Guidelines. The Investment Committee currently 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 Deeds, the SC Guidelines and relevant securities laws, any internal investment restrictions and policies of the Manager, 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 the implementation by the Manager of appropriate investment management strategies for the Fund and the measurement and evaluation of the performance of the Manager.

Name:	Kim Teo Poh Jin *
Designation:	Chairman of the Investment Committee. Executive Director and Group Chief Executive Officer, Boardroom Limited. Director, Livet Company Pte. Ltd. Director, Marina Yacht Services Pte. Ltd.
Experience:	He has about 25 years of experience in the financial industry, having worked in senior positions of major financial institutions.
Qualifications:	Bachelor of Arts (Hons) in Economics from the Heriot-Watt University of Edinburgh.

Name:	Effendy Shahul Hamid
Designation:	Chief Executive Officer, Group Asset Management & Investments
Experience:	Effendy oversees all of CIMB Group's asset management and investments business across both public and private markets. This includes CIMB Group's regional asset management business (CIMB-Principal), its private equity fund management business and the Group's strategic investments portfolio in companies such as Touch 'n Go and Bank of Yingkou. Amongst others, he serves as Chairman of CIMB-Mapletree and CIMB-TrustCapital Advisors Singapore Pte Ltd, is a Director on the board of several CIMB-Principal companies, and also a Director of Touch 'n Go and the R.E.A.L Education Group. Most recently, Effendy was CIMB Group's Chief Marketing and Communications Officer where he managed the Group's entire marketing and communications initiatives, and lead franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the Group's businesses across the region. Prior to that, he served as a Director in CIMB Group's Investment Banking Division, primarily focusing on corporate advisory and origination. The early years of Effendy's career was spent in several international companies in a corporate development capacity, mostly involved in private equity, merger and acquisition activities across Asia Pacific and general business expansion initiatives.
Qualifications:	Honours in Electronic Engineering with Optoelectronics, University College London ; Alumni of CIMB-INSEAD Leadership Programme.

Name:	Mohamad Safri bin Shahul Hamid										
Designation:	Deputy Chief Executive Officer/ Senior Managing Director of CIMB Islamic (CIMB Investment Bank)										
Experience:	<table border="0"> <tr> <td>2011 – Present</td><td>Deputy Chief Executive Officer/ Senior Managing Director (since April 2014) – CIMB Islamic (CIMB Investment Bank)</td></tr> <tr> <td>2009 – 2011</td><td>Deputy Chief Executive Officer – MIDF Amanah Investment Bank, Kuala Lumpur</td></tr> <tr> <td>Feb 2008 – Dec 2008</td><td>Director – Global Markets & Regional Head, Islamic Structuring (Asia) of Deutsche Bank Dubai International Financial Centre (Dubai)</td></tr> <tr> <td>2003 – 2008</td><td>Director & Head – Debt Capital Markets, CIMB Islamic</td></tr> <tr> <td>2000 – 2003</td><td>Senior Analyst – Malaysian Rating Corporation Berhad</td></tr> </table>	2011 – Present	Deputy Chief Executive Officer/ Senior Managing Director (since April 2014) – CIMB Islamic (CIMB Investment Bank)	2009 – 2011	Deputy Chief Executive Officer – MIDF Amanah Investment Bank, Kuala Lumpur	Feb 2008 – Dec 2008	Director – Global Markets & Regional Head, Islamic Structuring (Asia) of Deutsche Bank Dubai International Financial Centre (Dubai)	2003 – 2008	Director & Head – Debt Capital Markets, CIMB Islamic	2000 – 2003	Senior Analyst – Malaysian Rating Corporation Berhad
2011 – Present	Deputy Chief Executive Officer/ Senior Managing Director (since April 2014) – CIMB Islamic (CIMB Investment Bank)										
2009 – 2011	Deputy Chief Executive Officer – MIDF Amanah Investment Bank, Kuala Lumpur										
Feb 2008 – Dec 2008	Director – Global Markets & Regional Head, Islamic Structuring (Asia) of Deutsche Bank Dubai International Financial Centre (Dubai)										
2003 – 2008	Director & Head – Debt Capital Markets, CIMB Islamic										
2000 – 2003	Senior Analyst – Malaysian Rating Corporation Berhad										
Qualifications:	Master of Business Administration (Globalisation) from Maastricht School Of Management, The Netherlands; Bachelor of Accounting (Honours) from International Islamic University Malaysia; Chartered Accountant (CA) with the Malaysian Institute of Accountants (MIA).										

Name:	Wong Fook Wah*
Designation:	Ex-Deputy Group Chief Executive for RAM Holdings Berhad.
Experience:	Wong had served 20 years in RAM Holdings Bhd., from its inception as Malaysia's first credit rating agency in 1991. He held several positions over the years including Managing Director/CEO of RAM Rating Services Sdn. Bhd. His last position was that of Deputy Group Executive Officer of RAM Holdings Berhad ("RAM"). He retired from RAM in March 2011. Prior to joining RAM, Wong worked for the Ministry of Finance, Malaysia from 1977 to April 1991. He first served as an economist in the Economics Planning Division for the first 8 years. Then, for 4 years from 1987 to 1991, he worked as an analyst in a special task unit handling rehabilitational and restructuring work on ailing Government-owned enterprises. He was on the Board of Directors of the Malaysia Derivatives Exchange Bhd. (MDEX) from 2001 to May 2004 as an appointee of the Ministry of Finance. He also served on the Board of Directors of RAM Rating Services Bhd., Bond Pricing Agency Sdn. Bhd. and RAM Credit Information Sdn. Bhd., representing the interest of RAM Holdings Bhd. prior to retirement.
Qualifications:	Bachelor of Arts (Economics) from Universiti Malaya (1977) and a Masters degree in Policy Science from Saitama University, Japan (1987).

Name:	A.Huzaima Bin Dato' Abdul Hamid *
Designation:	Director of CIMB-Principal.
Experience:	Has been a Director of CIMB-Principal since 2 May 2013. Huzaima has spent 27 years in various aspects of finance, economics, and public policy advisory. 12 of those years was spent as a fund manager, where he was, among others, a Chief Investment Officer with Alliance Capital Asset Management and as a member of the Pacific Region Team and a Global Commodities Specialist with Hong Kong's Jardine Fleming Investment Management which is now part of JP Morgan, Chase and Co. He

	<p>was an independent Investment Committee member for 6 years for CIMB-Principal as well as being the same for CIMB-Principal Islamic Asset Management and CIMB Wealth Advisors Berhad for several years. He also served as an independent Investment Committee member for CIMB Aviva Assurance and CIMB Aviva Takaful for two years.</p> <p>Huzaime is the Chairman & CEO of Ingenium Advisors, a financial economics advisory established in 2013. He was, prior to that, the Head of Strategic Operations at Malaysia's Employees Provident Fund, where he was deeply engaged in the reform of the Malaysian pension and social security system, which resulted in the private pension system, minimum wages, and minimum retirement age acts.</p> <p>Huzaime also spent several years serving as a Senior Fellow at the then renowned Institute of Strategic and International Studies (ISIS) Malaysia, reporting directly to its late Chairman, Tan Sri Noordin Sopiee. He was most active in economic, finance, and geostrategic issues. He was engaged heavily in OIC and East Asian matters, and was appointed the Deputy Secretary General for the Malaysian chapter of the Network of East Asian Think-tanks (NEAT). Huzaime speaks, thinks, and writes in 5 languages.</p>
Qualifications:	<p>Master of Science, Financial Economics, School of Oriental and African Studies (SOAS), University of London, United Kingdom, 2010; Advanced Certificate in Russian Language from the Russian Centre for Science and Culture, Kuala Lumpur and the Pushkin State Institute of Russian Language, Moscow, Russia, 2009, Bachelor of Science, Economics, Louisiana State University, Baton Rouge Louisiana, United States of America, 1988.</p>

Name:	Alejandro Elias Echegorri Rodriguez
Designation:	
Experience:	As aforementioned on page 23.
Qualifications:	

* *Independent member*

The Board of Directors

There are ten (10) members sitting on the Board of Directors of CIMB-Principal including four (4) Independent Directors. The Board of Directors oversees the management and operations of CIMB-Principal and meets at least once every quarter.

Name:	Dato' Robert Cheim Dau Meng
Designation:	Chairman/Non-Independent Non-Executive Director of CIMB Investment Bank Berhad, Vice Chairman of CIMB Thai Bank Public Company Limited, Trustee of CIMB Foundation, Chairman and Independent Non-Executive Director of Tanjong Plc and Trustee of Yu Cai Foundation.
Experience:	<p>Dato' Robert Cheim was appointed as Chairman/Non-Independent Non-Executive Director of CIMB Investment Bank Berhad on 1 July 2015. He retired from CIMB Group and relinquished his executive position in the various entities in the Group and resigned as Adviser for the Investment Banking Division of the Group on 27 February 2015.</p> <p>Dato' Robert Cheim joined Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank) in 1984 and held the position of Head of Corporate Finance, General Manager and Executive Director, before assuming the position of Chief Executive Officer from 1993 to 1999. From 1999 to 2006, he was an Executive Director of CIMB Investment Bank. Prior to joining CIMB Investment Bank, Dato' Robert Cheim served in various management positions with the former United Asian Bank Berhad (now known as CIMB Bank) between 1977 and 1984. He has also worked in various accounting firms in London.</p>
Qualifications:	Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Malaysian Institute of Accountants.

Name:	Hisham bin Zainal Mokhtar*																														
Designation:	Director of CIMB-Principal.																														
Experience:	<table> <tr> <td>Since July 2014</td><td>Chief Operating Officer – Astro Overseas Limited</td></tr> <tr> <td>April 2009 – Jun 2014</td><td>Director, Investments – Khazanah Nasional Berhad</td></tr> <tr> <td>May 2007 – Mac 2009</td><td>Senior Vice President, Investments – Khazanah Nasional Berhad</td></tr> <tr> <td>May 2005 – April 2007</td><td>Vice President, Investments – Khazanah Nasional Berhad</td></tr> <tr> <td>April 2001 – April 2005</td><td>Executive Director and Vice President, Corporate & Financial Planning – Tricubes Berhad</td></tr> <tr> <td>January 2001 – April 2001</td><td>Head, Analyst – Britac Capital Sdn Bhd</td></tr> <tr> <td>April 2000 – December 2000</td><td>Executive Director – K..E. Malaysian Capital Partners Sdn Bhd</td></tr> <tr> <td>August 1999 – February 2000</td><td>Financial Consultant – Santander Investment Research (Malaysia) Sdn Bhd</td></tr> <tr> <td>August 1998 – July 1999</td><td>Financial Consultant – Sithe Pacific LLC</td></tr> <tr> <td>May 1998 – Aug 1998</td><td>Dealer's Representative – CIMB Securities Sdn Bhd</td></tr> <tr> <td>October 1996 – March 1998</td><td>Senior Research Analyst – UBS Research (Malaysia) Sdn Bhd</td></tr> <tr> <td>December 1995 – September 1996</td><td>Investment Analyst – Crosby Research (Malaysia) Sdn Bhd</td></tr> <tr> <td>September 1994 – December 1995</td><td>Investment Analyst – Baring Research (Malaysia) Sdn Bhd</td></tr> <tr> <td>March 1994 – July 1994</td><td>Head of Research – Keluangs Sdn Bhd</td></tr> <tr> <td>May 1991 – March 1994</td><td>Research Executive – Crosby Research (Malaysia) Sdn Bhd</td></tr> </table>	Since July 2014	Chief Operating Officer – Astro Overseas Limited	April 2009 – Jun 2014	Director, Investments – Khazanah Nasional Berhad	May 2007 – Mac 2009	Senior Vice President, Investments – Khazanah Nasional Berhad	May 2005 – April 2007	Vice President, Investments – Khazanah Nasional Berhad	April 2001 – April 2005	Executive Director and Vice President, Corporate & Financial Planning – Tricubes Berhad	January 2001 – April 2001	Head, Analyst – Britac Capital Sdn Bhd	April 2000 – December 2000	Executive Director – K..E. Malaysian Capital Partners Sdn Bhd	August 1999 – February 2000	Financial Consultant – Santander Investment Research (Malaysia) Sdn Bhd	August 1998 – July 1999	Financial Consultant – Sithe Pacific LLC	May 1998 – Aug 1998	Dealer's Representative – CIMB Securities Sdn Bhd	October 1996 – March 1998	Senior Research Analyst – UBS Research (Malaysia) Sdn Bhd	December 1995 – September 1996	Investment Analyst – Crosby Research (Malaysia) Sdn Bhd	September 1994 – December 1995	Investment Analyst – Baring Research (Malaysia) Sdn Bhd	March 1994 – July 1994	Head of Research – Keluangs Sdn Bhd	May 1991 – March 1994	Research Executive – Crosby Research (Malaysia) Sdn Bhd
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May 1991 – March 1994	Research Executive – Crosby Research (Malaysia) Sdn Bhd																														
Qualifications:	Master in Business Administration, Massachusetts Institute of technology – Sloan School of Management; Master of Science (MS) Mathematics, Illinois State University; Bachelor of Science (BS) Mathematics, Illinois State University; Chartered Financial Analyst Charterholder.																														

Name:	Dato' Anwar bin Aji*																						
Designation:	Chairman of Zelan Berhad, Director of Konsesi Pusat Asasi Gambang Sdn Bhd, Director of SKS PARS Refining Company Sdn. Bhd., Director of Sistem Transit Aliran Ringan Sdn. Bhd. and Independent Director of CIMB-Principal.																						
Experience:	<p>Has been a Director of CIMB-Principal since 24 April 2007.</p> <table> <tr> <td>Re-designated w.e.f. 01.01.12</td><td>Chairman – Zelan Berhad</td></tr> <tr> <td>Re-designated w.e.f. 19.01.11</td><td>Executive Chairman – Zelan Berhad</td></tr> <tr> <td>Appointed w.e.f. 11.12.08</td><td>Chairman – Zelan Berhad</td></tr> <tr> <td>2001-2008</td><td>Chairman – Faber Group Berhad</td></tr> <tr> <td>1994-2004</td><td>Managing Director – Khazanah Nasional Berhad</td></tr> <tr> <td>1993-1994</td><td>Special Assistant – The Secretary General of Ministry of Finance</td></tr> <tr> <td>1991-1993</td><td>Principal Assistant Secretary – Finance Division, Federal Treasury, Ministry of Finance</td></tr> <tr> <td>1986-1991</td><td>Deputy Director – Petroleum Development Division, Prime Minister's Department</td></tr> <tr> <td>1984-1985</td><td>Principal Assistant Secretary – Investment Division of the Malaysian Tobacco Company Berhad under the British Malaysia Industry and Trade Association training scheme</td></tr> <tr> <td>1982-1984</td><td>Principal Assistant Secretary – Foreign Investment Committee, Economic Planning Unit, Prime Minister Department</td></tr> <tr> <td>1980-1981</td><td>Principal Assistant Secretary – Economic and International Division, Federal Treasury, Ministry of Finance.</td></tr> </table>	Re-designated w.e.f. 01.01.12	Chairman – Zelan Berhad	Re-designated w.e.f. 19.01.11	Executive Chairman – Zelan Berhad	Appointed w.e.f. 11.12.08	Chairman – Zelan Berhad	2001-2008	Chairman – Faber Group Berhad	1994-2004	Managing Director – Khazanah Nasional Berhad	1993-1994	Special Assistant – The Secretary General of Ministry of Finance	1991-1993	Principal Assistant Secretary – Finance Division, Federal Treasury, Ministry of Finance	1986-1991	Deputy Director – Petroleum Development Division, Prime Minister's Department	1984-1985	Principal Assistant Secretary – Investment Division of the Malaysian Tobacco Company Berhad under the British Malaysia Industry and Trade Association training scheme	1982-1984	Principal Assistant Secretary – Foreign Investment Committee, Economic Planning Unit, Prime Minister Department	1980-1981	Principal Assistant Secretary – Economic and International Division, Federal Treasury, Ministry of Finance.
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1982-1984	Principal Assistant Secretary – Foreign Investment Committee, Economic Planning Unit, Prime Minister Department																						
1980-1981	Principal Assistant Secretary – Economic and International Division, Federal Treasury, Ministry of Finance.																						

	1978-1980 1973-1978	Principal Assistant Secretary – Budget Division, Federal Treasury, Ministry of Finance Assistant Director – Industries Division, Ministry of International Trade & Industry
Qualifications:	Master of Arts, International Studies, Ohio University USA (1981 – 1982) and Bachelor of Economics (Hons.), University of Malaya (1970 – 1973).	

Name:	Wong Joon Hian*	
Designation:	Independent Non-Executive Director & Chairman of Audit Committee of CIMB-Principal.	
Experience:	<p>Has been an independent non-executive director of CIMB-Principal since 22 August 2007.</p> <p>He has accumulated over 30 years of working experience in the areas of audit, accountancy, financial services and corporate management. He commenced his career when he joined Price Waterhouse & Co. in England after qualifying as a Chartered Accountant in 1973. He returned to Malaysia in 1975 to work for Price Waterhouse (now known as PricewaterhouseCoopers), Malaysia until 1985. He then served as the Technical Manager of The Malaysian Association of Certified Public Accountants from 1986 until he was appointed as the General Manager-Operations of Supreme Finance (Malaysia) Berhad in December 1987. After Mayban Finance Berhad had completed the acquisition of Supreme Finance (Malaysia) Berhad in 1991, he joined BDO Binder as an Audit Principal until 1994 when he joined for Advance Synergy Berhad. He was appointed the managing director of United Merchant Group Berhad (now known as Advance Synergy Capital Sdn Bhd) in 1995 and continues to hold that position to date. During the period from 1995 till 2007 he was a director of Ban Hin Lee Bank Berhad, Southern Investment Bank Berhad and United Merchant Finance Berhad. Currently, he is designated as the Chief Operating Officer-Financial Services of Advance Synergy Berhad.</p> <p>In addition, he is a director in several companies under the Advance Synergy Berhad Group and CIMB Group Holdings Berhad Group.</p>	
Qualifications:	Member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales.	

Name:	Auyeung Rex Pak Kuen	
Designation:	Senior Vice President of Principal Financial Group; Chairman – Asia of Principal Financial Group; Director of CIMB-Principal.	
Experience:	Has been a Director of CIMB-Principal since 11 July 2003 and has over 30 years of experience in insurance industry in Canada and Hong Kong.	
Qualifications:	Bachelor of Environmental Studies (Honours) in Urban and Regional Planning, University of Waterloo, Canada.	

Name:	Pedro Esteban Borda	
Designation:	Vice President South Asia and India of Principal International.	
Experience:	He is the Vice President South Asia and India of Principal International based in Malaysia. He is also a Director of CIMB-Principal since 20 June 2013. Prior joining Principal International, he was Chief Executive Officer, ASEAN Region of CIMB-Principal. In addition, he was the Country Head – Mexico from 2004 to February 2013, Vice President of Principal Financial Group and previously a member of the Board of Directors of Principal Financial Group, Chile.	
Qualifications:	Bachelor Degree in Business Administration and a Master Degree in Finance, both from Universidad Argentina de la Empresa (U.A.D.E).	

Name:	A.Huzaime Bin Dato' Abdul Hamid*	
Designation:		
Experience:	As aforementioned on page 24.	
Qualifications:		

Name:	Munirah binti Khairuddin	
Designation:		
Experience:	As aforementioned on page 23.	
Qualifications:		

Name:	Effendy Shahul Hamid	
Designation:		
Experience:	As aforementioned on page 24.	
Qualifications:		

Name:	Alejandro Elias Echegorri Rodriguez	
Designation:		
Experience:	As aforementioned on page 23.	
Qualifications:		

* Independent director

The Audit Committee

There are three (3) members sitting on the Audit Committee of CIMB-Principal. The Audit Committee monitors and ensures transparency and accuracy of financial reporting, and effectiveness of external and internal audit functions of the Manager. The Audit Committee meets at least twice a year.

Name:	Wong Joon Hian*
Designation:	
Experience:	As aforementioned on page 27.
Qualifications:	

Name:	Dato' Anwar bin Aji *
Designation:	
Experience:	As aforementioned on page 26.
Qualifications:	

Name:	Effendy Shahul Hamid
Designation:	
Experience:	As aforementioned on page 24.
Qualifications:	

**Independent director*

Material Litigation and Arbitration

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

Designated Fund Manager for the Fund

Name:	Wong Loke Chin
Designation:	Director, Fixed Income. Designated Fund Manager for all CIMB-Principal bond funds and money market funds.
Experience:	He has been with the CIMB Group for 15 years where he was initially attached with the CIMB Bank's Debt Markets and Derivatives department managing range of fixed income portfolios for institutional clients before joining CIMB-Principal in January 2005. His current portfolio under management includes managing both domestic and global fixed income funds. He has more than 20 years of relevant experience in the fixed income industry which also includes managing fixed income investments for insurance companies prior to joining the CIMB Group.
Qualifications:	Bachelor's degree of Commerce in Accounting from the University of New South Wales, Australia. He holds a Capital Markets Services Representative's License for fund management under CMSA.

Name:	Ng Tsu Miin
Designation:	Director, Fixed Income. Designated Fund Manager for all CIMB-Principal bond funds and money market funds.
Experience:	She has more than 18 years of experience in fixed income fund management. She joined SBB Asset Management Berhad ("SBB") in 2005 prior to the merger of SBB with CIMB-Principal. Prior to joining SBB, she had been managing fixed income unit trust and institutional discretionary mandates for more than 5 years.
Qualifications:	Bachelor of Commerce (Honours) degree from New Zealand. She obtained her Fund Manager's representatives license in 2000. She is a Chartered Financial Analyst (CFA) Charterholder since 2001.

The Trustee

About HSBC (Malaysia) Trustee Berhad

HSBC (Malaysia) Trustee Berhad (1281-T) (“HSBCT”) is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13th Floor, Bangunan HSBC, South Tower, No. 2, Leboh Ampang, 50100 Kuala Lumpur.

HSBCT's financial information

The Trustee has a paid-up capital of RM500,000.00. As at 31 December 2015, its shareholders' funds totalled RM65.51 million and it achieved a profit before tax of RM10.80 million.

The following is a summary of the past performance of the Trustee based on the audited accounts for the last 3 years:

	Year Ended 31 December		
	2015 (RM)	2014 (RM)	2013 (RM)
Paid-up Share Capital	500,000	500,000	500,000
Shareholders' Funds	65,514,817	57,329,602	48,058,506
Turnover	28,829,204	25,328,744	24,287,694
Profit before Tax	10,804,012	12,466,627	12,381,200
Profit after Tax	8,042,027	9,271,171	9,273,605

Board of Directors of HSBCT

Mr Piyush Kaul	- Chairman of the Board (non-executive)
Mr Kaleon Leong bin Rahan	- Director (executive)
Mr Yee Yit Seeng	- Director (executive)

Experience in Trustee Business

Since 1993, the Trustee has acquired experience in the administration of unit trusts and as at LPD, HSBCT is the Trustee for 181 funds (including unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme). As at LPD, the Trustee has a workforce of 47 employees consisting of 40 executives and 7 non-executives.

Profile of Key Personnel

Mr Kaleon Leong Bin Rahan – Chief Executive Officer

He has been involved in the fund management industry since 1996, having served stints in a regulatory body, fund management company, trustee and audit firm. He is a Chartered Accountant and holds a Masters in Information Technology Management.

Mr Yee Yit Seeng – Chief Operating Officer

He joined HSBC Trustee in July 1984. He holds a Diploma in Banking and Finance and is a Senior Associate of Institut Bank-Bank Malaysia. He has more than 22 years of experience in trust operations including client service, systems/projects & office administration, compliance, internal control & audit, and business development. He was also seconded to the HSBC Back-end Processing Office in Cyberjaya, Malaysia to support the global securities operations.

Trustee's Delegate

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as custodian of the quoted and unquoted local investments of the Fund. The assets of the Fund are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. If and when the Fund should invest overseas, HSBC Institutional Trust Services (Asia) Limited will be appointed as the custodian of the foreign assets of the Fund. Both The Hongkong And Shanghai Banking Corporation Ltd and HSBC Institutional Trust Services (Asia) Limited are wholly owned subsidiaries of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

What are the responsibilities of the Trustee?

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the SC Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the SC Guidelines. In respect of monies paid by an investor for the application of units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

Trustee's statement of responsibility

The Trustee has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under this Deed in relation to the Fund. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

Anti-Money Laundering and Anti-Terrorism Financing Provisions

The Trustee has in place policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.

Statement of Disclaimer

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

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/financial position of the Trustee and any of its delegates.

Consent to Disclosure

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders for purposes of performing its duties and obligations in accordance to the Deed, the Capital Markets and Services Act 2007, SC Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

Exemptions or variations

There have been no exemptions or variations from any relevant securities laws or the SC Guidelines granted to the Trustee by the SC.

Salient Terms of Deed

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

A Unit holder will be recognised as a registered Unit holder in the Fund on the Business Day his/her details are entered onto the Register of Unit holders.

Rights of Unit holders

A Unit holder has the right, among others, to the following:

- to inspect the Register, free of charge, at any time at the registered office of the Manager, and obtain such information pertaining to its units as permitted under the Deed and the SC Guidelines;
- 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;
- to call for Unit holders' meetings;
- to vote for the removal of the Trustee or the Manager through a Special Resolution;
- to receive annual reports, interim reports or any other reports of the Fund; and
- to exercise cooling-off for qualified investors.

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

Liabilities and limitation of Unit holders

Liabilities

- (i) The liability of a Unit holder is limited to the purchase price per unit and the Application Fee paid or agreed to be paid for a Unit. A Unit holder need not indemnify the Trustee or the Manager if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or the Manager in respect of the Fund.
- (ii) The recourse of the Trustee, the Manager and any creditor is limited to the assets of the Fund.

Limitations

A Unit holder cannot:

- (i) interfere with any rights or powers of the Manager and/or the Trustee 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 profit or compensation in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to the Unit holder.

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

Maximum fees and charges permitted by the Deed

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

Charges	% / RM
Application Fee	Up to 7.00% is charged on the Net Asset Value per Unit.
Withdrawal Penalty	Up to 5.00% of the Net Asset Value per Unit is chargeable on amounts withdrawn.
Switching Fee	No switching facility is available for the Fund.

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

Fees	% / RM
Management Fee	Up to 3.00% per annum calculated daily based on the Net Asset Value of the Fund prior to any deduction for Trustee Fee and Management Fee for that particular day.
Trustee Fee	Up to 0.20% per annum, calculated daily based on the Net Asset Value of the Fund prior to any deduction for Trustee Fee and Management Fee for that particular day.

A lower fee and/or charges than what is stated in the Deed may be charged, all current fees and/or charges will be 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 Unit holders' approval.

Expenses permitted by the Deed

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

- commissions/fees paid to brokers/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/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 and tax agent;
- remuneration and out of pocket expenses of the independent members of the investment committee and/or the Shariah advisers of the Fund (if any), unless the Manager decides 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 this Deed other than for the benefit of the Manager or Trustee;
- costs incurred for any meeting of Unit holders other than those convened for the benefit of the Manager or 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 and the retirement or removal of the Trustee or Manager and the appointment of a new trustee or Manager;
- any proceedings, arbitration or other dispute concerning the Fund or any asset, including proceedings against the Trustee or the Manager by the other of them for the benefit of the Fund (except to the extent that legal costs incurred for the defense of either of them are ordered by the court not to be reimbursed out of the Fund);
- expenses incurred in the printing of, purchasing of stationery and postage of the annual and interim (if any) reports;
- costs of obtaining experts opinion by the Trustee and the Manager for the benefit of the Fund; 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 warrant or telegraphic transfer would be permitted as expenses payable or reimbursable out of the Assets of the Fund.

The Manager and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulate the maximum rate in percentage terms that can be charged.

Retirement, removal or replacement of the Manager

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

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

The Manager shall retire under the following circumstances:

- if a Special Resolution is duly passed by the Unit holders that the Manager be removed; or
- if the Manager ceases to be approved by the SC to be the management company of the Fund.

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

- if the Management Company goes into liquidation (except for the purpose of amalgamation or reconstruction or some similar purpose) or if a receiver or judicial manager is appointed in respect of any of their assets or if any encumbrancer shall take possession of any of their assets; or
- if the Management Company ceases to carry on business; or
- if the Trustee is of the opinion that the Management Company has, to the prejudice of the Unit holders, failed to comply with any provision or covenant herein or contravened any of the provisions of the Act; or
- the Management Company has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of the Unit holders to do so, after the Trustee has given reasonable notice to the Management Company of that opinion and the reasons for that opinion, and has considered any representations made by the Management Company in respect of that opinion, and after consultation with the SC; or
- if a petition has been presented for the winding up against the Management Company (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, the Management Company become or is declared insolvent).

The Manager 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.

In any of above said grounds, the Manager 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.

Retirement or removal or replacement of the Trustee

The Manager 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 the Manager or any shorter notice the Manager accepts.

The Trustee covenants that it will retire from the Fund constituted by or pursuant to the Deed if and when requested so to do by the Manager if:

- the Trustee shall go into liquidation;
- if 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
- if a Special Resolution is duly passed by the Unit holders that the Trustee be removed.

Additionally, the Manager is 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 the Manager or the Unit holders.

Termination of the Fund

The Fund 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;
- (b) a Special Resolution is passed at a Unit holders' meeting to terminate or wind-up the Fund, 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;
- (c) a Special Resolution is passed at a Unit holders' meeting to terminate or wind-up the Fund;
- (d) the Fund has reached the Maturity Date; or
- (e) the effective date of an approved transfer scheme, as defined under the SC Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

Meetings of Unit holders

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

Where the Manager 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 last known address or, in the case of Joint holders, to the Joint holder whose name stands first in the records of the Manager at the Joint 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.

The Manager shall within twenty-one (21) days after an application is delivered to the Manager at its 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 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 at his last known address or in the case of joint Unit holder, to the joint Unit holder whose name stands first in the Manager's 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, for the purpose of considering the most recent financial statements of the Fund, 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 is five (5) Unit holders of the Fund 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, 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 at the time of the meeting. If the Fund has five (5) or less Unit holders, the quorum required shall be two (2) Unit holders, whether present or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be two (2) Unit holders, 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 at the time of the meeting.

Voting is by a show of hands, unless a poll is duly demanded or the resolution proposed is required by this deed or by law to be decided by a percentage of all units. Each Unit holder present in person or by proxy has one vote on a show of hands. 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, 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.

Approval and Condition

EXEMPTION TO THE SC GUIDELINES

The Manager has obtained an approval from the SC for an exemption to comply with Schedule B: Valuation of other unlisted bonds of the SC Guidelines which allow CIMB-Principal to obtain the price of non RM-denominated unlisted bonds from IDC for valuation purpose on 5 September 2016, subject to the following conditions:

1. the Manager is to keep abreast of the development of IDC's pricing methodology; and
2. the Manager is to continuously keep track on the acceptability of IDC's prices in the market place.

Related-Party Transactions / Conflict of Interest

Potential conflicts of interests and related party transactions

The Manager, its directors and any of its delegates including the Investment Committee members will at all times act in the best interests of the Unit holders of the Fund and will not conduct itself 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 CIMB-Principal faces conflicts in respect of its duties to the Fund and its duties to other CIMB-Principal Funds that it manages, CIMB-Principal is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Manager shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. The Manager shall not make any investment for the Fund in any securities, properties or assets in which the Manager or its officer has financial interest in or from which the Manager or its officer derives a benefit, unless with the prior approval of the Trustee. Any Investment Committee member or director of CIMB-Principal who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

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

As the Trustee for the Fund, there may be proposed 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 (i.e. placement of monies, structured products etc);
- (2) where the Fund is being distributed by the related party of the Trustee as IUTA;
- (3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and global custodian of that 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 the above and 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 Unit holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

Interests in the Fund

Subject to any legal requirement, CIMB-Principal or any related corporation of the Manager, or any officers or directors of any of them, may invest in the Fund. The directors of CIMB-Principal 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 CIMB-Principal for any purpose.

Employees' securities dealings

CIMB-Principal has in place a policy contained in its Rules of Business Conduct, which regulates its employees' securities dealings. An annual declaration of securities trading is required from all employees to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to the company and customers of the company.

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 2016

Dear Sirs,

TAXATION OF THE TRUST OFFERED UNDER THE CIMB-PRINCIPAL TOTAL RETURN BOND FUND 5 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 Total Return Bond Fund 5 ("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) 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 sukuk¹, other than convertible loan stocks, approved or authorized by, or lodged with, the Securities Commission² Malaysia;
- c) Bon Simpanan Malaysia issued by Bank Negara Malaysia; and
- d) Interest income paid or credited by Malaysia Building Society Berhad³.

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 tax:

- 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; and
- c) Bonds, other than convertible loan stocks, paid or credited by any company listed in Bursa Malaysia Securities Berhad ACE Market.

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

(2) 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.

(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) 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.

(5) 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.

1 Pursuant to the Finance Act 2015 which was gazetted on 30 December 2015, the words “Islamic Securities” were substituted with the words “sukuk”.

2 Pursuant to the Finance Act 2015 which was gazetted on 30 December 2015, the words “approved by the Securities Commission” were substituted with the words “approved or authorized by, or lodged with, the Securities Commission”.

3 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.

(6) Real Property Gains Tax (“RPGT”)

With effect from 1 January 2014, any gains on disposal of real properties or shares in real property companies⁴ 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%

(7) 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 guidelines⁵ 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, resident⁶ 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.

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 28⁷ per cent. Individuals and other non-corporate unit holders who are not resident in Malaysia will be subject to income tax at 28⁸ per cent. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these unit holders.

4 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.

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

6 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 –

- (a) 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;
- (b) 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;
- (c) 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.

7 Pursuant to the Finance Act 2015 which was gazetted on 30 December 2015, the income tax rates for individual tax residents in Malaysia will be increased to rates ranging from 1 to 28 per cent effective YA 2016.

8 Pursuant to the Finance Act 2015 which was gazetted on 30 December 2015, the income tax rate for non-resident individuals will be increased to 28 per cent effective YA 2016.

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.

Additional Information

Investors services

How will I be informed about my investment?

We will send you a written confirmation of:

- your CIMB-Principal investor number;
- all your transactions and distributions (if any);
- Any changes to your address;
- the details of your investment each January; and
- the financial accounts of the Fund for each half-year within two (2) months from the end of the half-year or financial year, as the case may be.

If you write in to make any changes to your address, you will receive a written confirmation from us.

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.

How can I obtain information about the performance of the Fund?

You can obtain up-to-date fund information from our monthly fund fact sheets and our website, <http://www.cimb-principal.com.my>.

Who do I contact if I need information about my investment?

You can contact our **Customer Care Centre** at (03) 7718 3100. Our Customer Care Centre is available Mondays to Fridays (except on Selangor public holidays), from 8:30 a.m. to 5:30 p.m. (Malaysian time) or you can e-mail 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 SS21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA

Who should I contact for further information or to lodge a complaint?

(i) You may contact our Customer Care Centre at (03) 7718 3100. Our Customer Care Centre is available Mondays to Fridays (except on Selangor public holidays), from 8:30 a.m. to 5:30 p.m. (Malaysian time) or you can e-mail us at service@cimb-principal.com.my.

(ii) Alternatively, you may also contact:

(a) Securities Industry Dispute Resolution Center (SIDREC):

- | | |
|-----------------|---|
| ▪ via phone to | : (03) 2282 2280 |
| ▪ via fax to | : (03) 2282 3855 |
| ▪ via e-mail to | : info@sidrec.com.my |
| ▪ via letter to | : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No.5, Jalan Bangsar Utama 1
59000 Kuala Lumpur |

(b) SC's Investor Affairs & Complaints Department:

- | | |
|---|---|
| ▪ via phone to Aduan Hotline at | : (03) 6204 8999 |
| ▪ via fax to | : (03) 6204 8991 |
| ▪ via e-mail to | : aduan@seccom.com.my |
| ▪ via online complaint form available at www.sc.com.my | |
| ▪ via letter to | : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur |

(c) FIMM's Complaints Bureau:

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

Anti-money laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001

In order to comply with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ('AMLA') and the relevant policies, procedures, guidelines and/or regulations aimed at the prevention of money laundering, the Manager will be required to obtain satisfactory evidence of customer's identity and have effective procedures for verifying the bona fides of customers.

The Manager conducts ongoing due diligence and scrutiny of customers' identity and his/her investment objectives which may be undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the Manager's knowledge of the customer, its business and its risk profile.

It may not have direct contact with such customers and depending on the circumstances of each application, a detailed verification of identity might not be required where:

- (i) the applicant makes the payment for his/her investment from an account held in the applicant's name at a recognised financial institution;
- (ii) the applicant is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction; or
- (iii) the application is made through an intermediary which is regulated/licensed by a recognised regulatory authority and is based in or incorporated in, or formed under the law of a recognised jurisdiction.

The Manager also reserves the right to request such information as deemed necessary to verify the source of the payment. The Manager may refuse to accept the application and the subscription monies if an applicant of units delays in producing or fails to produce any information required for the purposes of verification of identity or source of funds, and in that event the Manager shall return the application monies (without interest and at the expense of the applicant) by telegraphic transfer to the account from which the monies were originally sent/or by way of a cheque to the applicant's last known address on the records of the Manager.

A transaction or a series of transaction shall be considered as 'suspicious' if the transaction in question is inconsistent with the customer's known transaction profile or does not make economic sense. Suspicious transactions shall be submitted directly to the Financial Intelligence Unit of Bank Negara Malaysia.

Distribution channel where units can be purchased or redeemed

The Fund is distributed via the following channels:

- CWA; and
- IUTAs.

The addresses and contact numbers of the head office and regional offices of CIMB-Principal are disclosed in the Corporate Directory. The Distributors of the Fund are listed in the "Distributors of the Fund" chapter.

Consent

PricewaterhouseCoopers Taxation Services Sdn Bhd and HSBC (Malaysia) Trustee Berhad have given their written consent to act in their respective capacity and have not subsequently withdrawn their consent to the inclusion of their names and/or letter/report in the form and context in which it appears in this Prospectus.

Documents Available for Inspection

For a period of at least twelve (12) months from the date of issuance of the Prospectus, Unit holders may inspect the following documents or copies thereof in relation to the Fund (upon request) at the registered office of the Manager or such other place as the SC may determine:

- The Deed of the Fund;
- Material contracts referred to in the Prospectus;
- The audited financial statements of the Fund for the current financial year (where applicable) and for the last three (3) financial years;
- All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Prospectus;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in the Prospectus; and
- Any consent given by experts or persons whose statement appears in the Prospectus.

Distributors of the Fund

As at LPD, the CIMB-Principal Total Return Bond Fund 5 is available from:

CIMB-Principal Asset Management Berhad (304078-K)

CWA

50, 52 & 54 Jalan SS21/39

Damansara Utama

47400 Petaling Jaya Selangor MALAYSIA

Tel: (03) 7718 3100

Note: The Manager has the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time.

Appendix 1 – 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 Ringgit of your own money that 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.

ACKNOWLEDGEMENT OF RECEIPT OF RISK DISCLOSURE STATEMENT

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

Signature :

Full name :

Date :

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CIMB-Principal Asset Management Berhad (304078-K)

Enquiries:

Customer Care Centre **(603) 7718 3100**

Email service@cimb-principal.com.my

www.cimb-principal.com