

## Prospectus

14 April 2023

# Principal Islamic Money Market Fund

**Manager** : Principal Asset Management Berhad (199401018399 (304078-K))

**Trustee** : HSBC (Malaysia) Trustee Berhad (193701000084 (1281-T))

**THIS IS A REPLACEMENT PROSPECTUS. THIS PROSPECTUS IS ISSUED TO REPLACE AND/OR SUPERSEDE THE PROSPECTUS ISSUE NO. M1 DATED 1 JULY 2021 AND FIRST SUPPLEMENTAL PROSPECTUS DATED 7 JUNE 2022.**

This Prospectus Issue No. M2 For the Principal Islamic Money Market Fund Is Dated 14 April 2023.

This Fund was constituted on 17 March 2008.

**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 5.**

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

# ABOUT THIS DOCUMENT

This Prospectus introduces you to Principal Malaysia and the 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. The Fund is established as a multi-class fund and have more than one (1) class.

If you have any questions about the information in this Prospectus or would like to know more about investing in the Principal Malaysia family of unit trust funds, please contact our Customer Care Centre under the “Corporate Directory” section during business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays.

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notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

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

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

## PROSPECTUS DETAILS

<b>Issue No.</b>	<b>M2</b>
<b>Prospectus Date</b>	<b>14 April 2023</b>

## RESPONSIBILITY STATEMENTS

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

## STATEMENTS OF DISCLAIMER

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

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Principal Malaysia 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.

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE UNABLE TO MAKE YOUR OWN EVALUATION, YOU ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

## ADDITIONAL STATEMENTS

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

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

# DEFINITIONS

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

Application Fee	- Preliminary charge on each investment.
Bloomberg	- Bloomberg LP.
BNM	- Bank Negara Malaysia.
Business Day	- Means a day when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
CIMB Group	- CIMB Group Sdn. Bhd.
Class	- Any class of units representing similar interest in the assets of the Fund.
Class AI, Class AR and Class D	- The Class issued by the Fund denominated in MYR and differentiated by feature such as type of eligible investors and/or transaction methods.
CMSA	- Capital Markets and Services Act 2007.
Deed	- The principal deed and all supplemental deed in respect of the Fund made between us and the Trustee, in which Unit holders agree to be bound by the provisions of the Deed.
Distributor	- Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Fund, including Principal Distributors and IUTA.
Eligible Market	- An exchange, government securities market or an OTC market that is regulated by a regulatory authority of that jurisdiction, that is open to the public or to a substantial number of market participants, and on which financial instruments are regularly traded.
EPF	- Employees Provident Fund.
EPF-MIS	- EPF Members Investment Scheme.
e-Wallet App	- Mobile application of the e-wallet that allows an individual to make electronic transaction, which includes but not limited to Touch 'n Go e-wallet.
e-Wallet Provider	- Refers to e-money issuer approved by Bank Negara Malaysia, which includes but not limited to TNG Digital Sdn Bhd.
Fund or IMMF	- Principal Islamic Money Market Fund.
GUTF	- Guidelines on Unit Trust Funds issued by the SC.
ICE	- ICE Data Services, Inc.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
Islamic Deposits	- As per the definition of "Islamic deposit" in the Islamic Financial Services Act 2013.
IUTA	- Refers to Institutional Unit Trust Scheme Adviser, a corporation registered with Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
LPD	- Latest Practicable Date i.e. 30 December 2022, in which all information provided herein shall remain current and relevant as at such date.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
MARC	- Malaysian Rating Corporation Berhad.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
MYR	- Malaysian Ringgit.
NAV	- Net Asset Value.
NAV of the Fund	- The value of all Fund's assets less the value of all the Fund's liabilities, at the point of valuation. For the purpose of computing the annual Management Fee (if any) and annual Trustee Fee (if any), the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV per unit	- The NAV attributable to a Class divided by the number of units in circulation, at the valuation point.
PFG	- Principal Financial Group Inc..

Principal Distributors	- Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia or the Manager	- Principal Asset Management Berhad
Prospectus	- Refers to this document issued by us describing the details of the Fund.
RAM	- RAM Rating Services Berhad.
RSP	- Regular Savings Plan.
S&P	- Standard & Poor's Rating Services.
SAC	- Shariah Advisory Council.
SC	- Securities Commission Malaysia.
Shariah	- Islamic law, originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the Prophet Muhammad (pbuh) and ijtehad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah Adviser or Amanie	- Amanie Advisors Sdn Bhd.
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.
Sukuk	- Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts. <b>Note:</b> For local Sukuk, it must also comply with Shariah principles and concepts endorsed by the SAC of SC.
Switching Fee	- A charge that may be levied when switching is done from one (1) fund or class to another.
Transfer Fee	- A nominal fee levied for each transfer of units from one (1) Unit holder to another.
Trustee	- HSBC (Malaysia) Trustee Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly (where permitted) so registered.
USA	- United States of America.
Withdrawal Fee	- A charge levied upon withdrawal under certain terms and conditions (if applicable).

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

# CORPORATE DIRECTORY

## The Manager

Principal Asset Management Berhad

### Business address

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

### Registered address

8th Floor Bangunan CIMB  
Jalan Semantan, Damansara Heights  
50490 Kuala Lumpur MALAYSIA  
Tel : (03) 2084 8888

### Customer Care Centre

Ground Floor Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur MALAYSIA  
Tel : (03) 7723 7260  
Fax : (03) 7718 3003  
Whatsapp : (6016) 299 9792

### Website

[www.principal.com.my](http://www.principal.com.my)

### E-mail

[service@principal.com.my](mailto:service@principal.com.my)  
[goinvest@principal.com.my](mailto:goinvest@principal.com.my) (for Class D only)

## Shariah Adviser of the Fund

Amanie Advisors Sdn Bhd

### Business address

Level 13A-2, Menara Tokio Marine Life  
189 Jalan Tun Razak  
50400 Kuala Lumpur MALAYSIA  
Tel : (03) 2161 0260  
Fax : (03) 2161 0262  
Email : [info@amanieadvisors.com](mailto:info@amanieadvisors.com)  
Website : <http://amanieadvisors.com>

### Registered address

Unit 11-3A, 3<sup>rd</sup> Mile Square, No. 151  
Jalan Klang Lama Batu 3 ½  
58100 Kuala Lumpur MALAYSIA

## The Trustee

HSBC (Malaysia) Trustee Berhad

### Business/Registered address

Level 19, Menara IQ, Lingkaran TRX,  
55188 Tun Razak Exchange,  
Kuala Lumpur, MALAYSIA  
Tel : (03) 2075 7800  
Fax : (03) 8894 2611  
Email : [fs.client.services.myh@hsbc.com.my](mailto:fs.client.services.myh@hsbc.com.my)

**Note:** You may refer to our website for an updated information on our details.

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# 1. FUND INFORMATION

## 1.1. PRINCIPAL ISLAMIC MONEY MARKET FUND

<b>Fund Category/Type</b>	: Money Market (Islamic) / Income.
<b>Investment Objective</b>	: Aims to provide investors with liquidity and regular income, whilst maintaining capital stability by investing primarily in money market instruments that conform with Shariah principles. <i>We will require your approval if there is any material change to the Fund's investment objective.</i>
<b>Benchmark</b>	: CIMB Islamic 1-month Fixed Return Income Account-i (FRIA-i) <b>Note:</b> <i>The Fund's benchmark is for performance comparison purpose only. The benchmark is reflective of the objective of the Fund. Thus, you are cautioned that the risk profile of the Fund is higher than the benchmark. Information on the benchmark can be obtained from <a href="http://www.cimbislamic.com">www.cimbislamic.com</a>.</i>
<b>Distribution Policy</b>	: The distribution policy of each of the Class may differ. Please refer to the Annexure of the respective Class for more information. You may also refer to page 17 for information on the distribution payment.

### Base Currency & Classes

The base currency of the Fund is MYR.

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

Under the Deed, Unit holders of each Class shall have the same rights and obligations. Each Class may be different in terms of currency denomination, fees and charges, type of eligible investor, transaction methods and/or distribution policy and hence, will have its respective NAV per unit, taking into account the aforementioned features. Although the Fund has multiple Classes, you should note that the assets of the Fund are pooled for investment purpose.

Currently, the Classes below are available for sale. Please refer to the Annexure for further details on the Classes. You should note that we have the discretion to decide on the offering of other Classes for sale in the future and a supplemental or replacement prospectus will be issued. This information will be communicated to you via our website at [www.principal.com.my](http://www.principal.com.my). You should consult your professional advisers for a better understanding of the multi-class structure before investing in the Fund.

Name of Class	Launch date
Class AI	17 March 2008
Class AR	13 August 2021
Class D	7 June 2022

### Investment Policy and Strategy

The Fund will place at least 90% of its NAV in Islamic money market instruments such as Islamic Accepted Bills, Islamic Negotiable Instruments of Deposits and Islamic Repurchase Agreements (Repo-i) as well as in any other Sukuk and placements of Islamic Deposits, all of which are highly liquid and have a remaining maturity period of 397 days or less. Up to 10% of the Fund's NAV may be invested in Sukuk, which have a remaining maturity period of more than 397 days but less than 732 days. The Fund will be actively managed with frequency that will depend on the market conditions and market outlook. The strategy is to invest in liquid and low risk short-term investments for capital preservation\*. The investment strategy adheres to the GUTF pertaining to investments for a money market fund.

### Asset Allocation

The asset allocation strategy for this Fund is as follows:

- at least 90% of the Fund's NAV will be invested in Islamic money market instruments and/or Islamic Deposits; and
- up to 10% of the Fund's NAV may be invested in Sukuk, which have a remaining maturity period of more than 397 days but less than 732 days.

We formulate an interest rate outlook by considering factors such as the Malaysian inflation rate, monetary policies and economic growth. With an interest rate outlook and yield curve analysis, we identify the weighting of the investment tenure and credit for the Fund. The ratings of the Islamic money market instruments and Sukuk will be at least a "BBB3" or "P2" rating by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance; or "BBB-" by S&P or equivalent rating by any other international rating agencies.

In the unlikely event of a credit rating downgrade, we reserve the right to deal with the Islamic money market instruments and Sukuk in the best interest of the Unit holders. As an active fund manager, we have in place flexible tolerance limits to cater to such situations. We can for example, continue to hold the downgraded Islamic money market instruments and Sukuk if the immediate disposal of the security would not be in the best interest of the Unit holders.

The Fund may invest up to 30% of its NAV in foreign Eligible Markets. Where necessary, we will obtain the licenses/permits for investments in countries that require licenses/permits. If we are unable to obtain the necessary licenses/permits, or the licenses/permits are revoked or not renewed (as the case may be), we will seek to invest in other accessible markets. Notwithstanding the aforesaid, we may decide not to invest in foreign securities.

Risk management is at the core of our investment process. Every proposed decision made by the investment team is considered in the context of the overall portfolio risk-return trade-off. The Fund will only invest in liquid investments with capital preservation<sup>\*\*</sup>. Our investment committee reviews the counterparties on a regular basis to ensure that the Fund invests in accordance with the Fund's objective. The Fund is constructed and managed within the internal guidelines such as risk-return trade-off, which will be monitored and reviewed regularly by the investment team. When deemed necessary, we may also utilize Islamic derivative instruments, subject to the GUTF, for the purpose of hedging. In the event of a downgrade of a counter-party of an OTC Islamic derivative below the minimum long-term rating as per the GUTF, we reserve the right to deal with the OTC Islamic derivative in the best interest of the Unit holders.

The Fund adopts a liquidity risk management framework which sets out the governance standards, methodology and process for the oversight and management of liquidity risk. The framework outlines the responsibilities to assess and monitor liquidity risk of the Fund, and to ensure appropriate measures are taken to mitigate the risk. The liquidity risk management framework that we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity profile.
- Periodic assessments are carried out on the Fund's liquidity profile (under both normal and stress market conditions) and on the concentration of unitholders. These assessments allow the Fund to be proactively managed to mitigate liquidity concerns that may arise in the ordinary course of portfolio management as well as in relation to the Fund's ability to meet unitholders' withdrawal requests.
- Suspension of withdrawal requests due to exceptional circumstances e.g. a substantial part of the Fund's asset value cannot be (accurately) determined. During the suspension period, withdrawal requests will not be accepted and in the event we have earlier accepted the withdrawal requests prior to the suspension is declared, the withdrawal requests will be dealt on the next Business Day once the suspension is lifted. The action to suspend withdrawal requests from Unit holders shall be exercised only as a last resort by the Manager.

*Note: Please refer to Section 3.11 for more information.*

*\* The Fund is neither a capital guaranteed fund nor a capital protected fund within the definition in the GUTF.*

*\*\*The term "liquid investments" in this context refers to short-term financial instruments such as Islamic Deposits and Islamic money market instruments. The values of these instruments are normally not volatile and thus display capital preservation in nature. These liquid investments are neither capital guaranteed nor capital protected.*

If the Fund an EPF-MIS approved fund, the investments made by the Fund will be subject to EPF's requirements. Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. You may refer to our website at [www.principal.com.my](http://www.principal.com.my) or [www.kwsp.gov.my](http://www.kwsp.gov.my) for updated information.

**Investment in the Fund is not the same as placing funds in an Islamic deposit with an Islamic financial institution. There are risks involved and you should rely on your own evaluation to assess the merits and risks when investing in the Fund.**

## 1.2. PERMITTED INVESTMENTS

Subject to the Deed, the investment policy and strategy for the Fund, the requirements of the SC and any other regulatory body, we have the absolute discretion as to how the assets of the Fund are to be invested. Under the Deed and provided always that there are no inconsistencies with the objective of the Fund, the Fund can invest in the following instruments:

- Sukuk, Islamic money market instruments and placement in Islamic deposits;
- Any other form of investments as may be agreed upon by the Management Company and the Trustee or approved by the SC from time to time.

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

**Note:** *Provided always that the permitted investments as set out above shall at all times conform to the requirements of the Shariah principles and the advice of the Shariah Adviser for the time being appointed by us.*

## 1.3. INVESTMENT RESTRICTIONS AND LIMITS



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

#### **Exposure limits**

- The Fund must invest at least 90% of its NAV:
  - (a) short-term sukuk and short-term Islamic money market instruments; and
  - (b) placement in short-term Islamic deposits.
- The Fund may only invest up to 10% of the Fund's NAV in:
  - (a) high quality sukuk which have a remaining maturity period of more than 397 days but fewer than 732 days.
- A 'high quality' sukuk is one with an issuer credit rating that has–
  - (a) minimum top two short-term rating (including gradation and subcategories) as stipulated in the GUTF; or
  - (b) minimum top three long-term rating (including gradation and subcategories) as stipulated in the GUTF, as rated by any Malaysian or global rating agency.

#### **Investment spread limits**

- The value of the Fund's investments in Sukuk and Islamic money market instruments 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 Sukuk are rated by any Malaysian or global rating agency to have the highest long-term credit rating as stipulated in the GUTF;
- The value of the Fund's placement in Islamic deposits with any single Islamic financial institution must not exceed 20% of the Fund's NAV;
- The value of the Fund's investments in Sukuk and Islamic money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV;

#### **Investment concentration limits**

- A Fund's investments in Sukuk must not exceed 20% of the securities issued by any single issuer; and
- A Fund's investments in Islamic money market instruments must not exceed 20% of the instruments issued by any single issuer;

#### **Note**

"short-term" sukuk or Islamic money market instrument must meet the following criteria:

- (a) It must meet either one of the following requirements:
  - (i) It has a legal maturity at issuance of 397 calendar days or less;
  - (ii) It has a remaining term of maturity of not more than 397 calendar days; or
  - (iii) Where a sukuk or a money market instrument is issued by, or the issue is guaranteed by, either a government, government agency, central bank or supranational, the remaining maturity period must not be more than two years;
- (b) It must be traded or dealt in under the rules of an Eligible Market; and
- (c) It must not contain an embedded derivative.

Please note that the above restrictions and limits do not apply to Shariah-compliant securities or Shariah-compliant instruments issued or guaranteed by the Malaysian government or BNM. In respect of any restrictions and limits, the GUTF provides that any breach of the investment restrictions and limits due to appreciation or depreciation of the Fund's investment, repurchase of units or payment made out of the Fund, change in capital of a corporation in which the Fund has invested in, or downgrade in or cessation of a credit rating need not be reported to the SC but we must rectify the breach as soon as practicable within three (3) months from the date of breach unless stated otherwise in the GUTF. However, the three-month period may be extended if it is in the best interest of Unit holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the trustee.

## **1.4. APPROVALS AND CONDITIONS**

#### **Exemption obtained for the Fund:**

Principal Malaysia has obtained approval from the SC for an exemption to comply with Schedule C: Valuation of other unlisted bonds of the GUTF ("Requirement") which allow Principal Malaysia to obtain the price of any unlisted non MYR-denominated Sukuk from the ICE for valuation purpose subject to these conditions:

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

Based on the revised GUTF dated 21 December 2021, the Requirement has been removed and amended to provide for a principle-based approach to prescription of requirement. Hence, the variation is no longer applicable.

## **1.5. SHARIAH INVESTMENT GUIDELINES**

At all times, the Fund shall invest in activities and instruments that are permissible under Shariah principles and shall not invest in activities and instruments that are prohibited under Shariah principles based on Shariah Adviser's established parameters as below, where applicable:

### **1.5.1. Screening Process**

#### **a. Sukuk**

Sukuk are certificates that of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts. The Fund(s) will only invest in Sukuk which is approved by the SAC of the SC and/or other Shariah boards/standards acceptable to the Shariah Adviser.

**b. Islamic money market instruments**

For investment in Malaysia, the Fund(s) will invest in Islamic money market instruments approved by SAC of BNM based on the data available at:

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

For investment in foreign markets, Islamic money market instruments that are endorsed by other Shariah adviser or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

**c. Investment in Islamic Deposits**

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

**1.5.2. Rules of Divestment of Shariah non-compliant instruments**

This refers to Shariah non-compliant investment made by the Manager. The said investment will be disposed or withdrawn with immediate effect or within a month of knowing the status of the instrument.

In the event that of the investment resulted in gain (through capital gain and/or dividend and/or profit) received before or after the disposal of the investment, the gain is to be channelled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

**1.5.3. Payment of Zakat**

This refers to the purification by way of payment of zakat by Muslims. The Fund do not pay zakat on behalf of Muslim Unit Holders. Thus, Muslim Unit Holders are advised to pay zakat on their own.

**1.5.4. The Fund's Compliance to the Shariah principles**

The Shariah Adviser is of the view that, given the prevailing circumstances, the Fund and its respective investments as disclosed and presented is acceptable and within the principles of Shariah, subject to proper execution of the legal documents and other transactions related to the Fund.

**The investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SAC of the SC and, where applicable the SAC of the BNM. For instruments that are not classified as Shariah-compliant by the SAC of the SC and, where applicable the SAC of BNM, the status of the instruments will be determined in accordance with the ruling of the Shariah Adviser and Shariah Investment Guidelines.**

**1.6. FINANCING**

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

**1.7. SECURITIES LENDING**

Not applicable for the Fund.

## 1.8. RISK FACTORS

### 1.8.1. GENERAL RISKS OF INVESTING IN A 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 and capital not guaranteed**

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment which includes your investment capital and returns, nor any assurance that the fund's objective will be achieved. You should also note that the fund is neither a capital guaranteed fund nor a capital protected fund. However, we reduce this risk by ensuring diligent management of the assets of the fund based on a structured investment process.

#### **Market risk**

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

#### **Inflation risk**

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

#### **Manager risk**

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

#### **Financing risk**

This risk occurs when you obtain financing to finance your investment. The inherent risk of investing with money obtained from financing includes you being unable to service the financing payments. In the event units are used as collateral and if the prices of units fall below a certain level due to market conditions, you may be required to pay additional amount on top of your existing instalment. If you fail to do so within the time prescribed, your units may be sold at an unfavourable price and the proceeds thereof will be used towards the settlement of your financing.

#### **Liquidity risk**

Liquidity risk refers to the ease of liquidating an asset without causing market dislocation. This depends on the supply and demand as well as the asset's volume or amount traded in the market. If the fund holds assets that are illiquid or difficult to dispose, the value of the fund and consequently the value of unit holders' investment in the fund may be negatively affected.

#### **Shariah non-compliance risk**

This refers to the risk of the fund not conforming to Shariah Investment Guidelines due to investment in Shariah non-compliant instrument. In the event that the manager is required to rectify any Shariah non-compliance by disposing the related instrument, any losses from disposal due to investment in Shariah non-compliant instrument will be borne by the manager. In any circumstances, gain received from disposal shall be channelled to baitulmal and/or charitable bodies as advised by the Shariah Adviser.

Please refer to page 3 for more information on Shariah Investment Guidelines.

### 1.8.2. 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:

#### **Credit and default risk**

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

#### **Interest rate risk**

Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and Islamic money market instruments. When interest rates rise, Sukuk and Islamic money market instruments prices generally decline and this may lower the market value of the Fund's investment in sukuk and Islamic money market instruments. In managing the Sukuk, we take into account

the coupon rate and time to maturity of the Sukuk with an aim to mitigate the interest rate risk. As for Islamic money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike Sukuk, any change to interest rate will only have a minor impact to the prices of these instruments.

**Please note that although Sukuk is a non-interest bearing instrument, its price movement is correlated to the movement in the interest rates. As such, investment in Sukuk will have an exposure to the movement of the interest rates. Even though the Fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country which may affect the value of the investment of the Fund.**

#### **Country risk**

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

#### **Currency risk**

As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the Fund, this will have an adverse effect on the NAV of the Fund 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.

### **1.8.3. Risks associated with investment in Class D**

#### **Cyber security risk**

This is the risk arising from cyber-attack on e-Wallet App. Should the e-Wallet App be compromised, it may result in unauthorised transactions pertaining to the Fund. Further to that, your investment-related information and personal data may be leaked. All transactions through e-Wallet App and/or the Fund may be temporarily suspended, in which you may not be able to transact through e-Wallet App or in the Fund due to cyber-attack.

#### **Functionality risk**

This is the risk that the e-Wallet App does not operate as intended due to factors including but not limited to connectivity and interface issues. If the e-Wallet App does not function as expected, your transaction through the e-Wallet App may not be correctly processed and/or completed.

#### **Risk associated with discontinuation risk on e-Wallet Provider**

As all the transactions are done through e-Wallet App developed by the e-Wallet Provider, the continuous operation of the e-Wallet Provider is crucial. The discontinuation of services provided by e-Wallet Provider may be due to but not limited to revocation of the license. Should such event happen, withdrawal from the Fund may be delayed.

**You should note that investment in the Fund is not the same as placing funds in an Islamic deposit with an Islamic financial institution. There are risks involved and you should rely on your own evaluation to assess the merits and risks when investing in the Fund.**

**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.**

## 2. FEES, CHARGES AND EXPENSES

### 2.1. CHARGES

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

#### 2.1.1. Application Fee

When applying for units of a Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure of the respective Class for further information.

If the Fund is an EPF-MIS approved fund and you invest via EPF-MIS (where available), you may be charged an Application Fee of up to 3.00% of the NAV per unit, or such other rate as may be determined by the EPF.

#### 2.1.2. Withdrawal Fee

Nil

#### 2.1.3. Switching Fee

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

Switching from Islamic fund to conventional fund is ultimately your personal choice and option. However, Muslim investors are encouraged to switch into any other Islamic fund rather than into any other conventional fund as it is not permitted from the Shariah perspective.

#### 2.1.4. Transfer Fee

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

### 2.2. FEES AND EXPENSES

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

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

#### 2.2.1. Management Fee

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

*Below is an illustration on how the Management Fee is calculated, assuming Management Fee is 0.40% per annum for Class ABC and Class XYZ respectively:-*

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Management Fee	0.40% per annum	0.40% per annum
NAV of the Class	MYR 150 million	MYR 150 million
Management Fee for the day = NAV of the Class x Management Fee rate for the Class (%) /365 days	= MYR 150 million x 0.40%/365 = MYR 1,643.84	= MYR 150 million x 0.40%/365 = MYR 1643.84

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

#### 2.2.2. Trustee Fee

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

The Trustee Fee is 0.02% per annum for the Fund.

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

$$\begin{aligned} \text{Trustee Fee for the day} &= \text{NAV of the Fund} \times \text{annual Trustee Fee rate for the Fund (\%)} / 365 \text{ days} \\ &= \text{MYR 150 million} \times 0.02\% \text{ per annum} / 365 \text{ days} \\ &= \text{MYR 82.19} \end{aligned}$$

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

### 2.2.3. Other Expenses

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

- commissions or fees paid to brokers or dealers (if any) in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference account;
- taxes and other duties charged on the Fund by the government and other authorities if any and bank fees;
- fees and other expenses properly incurred by the auditor and tax agent of the Fund;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs incurred for the modification of the Deed for your benefit;
- costs incurred for any meeting of the Unit holders other than those convened for our benefit or the Trustee;
- the sale, purchase, takaful and any other dealing of investment including commissions or fees paid to brokers;
- costs involved with external specialist approved by the Trustee in investigating or evaluating any proposed investment;
- the engagement of valuer, adviser or contractor of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or that Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager;
- any proceedings, arbitration or other dispute concerning the Fund, that Class or any asset, including proceedings against the Trustee or the Manager, or commenced by either of them for the benefit of the Fund or that Class (except to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed out of the Fund);
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund and/or the members of the Shariah committee or advisers (if any) of the Fund, unless we decide otherwise to bear the same;
- expenses incurred in the printing of, purchasing of stationery and postage of the annual and interim (if any) reports;
- (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges or fees paid to the foreign sub-custodian;
- all costs and/or expenses associated with the distributions and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer; and
- cost of obtaining experts opinion by the Trustee and the Manager for the benefit of the Fund or Class.

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

**2.2.4.** We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulate the maximum rate in percentage terms that can be charged. All expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except those that are related to the specific Class only, such as, the costs and/or benefits from currency hedging of the respective Class(es) and the costs of Unit holders meeting held in relation to the respective Class(es). You should consult your professional advisers for a better understanding.

Subject always to the provisions of the Deed and GUTF, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

## 2.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

We may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

**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 and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund and/or you as disclosed or illustrated in this Prospectus.**

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

# 3. TRANSACTION INFORMATION

## 3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

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

- **Unlisted Sukuk**

The value of any unlisted MYR-denominated Sukuk shall be calculated on a daily basis using prices quoted by a bond pricing agency (“BPA”) registered with the SC. Where such prices are not available or where the Manager is of the view that the price quoted by the BPA for a specific Sukuk differs from the market price by more than twenty (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 we record our basis for using a non-BPA price, obtained necessary internal approvals to use the non-BPA price and keep an audit trail of all decisions and basis for adopting the market yield.

For the value of any unlisted non MYR-denominated Sukuk shall be calculated daily using prices quoted by ICE using its proprietary methodology. The Sukuk prices are calculated using prices contributed by financial institutions and other market inputs listed in approximate order of priority, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data (e.g. corporate action announcements and ratings). Where the prices from ICE are not available on any Business Day, these Sukuk will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions. However, where quotations are still not available, such unlisted non MYR-denominated Sukuk will be valued daily at fair price determined in good faith by us, based on the methods or bases, which have been verified by the auditor of the Fund and approved by the Trustee.

- **Unlisted Islamic derivative instruments**

For unlisted Islamic derivative instruments, we shall ensure that the valuation of the investment is valued daily at a fair value as determined in good faith by us, on methods and bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Islamic money market instruments**

Investment in Islamic money market instruments such as negotiable instrument of deposits and commercial papers are valued each day by reference to the quotes provided by independent and reputable pricing source(s), which is deemed fair value, includes but not limited to Bond Pricing Agency (“BPA”) registered with the SC. Where the quotes are provided by financial institutions, the valuation of the money market instruments will be based on the average of bid and offer prices quoted by three (3) independent and reputable financial institutions of similar standing at the close of trading, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Islamic Deposits**

The value of Islamic Deposits shall be determined each day by reference to the principal value of such Islamic Deposit and the accrued profit thereon for the relevant period.

## 3.2. UNIT PRICING

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

The valuation point of the Funds for a Business Day will depend on whether the portfolio consists of foreign investments.

Without foreign investments: We will value the Fund for a Business Day at the end of that Business Day (T day). The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 10:00 a.m. on the following Business Day (T+1).

With foreign investments: We will value the Fund for a Business Day on the next Business Day (T+1) by 4:00 p.m. This is to cater for the currency translation of the foreign securities or instruments to the Fund’s base currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at UK time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 5:30 p.m. on the following Business Day (T+1).

### For Class AI and AR

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

### For Class D



If the transactions are made by 1:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on that the same Business Day. For transactions made after 1:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on the next Business Day.

We will carry out the valuation for the Classes for a Business Day on the next Business Day (T+1) by 4:00 p.m. This is to cater for the currency translation of the foreign Shariah-compliant securities and/ or Shariah-compliant instruments to the Fund's base currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at UK time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 5:30 p.m. on following Business Day (T+1).

**Illustration for Class AI and AR (with foreign investment):**

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

At the end of the Business Day on 5 September 2022, your units will be based on the NAV per unit on 5 September 2022, which will be calculated on 6 September 2022. The NAV per unit will be made known on our website after 5:30 p.m. on 6 September 2022.

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

At the end of the Business Day on 5 September 2022, your units will be based on the NAV per unit on 6 September 2022, which will be calculated on 7 September 2022. The NAV per unit will be made known on our website after 5:30 p.m. on 7 September 2022.

**Illustration for Class D (with foreign investment):**

For transaction request received by us by 1:00 p.m. on a Business Day

At the end of the Business Day on 5 September 2022, your units will be based on the NAV per unit on 5 September 2022, which will be calculated on 6 September 2022. The NAV per unit will be made known on our website after 5:30 p.m. on 6 September 2022.

For transaction request received by us after 1:00 p.m. on a Business Day

At the end of the Business Day on 5 September 2022, your units will be based on the NAV per unit on 6 September 2022, which will be calculated on 7 September 2022. The NAV per unit will be made known on our website after 5:30 p.m. on 7 September 2022.

The Fund must be valued at least once every Business Day. The method of determining NAV per unit of the Class is calculated as follows:

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

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund including 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.

The valuation of the Fund is in the base currency i.e. MYR. As such, all the assets and liabilities of each Class will be translated into USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid exchange rate quoted by Bloomberg or Refinitiv at UK time 4:00 p.m. (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. The NAV per unit of each Class will be the NAV of the Fund attributable for each Class divided by the number of units in circulation of that Class, at the same valuation point.

**3.2.1. Multi-class Ratio (MCR)**

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

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

	Fund (MYR)	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before income and expenses	185,942,897.00	173,342,897.00	12,600,000.00
% MCR	100%	<sup>(1)</sup> 93.22%	<sup>(1)</sup> 6.78%
Add: Income	30,000.00.00	<sup>(2)</sup> 27,967.12	<sup>(2)</sup> 2,032.88
Less: Expenses	(10,000.00)	<sup>(2)</sup> (9,322.37)	<sup>(2)</sup> (677.63)

NAV of the Fund before management and trustee fee	185,962,897.00	173,361,541.75	12,601,355.25
		0.40% p.a.	0.40% p.a.
Less: Management fee	(2037.95)	(1899.85)	(138.10)
		0.02% p.a.	-
Less: Trustee fee	(101.89)	(94.99)	(6.90)
NAV of the Fund	185,960,757.16	173,359,546.91	12,601,210.25
Units in circulation	205,000,000.00 units	170,000,000.00 units	35,000,000.00 units
<b>NAV per unit</b>		<b>1.0197</b>	<b>0.3600</b>

	Fund (MYR)	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before creation of units for the day	185,960,757.16	173,359,546.91	12,601,210.25
<sup>(3)</sup> Net subscription amount	2,000,000.00	1,000,000.00	1,000,000.00
Closing NAV	187,960,757.16	174,359,546.91	13,601,210.25
Units in circulation	208,758,458.37 units	170,980,680.59 units	37,777,777.78 units
NAV per unit		<b>1.0197</b>	<b>0.3600</b>

**Note :**

<sup>(1)</sup> MCR computation

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
<u>NAV of the Class x 100</u>	<u>173,342,897.00 x 100</u>	<u>12,600,000.00 x 100</u>
NAV of the Fund before income and expenses	185,942,897.00	185,942,897.00
	= 93.22%	= 6.78%

<sup>(2)</sup>Apportionment based on MCR is as follows:

	(MYR)	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Add: Income	30,000.00	MCR x Income = Income for Class ABC = 93.22% x MYR 30,000.00 = MYR 27,966.00	MCR x Income = Income for Class XYZ = 6.78% x MYR 30,000.00 = MYR 2,034.00
Less: Expenses	(10,000.00)	MCR x Expenses = Expenses for Class ABC = 93.22% x MYR 10,000.00 = MYR 9,322.00	MCR x Expenses = Expenses for Class XYZ = 6.78% x MYR 10,000.00 = MYR 678.00

<sup>(3)</sup>Net subscription amount

	Class ABC (Denominated in MYR) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Net subscription amount	MYR 1,000,000.00	MYR 1,000,000.00
NAV per unit	MYR 1.0197	MYR 0.3600
Number of units	980,680.59 units	2,777,777.78 units

Net subscription amount*	MYR 1,000,000.00	MYR 1,000,000.00
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\*Subscription amount net of any withdrawal amount.

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

### 3.2.2. Calculation of investment amount and units entitlement

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

#### Illustrations:

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

Assumptions:

NAV per unit of Class ABC denominated in MYR	=	RM0.5000 (truncated to 4 decimal places)
Application Fee	=	Nil
You wish to invest MYR10,000 in the Class ABC.		

#### Calculation of number of units that you will receive\*

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$$= \text{Investment amount} / \text{NAV per unit of Class ABC}$$

$$= \text{MYR}10,000.00 / \text{MYR}0.5000$$

$$= 20,000.00 \text{ units}$$

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

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$$= \text{NAV per unit of Class ABC} \times \text{number of units received} \times \text{Application Fee rate}$$

$$= \text{MYR}0.5000 \times 20,000.00 \text{ units} \times 0\%$$

$$= \text{MYR}0$$

#### Calculation of total amount that you will have to pay

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$$= \text{Investment amount} + \text{Application Fee paid}$$

$$= \text{MYR}10,000.00 + \text{MYR}0.00$$

$$= \text{MYR}10,000.00$$

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

#### Calculation of investment value

Assuming you have 40,000.00 units of Class ABC of the Fund and the NAV per unit of Class ABC for the day (which will be made known on the following Business Day) is MYR0.5110 (truncated to 4 decimal places).

#### Calculation of investment value

$$= \text{Number of units} \times \text{NAV per unit of Class ABC}$$

$$= 40,000.00 \text{ units} \times \text{MYR}0.5110$$

$$= \text{MYR}20,440.00$$

#### Calculation of withdrawal value and amount payable to you

Assuming you request for 10,000.00 units withdrawal. Your withdrawal request is received by us by 4:00 p.m. or 1:00 p.m. (for Class D) on a Business Day. The NAV per unit of Class ABC for that Business Day (which will be made known on the following Business Day) is MYR0.5230 (truncated to 4 decimal places).

#### Calculation of amount payable to you

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$$= \text{Number of units withdrawn} \times \text{NAV per unit}$$

$$= 10,000.00 \text{ units} \times \text{MYR}0.5230$$

$$= \text{MYR}5,230.00$$

\* There is no Withdrawal Fee charged for Class ABC. Hence, the amount payable to you is the withdrawal value.

## 3.3. INCORRECT PRICING

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

- (a) in the event of over valuation and/or pricing, we shall reimburse:
  - (i) the Class for any withdrawal of units; and/or

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

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

- (i) is equal to or more than 0.5% of the NAV per unit; and
- (ii) results in a sum total of MYR10.00 (or in the case of a foreign currency Class, 10.00 denominated in the foreign currency denomination of the Class) or more to be reimbursed to a Unit holder for each sale or withdrawal transaction.

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

### **3.4. INVESTING**

#### **3.4.1. Who can invest?**

Please note that some Classes are only eligible for certain type of investors. Please refer to the Annexure of the respective Class for further information. We have the right to amend or vary the investor eligibility to each of the respective Class in the event such amendment or variation is necessary to ensure compliance with any applicable laws, rules, regulations and/or guidelines.

We reserves the right to accept or reject any application in whole or in part thereof without assigning any reason in respect thereof. Further, if we become aware of a USA person (i.e. someone who has a USA address (permanent or mailing)) or USA 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 person requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-USA person or non-USA entity.

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

#### **3.4.2. How to invest?**

You may invest through any of our Distributors, Principal Malaysia's office, e-Wallet App or such other method we may advise from time to time after completing the relevant application and attaching a copy of your identity card, passport or any other identification document (where applicable). We may request for additional supporting document(s) or information from you. Your application should 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 or cashier's order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or
- directly from your bank account held with us or our Distributors, where applicable; or
- directly with your monies in the e-Wallet App. Kindly ensure that your e-Wallet has enough balance for your investment. Please also note that there may be a limit to your e-Wallet balances; or
- directly from your bank account through wire transfer facility offered in the e-Wallet App (subject to any limit prescribed by the wire transfer facility provider); or
- by such other mode of payment that we and/or the relevant authorities may approve from time to time.

Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

#### **3.4.3. Regular Savings Plan**

RSP may be made available for certain Class. Please refer to the Annexure of the respective Class for further information. Where available, the RSP allows you to make regular monthly investments, directly from your account held with a bank approved by us or our Distributors. We will process the monthly investments made via the RSP when we receive your application and/or your monthly contribution. You can also arrange a standing instruction with us or our Distributors to invest a pre-determined amount in the Class each month. You may cancel your RSP at any time by providing written instructions to us or our Distributors to cancel your standing instruction. We reserve the right to accept or reject any application in whole or in part thereof without assigning any reason in respect thereof.

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

This section only applies to individuals who are at least eighteen (18) years of age.

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

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognized by the Trustee and the Manager as having ownership to such unit. The Manager or Trustee may require such necessary evidence proving the death of the Unit holder. His/her Units will be dealt with in accordance with the Deed and applicable laws and regulations.

#### **3.4.5. Who is distributing this Fund?**

The Fund may be distributed via the following channels:

- Principal Malaysia's offices;
- Principal Distributors;
- IUTA; and/or
- such other channels as we may decide from time to time.

You may invest into the Fund via us or any of our Distributors or such other channels (where available). Please refer to the "Distributors of the Fund" chapter for further detail. Please note that we have the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time. You may contact our **Customer Care Centre** under the "Corporate Directory" section or refer to our website at [www.principal.com.my](http://www.principal.com.my) for more information.

**You should not to make payment in cash to any individual agent or employee of Principal Malaysia or issue a cheque in the name of any individual agent or employee of Principal Malaysia when purchasing units of a fund.**

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

### **3.5. MINIMUM INVESTMENTS**

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

#### **3.5.1. Processing an application**

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

For transaction through e-Wallet App, the processing of your application request is subject to you providing all required information to us through the e-Wallet App and the transfer of monies into the Fund's account. Failure to complete the application process in the e-Wallet App by you or non-receipt of the application request by us will cause the application request to be cancelled automatically. We will pay back your monies on next Business Day on a best effort basis, subject to system availability. If you wish to re-apply, you will have to re-initiate the application process through the e-Wallet App.

However, applications made under the EPF-MIS shall be the daily NAV per unit at the next valuation point after disbursement of funds by the EPF.

### **3.6. MINIMUM WITHDRAWALS**

The minimum withdrawal for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure of the respective Class for further information. You may withdraw by completing the withdrawal application and submit it to the relevant Distributor, Principal Malaysia's office, e-Wallet App, or such other channel (where available). There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to the bank account number provided by you or through e-wallet with the e-Wallet Provider (where available).

If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS (where available), your withdrawal proceeds will be paid to EPF.

#### **3.6.1. Processing a withdrawal**

If we receive a complete withdrawal request by 4:00 p.m. or 1:00 p.m. (for Class D) on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the withdrawal request after 4:00 p.m. or 1:00 p.m. (for Class D) on a Business Day, we will process it using the NAV per unit for the next Business Day (T+1). The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. You will be paid in MYR within three (3) Business Days and two (2) Business Days (T+2) for Class D of receipt of the complete withdrawal request. For a withdrawal amount greater than MYR30 million, you are required to provide us with a written notice (electronically or otherwise) of minimum seven (7) Business Days of such intention to withdraw to enable us to process the withdrawal. You will have to bear the applicable bank fees and charges, if any.

**Illustration for IMMF:**

*If you wish to withdraw RM35 million from your investment on 21 January 2021, you must provide us a prior written notice on 12 January 2021. You will be paid in MYR by 26 January 2021.*

For more information on Class D, you may refer to the frequently asked questions and terms and conditions which are available on the e-Wallet App. Alternatively, you may contact our Customer Care Centre under the “Corporate Directory” section or the e-Wallet Provider to understand the service and their terms and conditions.

### 3.7. MINIMUM BALANCE

The minimum balance that must be maintained in your account for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information. If the balance (i.e. number of units) of an investment less than the minimum number of units stipulated, you are required to make additional investment in order to meet the required minimum balance of investment. Otherwise, we have the discretion to switch your units to another Class with lower minimum balance which may subject to higher fees or we can withdraw your entire investment and forward the proceeds to you.

### 3.8. COOLING-OFF PERIOD

For first time individual investor investing with us, you have six (6) Business Days after your initial investment (i.e. from the date the completed application is received and accepted by us or any of our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased or prevailing NAV per unit at the point of cooling-off (whichever is lower) (“Refund Amount”). We will pay the Refund Amount including the Application Fee (if any) to you within seven (7) Business Days from the day we receive the complete documentations. Please note that the cooling-off right is only given to first time investor investing with us. However, Principal Malaysia’s staff and person(s) registered with a body approved by the SC to deal in unit trusts are not entitled to the cooling-off right.

For transaction through e-Wallet App, cooling-off right is not applicable if you have withdrawn all or parts of your investment from Class D either to your e-Wallet or your bank account. Request for cooling-off can be made directly through Principal Malaysia and/or through the e-Wallet App (where available).

For more information on Class D, you may refer to the FAQ and T&C which are available on the e-Wallet App.

If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS, your cooling-off right is subject to EPF’s terms and conditions.

### 3.9. SWITCHING

Where available, we process a switch between the Classes of the Fund or between a Class and other Principal Malaysia’s funds (or its classes), subject to the terms and conditions contained in the relevant prospectus, fund and/or class. You may contact our **Customer Care Centre** under the “Corporate Directory” section for more information on the availability of switching. Please also refer to the Annexure of the respective Class for further information.

To switch, simply complete a switch application and submit it to our Distributors, Principal Malaysia’s offices, e-Wallet App (where available), or such other channel. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the Fund or Class and other Principal Malaysia’s funds (or its classes).

For more information on Class D, you may refer to the frequently asked questions and terms and conditions which are available on the e-Wallet App. Alternatively, you may contact our Customer Care Centre under the “Corporate Directory” section or the e-Wallet Provider to understand the service and their terms and conditions

#### 3.9.1. Processing a switch

When available, we process a switch as a withdrawal from one fund or class and an investment into another fund or class within Principal Malaysia’s funds. If we receive a complete switch request by 4:00 p.m. or 1:00 p.m. (for Class D) on a Business Day, we will process the switch-out using the NAV per unit of the fund or class for that Business Day. If we receive the request after 4:00

p.m. or 1:00 p.m. (for Class D) on a Business Day, the switch-out will be processed using the NAV per unit for the next Business Day (T+1).

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

### 3.10. TRANSFER FACILITY

Where available, you may transfer your units to another investor subject to such terms and conditions as may be stipulated in the Deed. You may be charged a Transfer Fee for each transfer. However, we may refuse to register any transfer of a unit at our absolute discretion. Please refer to the Annexure of the respective Class for further information.

### 3.11. TEMPORARY SUSPENSION

Subject to the requirements in the GUTF and/or the Deed, we and the Trustee may temporarily suspend the dealing in units of the Class or Fund when there is good and sufficient reason to do so.

To avoid suspension of the Fund, the Fund will hold adequate liquid assets and if the liquid assets are insufficient to meet redemption requests, we will either liquidate the investments of the Fund or seek temporary financing, considering which is in the best interests of Unit Holders. Before carrying out any suspension of the Fund after we have taken all considerations under liquidity risk management framework, we will ensure that we have exhausted all possible avenues to avoid a suspension of the Fund, and only as a last resort, and in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and repurchase of Units where it is impractical for us to calculate the NAV of the Fund due to but not limited to the following:

- (i) the closure of a securities exchange or trading restrictions on a securities exchange where the Fund has substantial investments in the securities exchange; or
- (ii) an emergency or other state of affairs; or
- (iii) the declaration of a moratorium in a country where that Fund has assets; or
- (iv) for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign market exchange; or
- (v) the realisation of a substantial material portion of assets of the Fund not being able to be effected at prices which would be fair to the Fund and/or within a reasonable period as a result of an unstable or disorderly market.

Please note that during the suspension period, there will be no NAV per unit available and hence, we will not accept any transactions for the applications, withdrawals, switches and/or transfers of units. If we have earlier accepted your request for applications, withdrawals, switches and/or transfers of units before the suspension is declared, please note your request will only be processed on the next Business Day after the cessation of suspension of the Fund. You will also be notified of the suspension and when the suspension is lifted.

### 3.12. DISTRIBUTION PAYMENT

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

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

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

**Note:** Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you.

### 3.13. UNCLAIMED MONEYS

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

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

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

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



## 4. ADDITIONAL INFORMATION

### 4.1. FINANCIAL YEAR-END

30 November.

### 4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Your Principal Malaysia investor number;
- Confirmation on all your transactions and distributions (if any);
- Confirmation on any changes to your personal details (e.g. your address) if you have written to us to make the changes;
- For Class AI and AR, quarterly statement showing details of your transactions and distributions (if any);
- For Class D, Monthly statement showing details of your transactions and distributions (if any); and/or
- Interim and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the interim report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

**The Fund's printed annual report is available upon request.**

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

Please take note that if 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. As such, you may obtain the above-mentioned information from that IUTA.

You may obtain up-to-date fund information and NAV per unit from our monthly fund fact sheets and our website at [www.principal.com.my](http://www.principal.com.my).

If you have any questions about the information in this Prospectus or would like to know more about investing in the Principal Malaysia family of unit trust funds, please contact our **Customer Care Centre** under the "Corporate Directory" section during our business hour between 8:45 am and 5:45 pm (Malaysian time) from Mondays to Fridays.

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

**Principal Asset Management Berhad**  
**Customer Care Centre**  
Ground Floor Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur, MALAYSIA

### 4.3. DEED

The Fund is governed by a Deed dated 15 May 2008, a Third Supplemental Master Deed dated 25 June 2008, a Sixth Supplemental Master Deed dated 14 July 2008, a Seventh Supplemental Master Deed dated 19 November 2008, a Fifteenth Supplemental Master Deed dated 21 September 2012, a Seventeenth Supplemental Master Deed dated 25 March 2015, a Nineteenth Supplemental Master Deed dated 18 June 2019, a Twentieth Supplemental Master Deed dated 9 April 2021, a Twenty first Supplemental Master Deed dated 15 April 2021, a Twenty second Supplemental Master Deed dated 7 December 2021, a Twenty third Supplemental Master Deed dated 27 June 2022, and a Twenty fourth Supplemental Master Deed dated 20 September 2022.

### 4.4. DOCUMENTS AVAILABLE FOR INSPECTION

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

- The Deed, if any;
- Current prospectus and supplementary or replacement prospectus, if any;
- The latest annual and interim reports of the Fund, which includes the audited financial statements of the Fund (where available) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of launch of the Fund;
- Material contracts disclosed in this Prospectus;

- The audited financial statements of the Manager (where applicable) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- Any reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; and
- Consent given by any experts disclosed in this Prospectus, if any.

#### **4.5. CONSENT**

Ernst & Young Tax Consultants Sdn. Bhd, Amanie Advisors Sdn Bhd and HSBC (Malaysia) Trustee Berhad have given their written consent to act in their respective capacity. They have also given their consent for the inclusion of their names and/or statements and/or reports in the Prospectus in the form and context in which it appears and have not subsequently withdrawn their consent to the inclusion of their names, statements and/or reports in the form and context in which it appears in this Prospectus.

#### **4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED PARTY TRANSACTIONS**

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

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

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

We generally discourage cross trades and prohibit any transactions between client(s) accounts and fund accounts. Any cross trade activity require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the person(s) or members of a committee undertaking the oversight function of the Fund to ensure compliance to the relevant regulatory requirements.

E-Wallet Provider and Distributors may be our related party. We will ensure that any arrangement made with the e-Wallet Provider and Distributors will be at arm's length.

##### **Trustee**

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

- (1) where the Fund invest in instrument(s) offered by the related party of the Trustee (e.g. placement of monies etc);
- (2) where the Fund are being distributed by the related party of the Trustee;
- (3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtain financing as permitted under the GUTF, from the related party of the Trustee.

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

Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit holder or enter into any contract or transaction with each other, the Fund or any 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.

#### **4.7. INTERESTS IN THE FUND**

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

#### **4.8. EMPLOYEES' SECURITIES DEALINGS**

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

# 5. THE MANAGER

## 5.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD

Principal Malaysia was incorporated on 13 June 1994 and is a joint venture between PFG and CIMB Group. Principal Malaysia has experience operating unit trust funds since 1994.

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

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

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

**5.1.1** The name and designation of each of the directors can be found in our website at [www.principal.com.my/en/about-us/leadership](http://www.principal.com.my/en/about-us/leadership)

### 5.1.2 Designated person responsible for fund management function

<b>Name:</b>	Patrick Chang Chian Ping
<b>Designation:</b>	Chief Investment Officer (CIO), Malaysia & Chief Investment Officer, Equities, ASEAN Region
<b>Experience:</b>	He was appointed as the Chief Investment Officer on 22 February 2016. He comes with an extensive 20 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he was overseeing ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal Asset Management Berhad where he specialised in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specialising in managing global ETF portfolios.
<b>Qualifications:</b>	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick UK.

**Note:** For more and/or updated information, please refer to our website at [www.principal.com.my](http://www.principal.com.my).

## 6. SHARIAH ADVISER OF THE FUND

### 6.1. ABOUT AMANIE ADVISORS SDN BHD

Amanie Advisors Sdn Bhd ("Amanie") is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is also a registered Shariah adviser (Corporation) with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah Principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services. The company is led by Tan Sri Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. As at LPD, there are more than one hundred and eleven (111) funds which Amanie acts as Shariah adviser.

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

- Review and provide Shariah expertise and professional guidance as well as suggest relevant changes to all relevant documents relating to Shariah principles including the Deed, Prospectus and/or other relevant submission documents submitted by us for purposes of submission to any relevant authority to ascertain compliance to Shariah principles.
- Where relevant, prepare a report to be included in the Fund's report interim and annual report certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.
- To advise on the breach of Shariah investment guidelines and purification/cleansing of cash dividends.
- To advise on any other matter pertaining to Shariah issues in relation to the Fund.
- Ensure that the Fund is managed and administered in accordance with the Shariah principles at all times by reviewing the investment process and other operational matters.
- Review the relevant Fund marketing and promotional documents submitted by us with the view to ascertain compliance to Shariah principles.
- To review and scrutinize the Fund's compliance report as provided by the compliance officer, and investment transaction reports provided by, or approved by the relevant responsible party to ensure that the Fund's investment are in line with Shariah principles.
- To undertake an annual compliance review of the Fund for purpose of issuance of an annual compliance report.

Amanie will meet us every quarterly to review on the Islamic fund's investment and address Shariah advisory matters pertaining to the Shariah funds to ensure compliance with Shariah principles or any other relevant principle at all times. Our portfolio will be reviewed on monthly basis and Amanie shall issue an annual Shariah certificate for the Funds at the financial year end.

The designated person responsible for Shariah advisory matters of the Fund is Tan Sri Dr. Mohd Daud Bakar as the Executive Chairman. Currently, other consultants are:

- Suhaida Mahpot
- Ahmad Anas Fadzil

#### 6.1.1. Shariah officer Responsible for Shariah Adviser Function

<b>Name:</b>	Tan Sri Dr. Mohd Daud Bakar
<b>Designation:</b>	Executive Chairman, Amanie Advisors Sdn Bhd.
<b>Experience:</b>	<p>Datuk Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He serves as the Chairman of the Shariah Advisory Council (SAC) at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank, and Permodalan Nasional Berhad (PNB). He is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.</p> <p>Currently, Tan Sri serves as the Chairman of Federal Territory Islamic Religious Department [Majlis Agama Islam Persekutuan (MAIWP)]. In the corporate world, Tan Sri is currently a member of the PNB Investment Committee. Previously, he served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB. He also serves as the Chairman of Berry Pay Sdn. Bhd., Data Sukan Consulting Sdn. Bhd., Bio Fluid Sdn. Bhd., KAB Gold Dynamics Sdn. Bhd., Bio-Angle Vacs Sdn. Bhd., Tulus Digital Sdn. Bhd., and Amanie-Afra Halal Capital Co (Bangkok).</p> <p>In 2014, he received the "Most Outstanding Individual" award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad's birthday. Under his leadership, Amanie Advisors</p>

	received the “Islamic Economy Knowledge Infrastructure Award” at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015. On 13 November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) which carries the title of “Tan Sri”.
<b>Qualifications:</b>	Currently in the academic side, he was the 8th President of the International Islamic University of Malaysia (IIUM) due to his vast skill and experience serving the university. He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

**Note:** For more and/or updated information, please refer to our website at [www.principal.com.my](http://www.principal.com.my) and/or Shariah Adviser’s website at <http://amanieadvisors.com>.

# 7. THE TRUSTEE

## 7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD

**HSBC (Malaysia) Trustee Berhad** is a company incorporated in Malaysia since 1937 and is registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur. Since 1993, the Trustee has acquired experience in the administration of trusts and has been appointed as trustee for unit trust funds, exchange-traded funds, wholesale funds and funds under private retirement scheme.

### 7.1.1. Roles, Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit holders 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, the CMSA and the GUTF. 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, the CMSA and the GUTF. 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 withdrawal, the Trustee's responsibility is discharged once it has paid the withdrawal amount to the Manager.

The Trustee has in place anti-money laundering and anti-terrorism financing 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.

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

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 CMSA, the GUTF 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.

### 7.1.2. Trustee's Delegate

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary 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 for the Fund 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 any 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.

### 7.1.3. 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.

### 7.1.4. 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 the 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.

## 8. SALIENT TERMS OF DEED

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

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

### 8.1. RIGHTS, LIABILITIES AND LIMITATION OF UNIT HOLDERS

#### 8.1.1. Rights

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

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

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

#### 8.1.2. Liabilities

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

#### 8.1.3. Limitations

You cannot:

- (i) interfere with any rights or powers of ours and/or 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 interest in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to you.

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

### 8.2. MAXIMUM FEES, CHARGES AND EXPENSES PERMITTED BY THE DEED

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

Charges	Descriptions
(1) Application Fee	Up to 7.00% is charged on the NAV per unit.
(2) Withdrawal Fee	Up to 5.00% is charged on the NAV per unit.
(3) Switching Fee	A fee not exceeding 7% of the Net Asset Value per Unit. An administrative fee in relation to switching may be charged as set out in the Prospectus.

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

Fees	Descriptions
(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV.
(2) Trustee Fee	Up to 0.02% per annum, calculated daily on the NAV (including local sub-custodian fees but excluding foreign sub-custodian fees and charges).

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

### **8.2.1. Expenses permitted by the Deed**

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

- 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 custodial function is delegated by the Trustee to a foreign sub-custodian), charges/fees paid to the foreign sub-custodian;
- tax 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 person(s) undertaking the oversight functions of that Fund, 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 the Deed otherwise than for the benefit of the Manager or the Trustee;
- costs incurred for any meeting of Unit holders other than those convened by, for the benefit of the Manager or the Trustee;
- the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- the engagement of valuers, advisers and contractors of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund including the printing of, purchasing of stationery and postage for the annual and interim (if any) reports;
- termination of the Fund or Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- any proceedings, arbitration or other dispute concerning the Fund, Class or any asset, including proceedings against the Trustee or the Manager by the other of them for the benefit of the Fund or Class (except to the extent that legal costs incurred for the defense of either of them are not ordered by the court to be reimbursed out of the Fund );
- costs of obtaining experts opinion by the Trustee and the Manager for the benefit of the Fund or Class; 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.
- the costs of printing and dispatching to Unit holders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of members, newspaper advertisement and such other similar costs as may be approved by the Trustee.

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

### **8.3. RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER**

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

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

We shall retire under the following circumstances:

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

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

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

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

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

#### **8.4. RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE**

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

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

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

- the Trustee shall go into liquidation;
- the Trustee is placed under receivership, ceases to exist, fails or neglects its duties;
- the Trustee ceases to be approved by the SC to be a trustee for unit trust schemes;
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any securities law; or
- a Special Resolution is duly passed by the Unit holders that the Trustee be removed.

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

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

#### **8.5. TERMINATION OF THE FUNDS AND/OR CLASSES**

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

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

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

Notwithstanding the above, the Fund and/or any of the Class may be terminated or wound-up, without the need to seek Unit Holders' prior approval, as proposed by the Manager with the consent of the Trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving a notice in writing to the Unit Holders of such period not less than that specified in the GUTF as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund and/or the Class, and in any case the termination of the Fund and/or Class is in the best interest of the Unit Holders.

#### **8.6. MEETINGS OF UNIT HOLDERS**

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

Where we or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit holders by sending by post a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit holder at the Unit holder's of the Fund or that Class, as the case may be, last known address or, in the case of Joint holders, to the joint holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint holder's last known address.

We shall within twenty-one (21) days after an application is delivered to us 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 of the Fund or a Class, as the case may be, to which this Deed relates, summon a meeting of the Unit holders:

- (i) by sending a notice by post of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit holders of the Fund or that Class, as the case may be, at his/her last known address or in the case of joint Unit holder, to the joint Unit holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint Unit holder's last known address; and

- (ii) by publishing at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language national daily newspaper and in one other newspaper as may be approved by the SC; and
- (iii) specify in the notice, the place, time and terms of the resolutions to be proposed,

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

The quorum for a meeting of Unit holders of the Fund or Class, as the case may be, is five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, present in person or by proxy, provided that for a meeting which requires a Special Resolution the quorum for that meeting shall be five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue of the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting. If the Fund or Class, as the case may be, has five (5) or less Unit holders, the quorum required shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue for the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting. For the avoidance of doubt, the same quorum requirements shall apply to a meeting of Unit Holders of a particular Class. Where a Fund or Class has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, at the meeting shall constitute a quorum.

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 of the Fund or of the Class present in person or by proxy has one vote on a show of hands (irrespective of the Class). On a poll of a meeting of the Fund, the votes of each Unit Holder of the Fund, present in person or by proxy, shall be proportionate to the value of Unit held in the base currency as provided in the Deed. In the case of a Class meeting, on a poll, each Unit Holder of that Class present in person or by proxy has one vote for each whole fully paid Unit held in that Class. In the case of Joint holders, any one of such Joint holder may vote either personally or by proxy as comprised in the joint holding but if more than one of such Joint holder be present at any meeting either personally or by proxy, the Joint holder whose name stands first in the register shall alone be entitled to vote in respect thereof. Units held by the Management Company or its nominees shall have no voting rights in any Unit Holders' meeting of the Fund or of that Class.

Nothing herein shall preclude us from convening any Unit Holders' meeting at more than one venue using any communication facility or technology or method available as we shall determine to enable the Unit Holders to participate and to exercise their right to speak and vote at that meeting. Where such meeting is convened, any reference to a Unit Holder being "present in person" in the Deed, meetings or resolutions shall include, where permitted by us, to that Unit Holder being present either remotely or virtually and for the avoidance of doubt it is hereby agreed that the participation by a Unit Holder in such meeting using the prescribed communication facility or technology or method shall be deemed as being present at that meeting notwithstanding that the Unit Holder is not physically present at the main venue of that meeting.

# 9. TAXATION REPORT

Ernst & Young Tax Consultants Sdn Bhd  
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Pusat Bandar Damansara  
50490 Kuala Lumpur

The Board of Directors  
Principal Asset Management Berhad  
10<sup>th</sup> Floor, Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur

30 December 2022

Dear Sirs

## Taxation of the unit trust fund and unit holders

This letter has been prepared for inclusion in this Replacement Prospectus Issue No. M2 in connection with the offer of units in the unit trust known as Principal Islamic Money Market Fund (hereinafter referred to as “the Fund”).

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

## Taxation of the Fund

The taxation of the Fund is subject to the provisions of the Malaysian Income Tax Act 1967 (MITA), particularly Sections 61 and 63B. Subject to certain exemptions, the income of the Fund comprising profits and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax at the rate of 24% with effect from the year of assessment 2016.

Under Section 2(7) of the MITA, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Syariah. The effect of this is that any gains or profits received (hereinafter referred to as “profits”) and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of *Syariah*, will be accorded the same tax treatment as if they were interest.

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

“Permitted expenses” refer to the following expenses incurred by the Fund which are not deductible under Section 33(1) of the MITA:

- the manager's remuneration,
- maintenance of the register of unit holders,
- share registration expenses,
- secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage.

These expenses are given a partial deduction under Section 63B of the MITA, based on the following formula:

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

- where
- |   |                                                                                                                                                                                                                                                                   |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A | is the total of the permitted expenses incurred for that basis period;                                                                                                                                                                                            |
| B | is gross income consisting of dividend <sup>1</sup> , interest and rent chargeable to tax for that basis period; and                                                                                                                                              |
| C | is the aggregate of the gross income consisting of dividend <sup>1</sup> and interest (whether such dividend or interest is exempt or not) and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period, |

<sup>1</sup> Pursuant to Section 15 of the Finance Act 2011, with effect from the year of assessment 2011, dividend income is deemed to include income distributed by a unit trust which includes distributions from Real Estate Investment Trusts.

provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period.

### Exempt income

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

- **Malaysian sourced dividends**

All Malaysian-sourced dividends should be exempt from income tax.

- **Malaysian sourced interest**

- (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;
- (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;
- (iii) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;
- (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013<sup>2</sup>;
- (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002;
- (vi) interest from *sukuk* originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission or approved by the Labuan Financial Services Authority (LFSA)<sup>3</sup>; and
- (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

- **Discount**

Tax exemption is given on discount paid or credited to any unit trust in respect of investments as specified in items (i), (ii) and (iii) above.

### Foreign-sourced income

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

The Guidelines issued by the Malaysian Inland Revenue Board on 29 September 2022 define the term “received in Malaysia” to mean transferred or brought into Malaysia, either by way of cash<sup>4</sup> or electronic funds transfer<sup>5</sup>.

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

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

### Gains from the realisation of investments

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

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<sup>2</sup> Effective from 1 January 2019, the income tax exemption for a unit trust fund, pursuant to Paragraph 35A, Schedule 6 of the Income Tax Act, 1967 shall not apply to a wholesale fund which is a money market fund.

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

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

<sup>5</sup> “Electronic funds transfer” means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.

<sup>6</sup> “Qualifying person” in this context means a person resident in Malaysia who is:

(a) An individual who has dividend income received in Malaysia from outside Malaysia in relation to a partnership business in Malaysia;

(b) A limited liability partnership which is registered under the Limited Liability Partnerships Act 2012; or

(c) A company which is incorporated or registered under the Companies Act 2016.

## Implementation of Sales and Service Tax (“SST”)

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

Based on the Service Tax Regulations 2018, a unit trust fund is neither regarded as a taxable person nor as providing taxable services and is therefore not liable for SST registration. Where the Fund incurs expenses such as management fees, the management services provided by asset and fund managers who are licensed or registered with Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007, are specifically excluded from the scope of Service Tax. As for other fees, such as trustee fees and other administrative charges, these may be subject to 6% service tax provided they fall within the scope of service tax (i.e. are provided by a “taxable person”, who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as “taxable services”).

### Taxation of unit holders

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

The income of unit holders from their investment in the Fund broadly falls under the following categories:

1. taxable distributions; and
2. non-taxable and exempt distributions.

In addition, unit holders may also realise a gain from the sale of units.

The tax implications of each of the above categories are explained below:

#### 1. Taxable distributions

Distributions received from the Fund will have to be grossed up to take into account the underlying tax paid by the Fund and the unit holder will be taxed on the grossed up amount.

Such distributions carry a tax credit, which will be available for set-off against any Malaysian income tax payable by the unit holder. Should the tax deducted at source exceed the tax liability of the unit holder, the excess is refundable to the unit holder.

Please refer to the paragraph below for the income tax rates applicable to the grossed up distributions.

#### 2. Non-taxable and exempt distributions

Tax exempt distributions made out of gains from the realisation of investments and exempt income earned by the Fund will not be subject to Malaysian income tax in the hands of the unit holders.

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

### Rates of tax

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

Unit holders	Malaysian income tax rates
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders (such as associations and societies)</li> <li>• Co-operatives<sup>7</sup></li> <li>• Trust bodies</li> <li>• Corporate unit holders</li> </ul> <p>(i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment<sup>8 9</sup></p> <p>(ii) Companies other than (i) above</p>	<ul style="list-style-type: none"> <li>• Progressive tax rates ranging from 0% to 30%</li> <li>• Progressive tax rates ranging from 0% to 24%</li> <li>• 24%</li> <li>• First RM600,000 of chargeable income @ 17%</li> <li>• Chargeable income in excess of RM600,000 @ 24%</li> <li>• 24%</li> </ul>
<p>Non-Malaysian tax resident (Note 1):</p> <ul style="list-style-type: none"> <li>• Individual and non-corporate unit holders</li> <li>• Corporate unit holders and trust bodies</li> </ul>	<ul style="list-style-type: none"> <li>• 30%</li> <li>• 24%</li> </ul>

**Note 1:**

Non-resident unit holders may be subject to tax in their respective countries depending on the provisions of the tax legislation in the respective countries and any existing double taxation arrangements with Malaysia.

**Gains from sale of units**

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

**Unit splits and reinvestment of distributions**

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

- Unit splits – new units issued by the Fund pursuant to a unit split will not be subject to income tax in the hands of the unit holders.
- Reinvestment of distributions – unit holders may choose to reinvest their income distribution in new units by informing the Manager. In this event, the unit holder will be deemed to have received the distribution and reinvested it with the Fund.

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<sup>7</sup> Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society—  
(a) in respect of a period of five years commencing from the date of registration of such co-operative society; and  
(b) thereafter where the members' funds [as defined in Paragraph 12(2)] of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit,  
is exempt from tax.

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

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

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

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

Yours faithfully

**Ernst & Young Tax Consultants Sdn Bhd**

Bernard Yap  
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser's Letter in the form and context in which it appears in this Replacement Prospectus Issue No. M2 and has not withdrawn such consent before the date of issue of this Replacement Prospectus Issue No. M2.



# 10. DISTRIBUTORS OF THE FUND

Currently Class AI, AR and D of the Fund are available for sale. As at LPD, Class AI and AR are available for sale from the following branches:

## 10.1. Our branches

Main Branch  
Northern Branch  
Southern Branch  
Sarawak Branch  
Sabah Branch  
Melaka Branch  
Kuantan Branch  
Kota Bharu Branch

For information and updates on our branches, please contact our Customer Care Centre under the “Corporate Directory” section during business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or refer to our website at [www.principal.com.my](http://www.principal.com.my).

## 10.2. Principal Distributors

### **Nsg Wealth Advisors**

No 8 Jalan BM 7/19  
Seksyen 7  
Bandar Bukit Mahkota  
Kajang 43000 Selangor  
Tel: (603) 8920 8277

### **Platinum**

E5-03 Empire Damansara  
Jalan PJU 8/8  
Damansara Perdana  
47820 Petaling Jaya  
Tel: (603) 7843 0506

### **Dynamics Wealth Advisors**

*(formerly known as Star Pesona Advisors)*  
*(secondly known as Professional 5 star wealth advisors)*  
Unit B-3A-1 Setiawangsa Business Suites  
Jalan Setiawangsa 11  
Taman Setiawangsa  
54200 Kuala Lumpur  
Tel: (603) 4256 6277

### **Megas**

2-6A Jalan PJU 8/3A  
Bandar Damansara Perdana  
47820 Petaling Jaya  
Selangor  
Tel: (603) 7725 6320

### **Amg Synergy Multiresources Sdn Bhd**

3rd Floor  
No 45 Jalan Teluk Sisek  
25000 Kuantan Pahang  
Tel: (609) 5161 430

### **Elite Group Consultants**

No 6-2 Jalan Dagang 1/1A

### **Charisma Legacy**

B-1-22 & B-2-22 & B-2-21  
Block B 10 Boulevard  
Jalan Cempaka Sungai Kayu Ara  
47400 Petaling Jaya  
Selangor  
Tel: (603) 7722 3895

### **AAAAA Wealth Builders**

*(formerly known as O-tye Group Consultants)*  
Lot C-615 & Lot C-616  
Level 6 Block C Kelana Square  
17 Jalan SS7/26  
Kelana Jaya  
47301 Petaling Jaya Selangor  
Tel: (603) 7880 6893

### **My Financial Freedom Advisors**

*(formerly known as M&G Prominent Consultants)*  
No.3A, Jalan Hentian 3  
Pusat Hentian Kajang  
43000 Kajang  
Selangor  
Tel: (603) 8741 4382

### **Preferred Wealth Advisors**

*(formerly known as Titan Empire )*  
No 12-01 D'bayu Business Center  
Jalan Serambi U8/24  
Bukit Jelutong  
40150 Shah Alam  
Selangor  
Tel: (603) 6142 8382

### **Otye Xcellence Consultants**

Lot No 35-2 2nd Floor  
Jalan Sepah Puteri 5/1B  
Pusat Dagangan Seri Utama  
PJU 5 Kota Damansara  
47410 Selangor  
Tel: (603) 6140 3046

### **Prestige Wealth Advisors**

I-91-2 Block I

Taman Dagang  
68000 Ampang  
Selangor  
Tel: (603) 4251 1129

**Success Concepts Life Planners**

J-06-01 Level 6 Block J  
Solaris Mont' Kiara  
Jalan Solaris  
50480 Kuala Lumpur  
Tel: (603) 6204 0113

**Aces Advisors**

Unit D5-6 Ritze Perdana 1  
Jalan PJU 8/2  
Damansara Perdana  
47820 Petaling Jaya, Selangor  
Tel: (6016) 2292 342

**GVG Solution Agency**

No. 12-01 Jalan Setia Tropika 1/29  
Taman Setia Tropika  
Johor Bahru  
81200 Johor  
Tel: (607) 2326 976

**Tremendous Wealth Advisors**

No 11 Level 2  
Jalan Pelabur B 23/B  
Section 23  
40300 Shah Alam  
Selangor Darul Ehsan  
Tel: (603) 5480 0296

**Soha Barakah Wealth Consultancy**

No 55-2, 57-2, 59-2  
Jalan Tu 49A Taman Tasik Utama  
Ayer Keroh  
75450 Melaka  
Tel: (606) 2533 289

**Evoque Wealth Advisors**

2nd Floor No 32A-2 Jalan PJU 5/20d The Strand  
Pusat Perdagangan Kota Damansara  
Kota Damansara PJU 5  
47810 Petaling Jaya  
Selangor  
Tel: (603) 6151 9512

**Premierone Wealth**

No 527-1 Jalan Pusat Bandar Senawang  
Pusat Bandar Senawang  
70450 Senawang  
Negeri Sembilan  
Tel: (606) 6718 253

**Charisma Legacy 1**

B-3-21 Block Bougainvillea  
10 Boulevard Lebuhraya Sprint PJU 6A  
47400 Petaling Jaya  
Selangor  
Tel: (603) 7733 5009

**Nrich Wealth Advisory Group**

ZP-02-12 Zest Point  
Lebuhraya Bukit Jalil  
Bandar Kinrara  
47180 Puchong  
Selangor

Jalan Teknologi 3/9  
Kota Damansara  
47810 Petaling Jaya  
Selangor  
Tel: (603) 6140 7275

**Magnificent Champion Agency Office**

47A, Tingkat 1  
Jalan Badminton 13/29  
Seksyen 13, Shah Alam  
40100 Selangor  
Tel: (603) 5523 2693

**Premier Wealth Advisors**

No 18-1 S2 B18  
Biz Avenue Seremban 2  
70300 Seremban  
Negeri Sembilan  
Tel: (606) 6015 749

**My IFP Kemaman**

PT 10725, Ground Floor  
Jalan Kubang Kurus  
Taman Cukai Utama Fasa 4  
24000 Kemaman  
Terengganu  
Tel: (609) 8589 911

**Wealth Resources Group Advisors**

No 41B 3B Curve Business Park  
Medan Pusat Bandar 2D Seksyen 9  
43650 Bandar Baru Bangi  
Selangor  
Tel: (603) 8926 4155

**GVG Pasir Gudang Solution**

No 38-01 Jalan Serangkai 18  
Taman Bukit Dahlia  
81700 Pasir Gudang  
Johor  
Tel: (6012) 7076 107

**KPG Management Resources**

19-1 Jalan Adenium 2G/9  
Adenium Business Center  
Bukit Beruntung  
48300 Rawang  
Selangor  
Tel: (603) 6021 7385

**Victorious Agency**

33-01 Jalan Tampoi Susur 1  
81200 Johor Bahru  
Johor  
Tel: (6011) 1211 840

**KPG Elite Billionaire**

No 15-1 Jalan Adenium 2g/9  
Adenium Business Centre  
48300 Bukit Beruntung  
Rawang Selangor  
Tel: (603) 6021 7188

**Charisma Legacy 3**

B-3-17 Blok Bouganvilla 10 Boulevard  
Lebuhraya Sprint Pju 6A Kayu Ara  
Damansara Jaya  
47400 Petaling Jaya  
Selangor

Tel: (603) 8074 8485

**Synergy Wealth Entrepreneur**

98-2 Jalan Dwitasik  
Dataran Dwitasik  
Bandar Sri Permaisuri  
Cheras  
56000 Kuala Lumpur  
Tel: (603) 9226 5344

**KPG Capital Growth Solution**

No 15-1 Jalan Adenium 2G/9  
Adenium Business Centre  
48300 Bukit Beruntung  
Rawang Selangor  
Tel: (603) 6021 7188

**NZ Group**

PT 650 1st & 2nd Floor  
Jalan Sri Cemerlang  
Seksyen 27  
15300 Kota Bharu  
Kelantan  
Tel: (609) 7476 932

**Zenith Premier Wealth Advisors**

No 98 Second Floor  
Jalan Legenda 1  
Legenda Heights  
08000 Sungai Petani  
Kedah  
Tel: (604) 4246 042

**Millionaire Empire Group**

23-1 Jalan Rejang 4  
Setapak Jaya  
53300 Kuala Lumpur  
Tel: (603) 4141 6644

Tel: (603) 7733 4211

**Charisma Legacy Kota Bharu**

PT1671 & 1672 Tingkat 2  
Jalan Raja Perempuan Zainab 2  
Kubang Kerian  
16150 Kota Bharu  
Kelantan  
Tel: (6016) 2236 343

**Global Amazing Entrepreneur**

C-10-2 & C-11-2  
Bangi Gateway Shopping Complex  
Persiaran Pekililing Seksyen 15  
43650 Bandar Baru Bangi  
Selangor  
Tel: (603) 8920 9038

**Charisma Legacy 2**

B-3-25 Block Bougainvillea  
10 Boulevard Lebuhraya Sprint  
PJU 6A  
47400 Petaling Jaya  
Selangor  
Tel: (603) 7733 2460

**Sa@7**

No. 35B-2 (2nd Floor)  
Jalan Keluli Am 7/AM  
Pusat Perniagaan Bukit Raja Seksyen 7  
400000 Shah Alam  
Selangor  
Tel: (603) 3341 4978

**Finaims**

Suite 3a Level 4 Starling Mall  
Damansara Uptown  
47400 Petaling Jaya  
Selangor  
Tel: (6013) 3257 653

### 10.3. IUTA

CIMB Bank Berhad  
CIMB Private Banking  
CIMB Investment Bank Berhad – Retail Equities  
Kenanga Investment Bank Berhad  
IFAST Capital Sdn. Bhd.  
Phillip Mutual Berhad  
Standard Chartered Bank Malaysia Berhad  
UOB Kay Hian Securities (M) Sdn Bhd  
Bank Kerjasama Rakyat Malaysia Berhad  
Kuwait Finance House (Malaysia) Berhad

**Note:** We have the discretion in determining the Distributors of the Classes of the Fund, including its appointment and/or termination from time to time. For updated and more information on the Distributors of the Classes of the Fund, please call our **Customer Care Centre** under the “Corporate Directory” section during our business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or refer to our website at [www.principal.com.my](http://www.principal.com.my).

# **ANNEXURE - CLASS AI**

This section is only a summary of the salient information about Class AI. 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. Principal Malaysia, member companies of the PFG, the CIMB Group and the Trustee do not guarantee the repayment of your capital.

## CLASS INFORMATION

	Class AI	Page
<b>Investors eligibility</b>	Institution including a company, corporation, co-operative, trust or pension fund and/or such other category of investors as the Manager may determine from time to time in the event such other category is necessary to ensure compliance with any applicable laws, rules, regulations and/or guidelines.	14
<b>Currency denomination</b>	MYR	1
<b>Distribution policy</b>	Monthly, depending on the level of income (if any) the Fund generates.	17

## FEES & CHARGES

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

Charges	Class AI	Page
<b>Application Fee</b>	Nil.	7
<b>Withdrawal Fee</b>	Nil.	7
<b>Switching Fee</b>	Switching is treated as a withdrawal from this Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fee of this Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose a MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	7
<b>Transfer Fee</b>	A maximum of MYR50.00 may be charged for each transfer.	7
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

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

Fees	Class AI	Page
<b>Management Fee</b>	Up to 0.40% per annum of the NAV of the Class.	7
<b>Trustee Fee</b>	Up to 0.02% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges). The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears.	7
<b>Expenses directly related to Fund or Class</b>	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent's fee.	7
<b>Other fees payable indirectly by you when investing in the Fund</b>	Nil.	

**Note:** Subject always to the provisions of the Deed and GUTF, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

## TRANSACTION INFORMATION

	Class AI	Page
<b>Minimum initial investment</b>	MYR10,000 or such other amount as we may decide from time to time.	15
<b>Minimum additional investment</b>	MYR1,000 or such other amount as we may decide from time to time.	15
<b>Minimum withdrawal</b>	1,000 units or such other number of units as we may decide from time to time.	15
<b>Minimum balance</b>	5,000 units or such other number of units as we may decide from time to time.	16
<b>RSP</b>	RSP is available for the Class. The RSP allows you to make regular monthly investments of MYR1,000 or more, directly from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR10,000 or such other amount as we may decide from time to time.	14
<b>Cooling-off period</b>	Not applicable for this Class	16
<b>Switching</b>	<p>Switching will be conducted based on the value of your investments in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Fee of the Class (if any)</li> </ul> </li> <li>▪ for switching into a Class <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	16
<b>Transfer</b>	We may, at our absolute discretion, allow or refuse Unit holders to transfer their units subject to such terms and conditions as may be stipulated in the Deed.	17

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you in respect of the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

**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 and/or duties as may be imposed by the government or other authorities from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.**

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

# **ANNEXURE - CLASS AR**

This section is only a summary of the salient information about Class AR. 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. Principal Malaysia, member companies of the PFG, the CIMB Group and the Trustee do not guarantee the repayment of your capital.

## CLASS INFORMATION

	Class AR	Page
<b>Investors eligibility</b>	Individual who is at least eighteen (18) years of age and are not an undischarged bankrupt and/or such other category of investors as the Manager may determine from time to time in the event such other category is necessary to ensure compliance with any applicable laws, rules, regulations and/or guidelines. As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).	14
<b>Currency denomination</b>	MYR	1
<b>Distribution policy</b>	Monthly, depending on the level of income (if any) the Fund generates.	17

## FEES & CHARGES

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

Charges	Class AR	Page
<b>Application Fee*</b>	Nil.	7
<b>Withdrawal Fee</b>	Nil.	7
<b>Switching Fee</b>	Switching is treated as a withdrawal from this Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fee of this Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose a MYR100 as the administrative fee for each switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	7
<b>Transfer Fee</b>	A maximum of MYR50.00 may be charged for each transfer.	7
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

\* If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS, you may be charged an Application Fee of up to 3.00% of the NAV per unit, or such other rate as the EPF may determine.

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

Fees	Class AR	Page
<b>Management Fee</b>	Up to 0.40% per annum of the NAV of the Class.	7
<b>Trustee Fee</b>	Up to 0.02% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges). The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears.	7
<b>Expenses directly related to Fund or Class</b>	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent's fee.	7
<b>Other fees payable indirectly by you when investing in the Fund</b>	Nil.	

**Note:** Subject always to the provisions of the Deed and GUTF, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.



## TRANSACTION INFORMATION

Class AR	Page
<b>Minimum initial investment*</b>	MYR10,000 or such other amount as we may decide from time to time. <span style="float: right;">15</span>
<b>Minimum additional investment</b>	MYR1,000 or such other amount as we may decide from time to time. <span style="float: right;">15</span>
<b>Minimum withdrawal</b>	1,000 units or such other number of units as we may decide from time to time. <span style="float: right;">15</span>
<b>Minimum balance</b>	5,000 units or such other number of units as we may decide from time to time. <span style="float: right;">16</span>
<b>RSP</b>	RSP is available for the Class. The RSP allows you to make regular monthly investments of MYR1,000 or more, directly from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR10,000 or such other amount as we may decide from time to time. <span style="float: right;">14</span>
<b>Cooling-off period</b>	Six (6) Business Days from the date the complete application is received and accepted by us or our Distributors from the first time individual investor investing with us or our Distributors. However, Principal Malaysia's staff or a person registered with a body approved by the SC to deal in unit trusts funds are not entitled to the cooling-off right. <span style="float: right;">16</span>
<b>Switching</b>	Switching will be conducted based on the value of your investments in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> <li>▪ for switching out of the Class:               <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Fee of the Class (if any)</li> </ul> </li> <li>▪ for switching into a Class               <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> You may negotiate to lower the amount for your switch with us or our Distributors. <span style="float: right;">16</span>
<b>Transfer</b>	We may, at our absolute discretion, allow or refuse Unit holders to transfer their units subject to such terms and conditions as may be stipulated in the Deed. <span style="float: right;">17</span>

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you in respect of the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

*\*The minimum initial investment for EPF-MIS shall be MYR1,000 or such other amount as determined by EPF or as per the amount stated above, whichever is higher. Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. Please refer to our website at [www.principal.com.my](http://www.principal.com.my) or [www.kwsp.gov.my](http://www.kwsp.gov.my) for updated information.*

**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 and/or duties as may be imposed by the government or other authorities from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.**

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

# **ANNEXURE - CLASS D**

This section is only a summary of the salient information about Class D. 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. Principal Malaysia, member companies of the PFG, the CIMB Group and the Trustee do not guarantee the repayment of your capital.

## CLASS INFORMATION

	Class D	Page
<b>Investors eligibility</b>	You are eligible to invest in the Fund if you are: <ul style="list-style-type: none"> <li>▪ an individual who is at least eighteen (18) years of age; and</li> <li>▪ have an account in the e-Wallet App and fulfil the requirements therein.</li> </ul> We reserve the right to accept or reject any application in whole or in part thereof without assigning any reason in respect thereof.	14
<b>Currency denomination</b>	MYR	1
<b>Distribution policy</b>	Monthly, depending on the level of income (if any) the Fund generates.	17

## FEES & CHARGES

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

Charges	Class D	Page
<b>Application Fee</b>	Nil.	7
<b>Withdrawal Fee</b>	Nil.	7
<b>Switching Fee</b>	When available, switching is treated as a withdrawal from this Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fee of this Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose a MYR100 as the administrative fee for every switch. We also have the discretion to waive the Switching Fee and/or administrative fee.	7
<b>Transfer Fee</b>	When available, a maximum of MYR50.00 may be charged for each transfer.	7
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

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

Fees	Class D	Page
<b>Management Fee</b>	Up to 0.40% per annum of the NAV of the Class.	7
<b>Trustee Fee</b>	Up to 0.02% per annum of the NAV of the Fund.	7
<b>Expenses directly related to Fund or Class</b>	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent's fee.	8
<b>Other fees payable indirectly by you when investing in the Fund</b>	Nil.	

**Note:** Subject always to the provisions of the Deed and GUTF, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

## TRANSACTION INFORMATION

	Class D	Page
<b>Minimum initial investment</b>	MYR10 or such other amount as we may decide from time to time.	15
<b>Minimum additional investment</b>	MYR10 or such other amount as we may decide from time to time.	15
<b>Minimum withdrawal</b>	RM 10 or such other amount as we may decide from time to time.	15
<b>Minimum balance</b>	10 units or such other number of units as we may decide from time to time.	16
<b>RSP</b>	When available, the RSP allows you to make regular monthly investments of MYR10 or more, directly from your e-wallet or account held with a bank approved by us or e-Wallet Provider. The minimum initial investment for the RSP is MYR10 or such other amount as we may decide from time to time.	14
<b>Cooling-off period</b>	<p>Six (6) Business Days from the date the complete application is received and accepted by us from the first-time investor. However, cooling-off right is not applicable if:</p> <ul style="list-style-type: none"> <li>(i) you have withdrawn all or parts of your investment from Class D either to your e-Wallet or your bank account; or</li> <li>(ii) you are Principal Malaysia's staff and person(s) registered to deal in unit trust of Principal Malaysia.</li> </ul> <p>Request for cooling-off must be made directly through Principal Malaysia or e-Wallet App (where available).</p> <p>Note: Please consult your professional advisers before investing. You may also contact our Customer Care Centre under the "Corporate Directory" section for further information.</p>	16
<b>Switching</b>	<p>When available, switching will be conducted based on the value of your investments in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Fee of the Class (if any)</li> </ul> </li> <li>▪ for switching into a Class <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul>	16
<b>Transfer</b>	When available, we may, at our absolute discretion, allow or refuse Unit holders to transfer their units subject to such terms and conditions as may be stipulated in the Deed.	17

**Note:** For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you in respect of the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

**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 and/or duties as may be imposed by the government or other authorities from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed or illustrated in the Prospectus.**

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

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