

# MASTER PROSPECTUS

THIS MASTER PROSPECTUS IS DATED 1 JULY 2017

**MANAGER**  
APEX INVESTMENT SERVICES BERHAD (420390-M)

**TRUSTEE**  
MAYBANK TRUSTEES BERHAD (5004-P)  
CIMB COMMERCE TRUSTEE BERHAD (313031-A)

FUND NAME	DATE OF CONSTITUTION
APEX MALAYSIA GROWTH TRUST	28 JULY 1997
APEX QUANTUM FUND	19 JUNE 2000
APEX DANA ASLAH	10 AUGUST 2000
APEX DANA AL-SOFI-I	13 AUGUST 2003
APEX DANA AL-FAIZ-I	13 AUGUST 2003
APEX DYNAMIC FUND	28 MARCH 2006
APEX DANA AL-KANZ	28 MARCH 2006
APEX ASIAN (EX JAPAN) FUND	12 OCTOBER 2007

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE MASTER 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 40.

### **Responsibility Statements**

This Master Prospectus has been reviewed and approved by the directors of Apex Investment Services Berhad 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 Master Prospectus false or misleading.

### **Statements of Disclaimer**

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

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Apex Investment Services Berhad, the management company responsible for the said Funds and takes no responsibility for the contents in this Master Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Master Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

### **Additional Statements**

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

Apex Dana Aslah, Apex Dana Al-Faiz-I, Apex Dana Al-Sofi-I and Apex Dana Al-Kanz have been certified as Shariah-compliant by the Shariah adviser appointed for the Funds.



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## 1.0 GLOSSARY OF TERMS

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

<b>AMGT</b>	Apex Malaysia Growth Trust
<b>AQF</b>	Apex Quantum Fund
<b>ADA</b>	Apex Dana Aslah
<b>ADAS-I</b>	Apex Dana Al-Sofi-I
<b>ADAF-I</b>	Apex Dana Al-Faiz-I
<b>ADF</b>	Apex Dynamic Fund
<b>ADAK</b>	Apex Dana Al-Kanz
<b>AAEJF</b>	Apex Asian (Ex Japan) Fund
<b>AMGT Deed</b>	The deed dated 28 July 1997 as amended by the supplemental deed dated 6 July 1999 and the second supplemental deed dated 10 March 2005 and the third supplemental deed dated 20 August 2013 and the fourth supplemental deed dated 3 August 2015 and the fifth supplemental deed dated 15 April 2016 in respect of AMGT
<b>AQF Deed</b>	The deed dated 19 June 2000 as amended by the supplemental deed dated 20 December 2000, the second supplemental deed dated 9 March 2006, third supplemental deed dated 23 February 2010 and the fourth supplemental deed dated 3 August 2015 and the fifth supplemental deed dated 15 April 2016 in respect of AQF
<b>ADA Deed</b>	The deed dated 10 August 2000 as amended by the first supplemental deed dated 23 February 2010, the second supplemental deed dated 25 April 2014 and the third supplemental deed dated 3 August 2015 in respect of ADA
<b>ADAS-I Deed</b>	The deed dated 13 August 2003 as amended by the supplemental deed dated 18 August 2004 and the second supplemental deed dated 3 August 2015 and the third supplemental deed dated 15 April 2016 in respect of ADAS-I
<b>ADAF-I Deed</b>	The deed dated 13 August 2003 as amended by the supplemental deed dated 14 July 2004, the second supplemental deed dated 25 August 2004, the third supplemental deed dated 20 August 2013 and the fourth supplemental deed dated 3 August 2015 and the fifth supplemental deed dated 15 April 2016 in respect of ADAF-I
<b>ADF Deed</b>	The deed dated 28 March 2006 as amended by the first supplemental deed dated 20 August 2013 and the second supplemental deed dated 3 August 2015 and the third supplemental deed dated 15 April 2016 in respect of ADF
<b>ADAK Deed</b>	The deed dated 28 March 2006 as amended by the first supplemental deed dated 3 August 2015 and the second supplemental deed dated 15 April 2016 in respect of ADAK
<b>AAEJF Deed</b>	The deed dated 12 October 2007 as amended by the first supplemental deed dated 30 March 2013, the second supplemental deed dated 20 August 2013 and the third supplemental deed dated 3 August 2015 and the fourth supplemental deed dated 15 April 2016 in respect of AAEJF
<b>Bursa Malaysia</b>	Bursa Malaysia Securities Berhad (635998-W)
<b>BPA</b>	Bond Pricing Agency
<b>Business Day</b>	A day on which Bursa Malaysia is open for trading.

<b>debenture</b>	<p>Debenture includes debenture stock, bonds, notes and any other evidence of indebtedness of a corporation for borrowed moneys, whether constituting a charge on the assets of the corporation, but shall not be construed as applying to any of the following:</p> <ul style="list-style-type: none"> <li>• Any instrument acknowledging or creating indebtedness for, or for money borrowed to defray the consideration payable under, a contract for sale or supply of goods, property or services or any contract of hire in the ordinary course of business;</li> <li>• A cheque, banker's draft or any other bill of exchange or a letter of credit;</li> <li>• A banknote, an insurance policy or a guarantee;</li> <li>• A statement, passbook or other document showing any balance in a current, deposit or savings account;</li> <li>• Any agreement for a loan where the lender and borrower are signatories to the agreement and where the lending of money is in the ordinary course of business of the lender, and any promissory note issued under the terms of such an agreement; or</li> <li>• Any instrument or product or class of instruments or products, as the Minister of Finance may, on the recommendation of the Securities Commission, prescribe by order published in the Gazette.</li> </ul>
<b>Deeds</b>	The deeds in relation to the Funds and any other supplemental deeds that may be entered between the Manager and the Trustees and registered with the SC.
<b>EPF</b>	Employee Provident Fund
<b>Financial Institution</b>	<p>(a) If the institution is in Malaysia –</p> <ul style="list-style-type: none"> <li>(i) licensed bank;</li> <li>(ii) licensed investment bank; or</li> <li>(iii) Islamic bank;</li> </ul> <p>(b) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised to provide financial services by the relevant banking regulator</p>
<b>FBM KLCI</b>	FTSE Bursa Malaysia KLCI
<b>FBMS</b>	FTSE Bursa Malaysia EMAS Shariah Index
<b>FIMM</b>	Federation of Investment Managers Malaysia
<b>Guidelines</b>	Guidelines on Unit Trust Funds issued by the SC and as amended, substituted or replaced from time to time.
<b>GST</b>	Goods and services tax
<b>long term</b>	More than 3 years' investment horizon
<b>liquid assets</b>	<p>Financial assets with characteristics including, but not limited to, through following:</p> <ul style="list-style-type: none"> <li>i. easily convertible in large sums into cash at short notice;</li> <li>ii. low counter-party credit risks; and</li> <li>iii. have sufficiently deep secondary market which continues to exist during tight liquidity situations.</li> </ul> <p>(source: Bank Negara Malaysia Liquidity Framework 1998)</p>
<b>MARC</b>	Malaysian Rating Corporation Berhad
<b>medium term</b>	1 to 3 years' investment horizon
<b>NAV (Net Asset Value)</b>	NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.
<b>NAV per Unit</b>	The NAV of the Fund divided by the number of Units in circulation at the valuation point.
<b>OTC</b>	Over the counter

<b>p. a.</b>	Per annum
<b>RAM</b>	RAM Rating Services Berhad
<b>RM and Sen</b>	Ringgit Malaysia and Sen respectively
<b>SAC</b>	Shariah Advisory Council of the SC
<b>short term</b>	Up to 1 year investment horizon
<b>The Act or CMSA 2007</b>	Capital Markets and Services Act 2007
<b>The Fund</b>	Refers to AMGT, AQF, ADA, ADAS-I, ADAF-I, ADAK, ADF and AAEJF as the case may be and the term “the Funds” refers to all the Funds, unless stated otherwise.
<b>The Manager</b>	Apex Investment Services Berhad (420390-M)
<b>The SC or the Securities Commission</b>	Securities Commission Malaysia
<b>The Trustee</b>	Maybank Trustees Berhad (5004-P) (for AQF, ADAS-I, ADAF-I, ADAK, AMGT, ADF and AAEJF); or CIMB Commerce Trustee Berhad (313031-A) (for ADA) and the term ‘Trustees’ refers to all the trustees.
<b>Trustee Stocks</b>	Stocks which have continuously declared dividends for the past five years.
<b>Unit or Units</b>	In relation to each of the Funds, is a measurement of the right or interest of a Unit holder in the Funds and means a unit (including a fraction of a unit) of the Funds.
<b>Unit holder</b>	Any person registered as the holder of a Unit or Units including persons jointly registered for a particular Fund.

**2.0 CORPORATE DIRECTORY**

<b>MANAGER</b>	Apex Investment Services Berhad (420390-M)	
<b>REGISTERED OFFICE OF THE MANAGER</b>	6 <sup>th</sup> Floor, Menara Apex, Off Jalan Semenyih, Bukit Mewah, 43000 Kajang, Selangor Darul Ehsan.	
<b>BUSINESS OFFICE</b>	3rd Floor, Menara MBSB, 46, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur. Tel : (603) 2095 9999 Fax : (603) 2095 0693 Email : <a href="mailto:enquiry@apexis.com.my">enquiry@apexis.com.my</a> Website: <a href="http://www.apexequity.com.my">www.apexequity.com.my</a>	Head Office: Suite 7.02, 7 <sup>th</sup> Floor, Menara Apex, Off Jalan Semenyih, Bukit Mewah, 43000 Kajang, Selangor Darul Ehsan. Tel : (603) 8736 1118 Fax : (603) 8737 7924 Email : <a href="mailto:enquiry@apexis.com.my">enquiry@apexis.com.my</a> Website : <a href="http://www.apexequity.com.my">www.apexequity.com.my</a>
<b>SHARIAH COMMITTEE</b>	Prof. Madya Dr. Mohamad Sabri bin Haron (Chairman and Independent Member) Dr. Ab. Halim bin Muhammad (Independent Member) Mohd Fadhly bin Md. Yusoff (Independent Member)  Head Office: Suite 7.02, 7 <sup>th</sup> Floor, Menara Apex, Off Jalan Semenyih, Bukit Mewah, 43000 Kajang, Selangor Darul Ehsan. Tel : (603) 8736 1118 Fax : (603) 8737 7924 Email : <a href="mailto:enquiry@apexis.com.my">enquiry@apexis.com.my</a> Website : <a href="http://www.apexequity.com.my">www.apexequity.com.my</a>	

<p><b>TRUSTEES</b></p>	<p><b>1. Maybank Trustees Berhad – Trustee for AQF, ADAS-I, ADAF-I &amp; ADAK, AMGT, ADF &amp; AAEJF (w.e.f. 1<sup>st</sup> June 2016)</b></p> <p>Registered Address of Maybank Trustees Berhad:  8th Floor, Menara Maybank  100, Jalan Tun Perak  50050 Kuala Lumpur.  Tel : 603 - 2078 8363 / 2070 8833  Fax: 603 - 2070 9387  Website: <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a></p> <p>Maybank Trustees Berhad’s Delegate:  Malayan Banking Berhad  Custody Services  14<sup>th</sup> Floor, Menara Maybank  100, Jalan Tun Perak  50050 Kuala Lumpur.  Tel: 603 - 2074 7111  Fax: 603 - 2032 1572</p> <p><b>2. CIMB Commerce Trustee Berhad – Trustee for ADA</b></p> <p>Registered Address of CIMB Commerce Trustee Berhad:  CIMB Commerce Trustee Berhad (313031-A)  Level 13, Menara CIMB,  Jalan Sentral 2,  Kuala Lumpur Sentral  50470 Kuala Lumpur.  Tel: (603) 2261 8888  Fax: (603) 2261 0099</p> <p>Trustee’s Delegate:  CIMB Bank Berhad (13941-P)  Registered Office:  Level 13, Menara CIMB,  Jalan Stesen Sentral 2,  Kuala Lumpur Sentral,  50470 Kuala Lumpur.  Tel: (603) 2261 8888  Fax: (603) 2261 8889</p>	<p>Business Office of Maybank Trustees Berhad:  8th Floor, Menara Maybank  100, Jalan Tun Perak  50050 Kuala Lumpur.  Tel: 603 - 2074 7111 / 2070 8833  Fax: 603 - 2070 0966</p> <p>Business Office of CIMB Commerce Trustee Berhad:  CIMB Commerce Trustee Berhad (313031-A)  Level 21, Menara CIMB,  Jalan Sentral 2,  Kuala Lumpur Sentral  50470 Kuala Lumpur.  Tel : (603) 2261 8888  Fax : (603) 2261 9889</p> <p>Business Office:  Level 21, Menara CIMB,  Jalan Stesen Sentral 2,  Kuala Lumpur Sentral  50470 Kuala Lumpur.  Tel: (603) 2261 8888  Fax: (603) 2261 9892</p>
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### 3.0 FUND DETAILS

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#### 3.1 APEX MALAYSIA GROWTH TRUST (AMGT)

##### **Fund Category**

Equity

##### **Base currency of the Fund**

Ringgit Malaysia

##### **Investment Objective**

To seek capital appreciation over the medium to long term.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

##### **Investment Policy and Strategy**

The investment policy is to invest in mostly undervalued companies with good growth potential. Notwithstanding the Fund's investment objective and policy, from time to time, investments may also be made in short-term instruments, including government or other bonds, when stock market conditions are unfavorable or for other short-term liquidity purposes. In addition, the Manager may invest in other forms of investment, such as units or shares in collective investment schemes, when considered consistent and relevant with the investment objective. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

##### **Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are closely inter-connected and the interaction between asset allocation determination and stock selection is a strong one. Although the Manager takes into account the macroeconomic picture, its emphasis is on value investing.

The asset allocation of the Fund for cash and equities will depend on the outlook of the market, whereby the exposure of the Fund in equity and equity-related securities shall not be more than 95% of the Fund's NAV and the minimum equity exposure shall be 70% of the Fund's NAV. The minimum level of liquid assets to be held by the Fund at all times should be in the range of 5% to 30% of the Fund's NAV. When the stock market is unfavorable, the Manager may adopt a defensive strategy by reducing the equity exposure. However, the maximum equity exposure shall not be more than 95% of the Fund's NAV and the minimum equity exposure shall be 70% of the Fund's NAV.

The Fund may also invest up to 30% of the Fund's NAV in foreign equities, whenever opportunities\* arise. The Fund will invest in securities listed on the stock exchanges of the Asia Pacific region excluding Japan with initial focus on Singapore, Indonesia, Thailand, the Philippines, Hong Kong SAR, Taiwan, Korea and Australia. The Fund will also seek to invest in securities listed on the stock exchanges of the United States of America (USA).

*\*Opportunities mean situations when the foreign markets and the targeted stocks fit into the investment criteria of our investment strategy. These shall include lower valuation of the foreign stocks, i.e. at 10% discount as compared to the sector Price to Earnings(PE) or Price to Book(PB). We will also evaluate the targeted foreign markets which have potential to grow and have economic stability.*



In times of extreme market volatility and/ or when market valuation is at a level deemed unsustainable, the Fund will judiciously scale back its equity exposure to below its normal operating range of 70% to 95% of the Fund's NAV.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

The criteria used for choosing an equity investment are one of analysis and judgement. The Manager seeks companies that exhibit good earnings growth potential with attractive valuations as compared to other companies within the same sector.

The Manager generally adopts a quality filter process in the stock selection criteria using both internal and external financial analysis. The stock selection criteria are, of course, subject to review as market conditions warrant.

They basically highlight the following areas:

- Quality of earnings
- Growth potential
- Valuation
- Balance sheet strength
- Cash flow
- Quality and strength of management
- Product differentiation

The Manager will also be taking advantage of any special situations and mispricing opportunities that may exist in the marketplace. Such opportunities are generally short to medium-term inefficiencies that subsequently correct themselves in the longer-term.

The Manager also uses technical analysis as a timing instrument in the sale and purchase decisions but the Manager will not use such analysis as the sole criteria for choosing investments. The Manager is mindful of the diversification requirement within the portfolio in order to reduce the overall volatility and risk of the Fund.

***Collective Investment Schemes:***

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

***Warrant Investments:***

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed/instruments traded on local eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

***Unlisted Securities:***

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

### Performance Benchmark

- FBM KLCI (Source: Bursa Malaysia through Bloomberg)

***“The risk profile of the performance benchmark is not the same as the risk profile of the Fund”***

### Permitted Investments

The permitted investments of the Fund include the following investments:

1. Securities traded in or under the rules of an eligible market;
2. Foreign securities traded on foreign markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions;
3. Unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant authority for such listing or quotation; and
4. Units or shares in other collective investment schemes.

### Investment Restrictions and Limits

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments under the Fund:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements and deposits issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/ shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

**Distribution Policy**

Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.

## 3.2 APEX QUANTUM FUND (AQF)

### **Fund Category**

Mixed Asset

### **Base currency of the Fund**

Ringgit Malaysia

### **Investment Objective**

To invest in stocks listed under the Bursa Malaysia Main Market and to allow the fund manager to invest in equity up to 100% of the NAV of the Fund, subject to a minimum investment of 40% of the NAV, in stocks or fixed income instruments or any other form of investment instruments which provide regular payments of dividends or its equivalent and permitted by the Securities Commission.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

### **Investment Policy and Strategy**

To invest in a diversified portfolio of debentures, equity and equity-related securities. The Fund may invest to a maximum of 100% of its NAV in equity and equity-related securities to maximise the returns of the Fund.

During adverse market conditions, the Fund will increase its investment in Trustee Stocks that have consecutive dividend payment records of at least 5 years, fixed income instruments that have RAM or MARC credit ratings of at least Double A, or money market instruments from licensed Financial Institutions. The Fund will not take positions that would be inconsistent with the Fund's principal strategy irrespective of the market conditions.

The Fund will hold a minimum investment of 40% of the NAV, in stocks or fixed income instruments or any other form of investment instruments which provide regular payments of dividends or its equivalent and permitted by the Securities Commission. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

### **Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are closely inter-connected and the interaction between asset allocation determination and stock selection is a strong one.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

### **Fixed Income Investments:**

In addition to the active management approach, the Manager also seeks to recognise and manage portfolio risks. This is borne out by the intention to have a well-diversified portfolio and focus on the credit quality of issues featured in the portfolios. The Manager would normally concentrate on good quality investment-grade bonds.

### **Collective Investment Schemes:**

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective

investment scheme's investment in a particular style, securities/instruments, economic sector, market or geographic area.

**Derivative Investments:**

The investment of the Fund may consist of investment in futures contracts traded in a futures market of an exchange approved, or an exempt future market declared under the CMSA 2007. Investment in futures contracts must be consistent with the objective of the Fund and in any futures contract, other than a futures option or an eligible exchange traded option, must be for hedging purposes only.

The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least "AA3" by RAM or its equivalent rating by MARC. The Manager will unwind the affected invested derivative instrument or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives are part of the underlying investment assets of the Fund.

**Warrant Investments:**

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed/instrument traded on local eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

**Performance Benchmark**

Weighted average of:

- 60% of FBM KLCI
- 40% of Maybank Berhad 1-year fixed deposit rate  
(Source: Bursa Malaysia and Maybank Berhad)

The ratios are used because the Fund normally invests 60% of its NAV in equity and equity-related securities and a minimum investment of 40% of the NAV, in stocks or fixed income instruments which provide regular payments of dividend. Assuming the FBM KLCI gives a return of 10% during the year and the Maybank Berhad Fixed Deposit Rate provide 3% per annum, the benchmark's return for the Fund would be 7.2% i.e.  $(60\% \times 10\%) + (40\% \times 3\%)$ .

*To obtain more information on the combined benchmark, please contact our Customer Service Line : (603)-2095 9999.*

***"The risk profile of the performance benchmark is not the same as the risk profile of the Fund"***

**Permitted Investments**

The permitted investments of the Fund include the following investments:

1. Securities of Malaysian companies listed on the Bursa Malaysia;
2. Units of unrelated property trust funds listed on the Bursa Malaysia;

3. Securities that are not traded in or under the rules in a stock market or stock exchange approved or an exempt stock market declared by the Minister under the Securities Industry Act 1983, but have been approved for such listing and which are offered directly to the scheme by the issuer;
4. Treasury Bills, Bank Negara Malaysia Certificates, Government Investment Instruments;
5. Malaysian currency balances in hand, Malaysian currency deposits with commercial banks, finance companies and merchant banks and Bank Islam Malaysia Berhad including Negotiable Certificates of Deposit, Bankers Acceptance and placement of money at call with discount houses;
6. Cagamas bonds and corporate bonds that are either bank guaranteed or carrying at least BBB rating by RAM or any other approved rating agency;
7. Warrant, options and futures contracts;
8. Units and shares of other collective investments schemes; and
9. Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time.

### **Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments under the Fund:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;
- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/ shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach, take all necessary steps and actions to rectify the breach.

**Distribution Policy**

Income distribution is incidental.

### 3.3 APEX DANA ASLAH (ADA)

**Fund Category**

Mixed Asset (Islamic)

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To invest in stocks listed on the Bursa Malaysia Main Market and to allow the fund manager to invest in equity, up to 100% of the NAV of the Fund, subject to a minimum investment of 40% of the NAV, in stocks or fixed income instruments or any other form of investment instruments which provide regular payments of dividends or its equivalent and permitted by the Securities Commission, which comply with the Shariah principles.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

**Investment Policy and Strategy**

To invest in a diversified portfolio of Shariah-complaint debentures, equity and equity-related securities. The Fund may invest to a maximum of 100% of its NAV in equity and equity-related securities so as to maximise the returns of the Fund.

During adverse market conditions, the Fund will increase its investment in Trustee Stocks that have consecutive dividend payment records of at least 5 years, fixed income instruments that have RAM or MARC credit ratings of at least Double A, or money market instruments from licensed Financial Institutions. The Fund will not take positions that would be inconsistent with the Fund's principal strategy irrespective of the market conditions.

The Fund will hold a minimum investment of 40% of the NAV, in stocks or fixed income instruments or any other form of investment instruments which provide regular payments of dividends or its equivalent and permitted by the Securities Commission, which comply with Shariah principle. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

**Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are closely inter-connected and the interaction between asset allocation determination and stock selection is a strong one. Although the Manager takes into account the macroeconomic picture, its emphasis is on value investing.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

**Fixed Income Investments:**

In addition to the active management approach, the Manager also seeks to recognise and manage portfolio risks. This is borne out by the intention to have a well-diversified portfolio and focus on the credit quality of issues featured in the portfolios. The Manager would normally concentrate on good quality investment-grade bonds.



**Collective Investment Schemes:**

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

**Performance Benchmark**

Weighted average of:

- 60% of FBMS
- 40% of 12 months Maybank Berhad investment account rate

(Source: Bursa Malaysia and Maybank Berhad)

The ratios are used because the fund normally invest 60% of its NAV in Shariah-compliant equity and equity-related securities and a minimum investment of 40% of the NAV, in stocks or fixed income instruments which provide regular payments of dividend.

Assuming the FBMS gives a return of 10% during the year and the above Investment Account provides a rate of 3% per annum, the benchmark's return for the Fund would be 7.2% i.e.  $(60\% \times 10\%) + (40\% \times 3\%)$ .

To obtain more information on the combined benchmark, please contact our Customer Service Line : (603)-2095 9999.

***"The risk profile of the performance benchmark is not the same as the risk profile of the Fund"***

**Permitted Investments**

Unless otherwise prohibited by the relevant authorities or any relevant laws and provided always that there are no inconsistencies with its objective, the Fund will invest in the following: -

1. Shariah-compliant securities of Malaysian companies listed on Bursa Malaysia;
2. Shariah-compliant securities that are not traded in or under the rules in a stock market or stock exchange approved or an exempt stock market declared by the minister, but have been approved for such listing;
3. Treasury Bills and Government Investment Instruments;
4. Fixed and current Islamic deposits;
5. Shariah-compliant cagamas bonds and Shariah-compliant corporate bonds that are either bank guaranteed or carrying at least BBB rating by RAM or any other approved rating agency;
6. Units and shares of other Shariah-compliant collective investments schemes; and
7. Any other form of Shariah-compliant investments as may be agreed upon by the Manager and the Trustee from time to time and permitted by the relevant authorities.

**Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments under the Fund:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;

- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;
- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach, take all necessary steps and actions to rectify the breach.

### **Distribution Policy**

Subject to availability of distribution surplus and approval of the Trustee, the Fund may make annual distribution. The amount of income available for distribution, after deducting expenses incurred by the Fund, may fluctuate from year to year.

### 3.4 APEX DANA AL-SOFI-I (ADAS-I)

**Fund Category**

Equity (Islamic)

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To seek capital appreciation by investing in equity or equity-related securities which adhere to Shariah principles.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

**Investment Policy and Strategy**

To invest in a diversified portfolio of Shariah-compliant equity and equity-related securities. The Manager may at its absolute discretion, invest up to a maximum of 95% of the Fund's NAV in Shariah-compliant equity and equity-related securities so as to maximise the returns of the Fund. A minimum of 70% of its NAV is invested in Shariah-compliant equity and equity-related securities. The Fund is however required to hold liquid assets at a minimum of 5% of its NAV at all times.

As defensive consideration, the Manager will invest in a mix of Shariah-compliant equities, debentures and money market instruments depending on the short-term and long-term market outlook. The Fund shall be invested in permitted investments which are subject to the review of the Manager as it deems fit from time to time. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

**Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are inter-connected and the interaction between asset allocation determination and stock selection is a strong one. Although the Manager takes into account the macroeconomic picture, its emphasis is on value investing.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

**Fixed Income Investments:**

In addition to the active management approach, the Manager also seeks to recognise and manage portfolio risks. This is borne out by the intention to have a well-diversified portfolio and focus on the credit quality of issues featured in the portfolios. The Manager would normally concentrate on good quality investment-grade bonds.

**Collective Investment Schemes:**

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

**Derivative Investments:**

The investment of the Fund may consist of investment in futures contracts traded in a futures market of an exchange approved, or an exempt futures market declared under the CMSA 2007. Investment in futures contracts must be consistent with the objective of the Fund and in any futures contract, other than a futures option or an eligible exchange traded option, must be for hedging purposes only.

The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least “AA3” by RAM or its equivalent rating by MARC. The Manager will unwind the affected invested derivative instrument or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives are part of the underlying investment assets of the Fund.

**Warrant Investments:**

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed/instruments traded on local eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

**Performance Benchmark**

- FBMS

(Source: Bursa Malaysia)

***“The risk profile of the performance benchmark is not the same as the risk profile of the Fund”***

**Permitted Investments**

The permitted investments of the Fund include the following investments:

1. Securities of Malaysian companies listed on the Bursa Malaysia;
2. Units of unrelated property trust funds listed on the Bursa Malaysia;
3. Securities that are not traded in or under the rules in a stock market or stock exchange approved or an exempt stock market declared by the Ministry under the Securities Industry Act 1983, but have been approved for such listing and which are offered directly to the scheme by the issuer;
4. Treasury Bills, Bank Negara Malaysia Certificates, Government Investment Instruments;
5. Malaysian currency balances in hand, Malaysian currency deposits with commercial banks, finance companies and merchant banks and Bank Islam Malaysia Berhad including Negotiable Certificates of Deposit, Bankers Acceptance and placement of money at call with discount houses;
6. Cagamas bonds and corporate bonds that are either bank guaranteed or carrying at least BBB rating by RAM or any other approved rating agency;
7. Warrant, options and futures contracts;
8. Units and shares of other collective investments schemes; and
9. Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time.
10. All investments of the Fund must adhere to Shariah principles.

### **Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;
- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

### **Distribution Policy**

Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.

### 3.5 APEX DANA AL-FAIZ-I (ADAF-I)

**Fund Category**

Balanced (Islamic)

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To provide regular income over a short to medium term period and an opportunity for capital appreciation by investing in a diversified portfolio of Shariah-approved Malaysian money market instruments and other investments that may be permitted pursuant to the provisions of the Deed and relevant laws.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

**Investment Policy and Strategy**

To invest in a portfolio of Shariah-compliant debentures and equity securities. The Fund will normally have an exposure of 60% in Shariah-compliant equity and equity-related securities and 35% in Shariah-compliant debentures or Trustee Stocks. A minimum of 40% of its NAV is invested in Shariah-compliant equity and equity-related securities.

The asset allocation of the Fund for cash and equities will depend on the outlook of the market, whereby the exposure of the fund in equity and equity-related securities shall not be more than 95% of the Fund's NAV. The minimum level of the liquid assets to be held by the Fund at all times shall not be less than 5% of the Fund's NAV.

Any equity-related securities exposure (includes warrants and convertible loan stocks) in excess of 60% will be invested only in Trustees Stocks. In a declining equity market, the equity exposure may be reduced to a minimum of 20%. The Fund will invest in Trustee Stocks that have consecutive dividend payment records of at least 5 years, fixed income instruments that have RAM or MARC credit ratings of at least Double A, or money market instruments from licensed Financial Institutions. The Fund will not take positions that would be inconsistent with the Fund's principal strategy irrespective of the market conditions. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

**Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are inter-connected and the interaction between asset allocation determination and stock selection is a strong one. Although the Manager takes into account the macroeconomic picture, its emphasis is on value investing.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

The criteria used for choosing an equity investment are one of analysis and judgement. The Manager seeks companies that exhibit good earnings growth potential with attractive valuations as compared to other companies within the same sector.

The Manager generally adopts a quality filter process in the stock selection criteria using both internal and external financial analysis. On-site visits are conducted to obtain additional information. The stock selection criteria are, of course, subject to review as conditions warrant.

They basically highlight the following areas:

- Quality of earnings
- Growth potential
- Valuation
- Balance sheet strength
- Cash flow
- Quality and strength of management
- Product differentiation

The Manager will also be taking advantage of any special situations and mispricing opportunities that may exist in the marketplace. Such opportunities are generally short to medium-term inefficiencies that subsequently correct themselves in the longer-term.

The Manager also uses technical analysis as a timing instrument in the sale and purchase decisions but the Manager will not use such analysis as the sole criteria for choosing investments. The Manager is mindful of the diversification requirement within the portfolio in order to reduce the overall volatility and risk of the Fund.

***Fixed Income Investments:***

In addition to the active management approach, the Manager also seeks to recognise and manage portfolio risks. This is borne out by the intention to have a well-diversified portfolio and focus on the credit quality of issues featured in the portfolios. The Manager would normally concentrate on good quality investment-grade bonds.

***Collective Investment Schemes:***

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

***Derivative Investments:***

The investment of the Fund may consist of investment in futures contracts traded in a futures market of an exchange approved, or an exempt futures market declared under the CMSA 2007. Investment in futures contracts must be consistent with the objective of the Fund and in any futures contract, other than a futures option or an eligible exchange traded option, must be for hedging purposes only.

The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least "AA3" by RAM or its equivalent rating by MARC. The Manager will unwind the affected invested derivative instrument or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives are part of the underlying investment assets of the Fund.

**Warrant Investments:**

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed/instruments traded on local eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

**Performance Benchmark**

- FBMS
- 12-month Maybank Berhad Investment Account Rate  
(Source: Bursa Malaysia and Malayan Banking Berhad)

The benchmark shall be FBMS and 12-month Maybank Berhad Investment Account Rate because the portfolio will normally invest 50% of its NAV in Shariah-compliant equity and equity-related securities and 50% in Shariah-compliant debentures.

Assuming the FBMS gives a return of 10% during the year and the above Investment Account provides a rate of 3% per annum, the benchmark's return for the Fund would be 6.5% i.e.  $(50\% \times 10\%) + (50\% \times 3\%)$ .

*To obtain more information on the combined benchmark, please contact our Customer Service Line : (603)-2095 9999.*

***"The risk profile of the performance benchmark is not the same as the risk profile of the Fund"***

**Permitted Investments**

The permitted investments of the Fund include the following investments:

1. Shariah-compliant securities traded in or under the rules of an eligible market;
2. Foreign securities traded on foreign markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions;
3. Shariah-compliant unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant authority for such listing or quotation;
4. Units or shares in other collective investment schemes; and
5. Futures contract traded in a futures market of an exchange company approved, or an exempt futures market declared under the Act.
6. All investments of the Fund must adhere to Shariah principles.

**Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;



- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

#### **Distribution Policy**

Income distribution is incidental.

### 3.6 APEX DYNAMIC FUND (ADF)

**Fund Category**

Equity

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To seek capital appreciation by investing in equity and equity-related securities.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

**Investment Policy and Strategy**

To invest in a diversified portfolio of equity and equity-related securities. The Fund may at its absolute discretion, invests up to a maximum of 100% of its NAV in equity and equity-related securities so as to maximize the returns of the Fund. The minimum investment will be 70% of its NAV in equity and equity-related securities. The Fund may also invest up to 30% of the Fund's NAV in foreign equities and foreign equity related securities, whenever opportunities\* arise. The Fund will invest in securities listed on the stock exchanges of the Asia Pacific region excluding Japan with initial focus on Singapore, Indonesia, Thailand, the Philippines, Hong Kong SAR, Taiwan, Korea, Australia, China and India. The Fund will also seek to invest in securities listed on the stock exchanges of the United States of America (USA).

*\*Opportunities mean situations when the foreign markets and the targeted stocks fit into the investment criteria of our investment strategy. We will also evaluate the targeted foreign markets which have potential to grow and have economic stability.*

As a defensive consideration, the Fund will invest in a mix of equities, debentures and money market instruments depending on the short-term and long-term market outlook. The Fund shall invest in debt instruments which have remaining maturities of not more than 365 days. This will allow the Fund to be as flexible as possible when the need arises for a switch into equities investment. In order to maximize returns, the Manager has an absolute discretion to invest in accordance with asset allocation and principal investment strategy mentioned above. The Fund may also hold in cash and other forms of liquid assets at any time. Liquid assets may also be held in order to meet the Fund's day-to-day operational needs. The Manager, based on the history of redemptions and the Fund's day-to-day operational needs, will review the level of liquid assets held in the Fund. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

**Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are inter-connected and the interaction between asset allocation determination and stock selection is a strong one.

The Manager starts by adopting a systematic approach with the construction of a coherent economic model assembled from inputs of both internal and external research materials. The asset allocation process is driven primarily by major changes in economic outlook and government policies. The qualitative and quantitative factors are taken into account, which form the basis of its stock selection process.

**Fixed Income Investments:**

In addition to the active management approach, the Manager also seeks to recognise and manage portfolio risks. This is borne out by the intention to have a well-diversified portfolio and focus on the credit quality of issues featured in the portfolios. The Manager would normally concentrate on good quality investment-grade bonds.

**Collective Investment Schemes:**

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objective of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

**Derivative Investments:**

The investment of the Fund may consist of investment in futures contracts traded in a futures market of an exchange approved, or an exempt futures market declared under the CMSA 2007. Investment in futures contracts must be consistent with the objective of the Fund and in any futures contract, other than a futures option or an eligible exchange traded option, must be for hedging purposes only.

The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least "AA3" by RAM or its equivalent rating by MARC. Whereas, a foreign counterparty must have a credit rating of at least "A" as rated by S&P or its equivalent rating by another recognised global rating agency. The Manager will unwind the affected invested derivative instrument or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives are part of the underlying investment assets of the Fund.

**Warrant Investments:**

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed/instruments traded on local eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund and is subject to the conditions whereby the issuer of the securities must be incorporated in Malaysia.

**Performance Benchmark**

- 70% of FBM KLCI
- 30% of Maybank Berhad 1-year fixed deposit rate

*(Source: Bursa Malaysia Securities Berhad and Malayan Banking Berhad)*

The ratios are used because the Fund normally invests 70% of its NAV in equity and equity-related securities and 30% in money market instruments or fixed income instruments which provide regular payments of dividend. Assuming the FBM KLCI gives a return of 10% during the year and the Maybank Berhad fixed deposit rate provide 3% per annum, the benchmark's return for the Fund would be 7.9% i.e.  $(70\% \times 10\%) + (30\% \times 3\%)$ .

*To obtain more information on the combined benchmark, please contact our Customer Service Line : (603)-2095 9999.*

***"The risk profile of the performance benchmark is not the same as the risk profile of the Fund"***

### **Permitted Investments**

The permitted investments of the Fund include the following investments:

1. Securities of Malaysian companies listed on the Bursa Malaysia;
2. Units of unrelated real estate investment trusts listed on the Bursa Malaysia;
3. Securities that are not traded in or under the rules of an eligible market may include securities not listed or quoted on a stock exchange but have approved by the relevant regulatory authority for such listing or quotation and are offered directly to the fund by the issuer;
4. Treasury bills, Bank Negara Malaysia certificates, government investment instruments;
5. Malaysian currency balances in hand, Malaysian currency deposits with commercial banks, finance companies and merchant banks and Bank Islam Malaysia Berhad including negotiable certificates of deposit, bankers acceptance and placement of money at call with discount houses;
6. Cagamas bonds and corporate bonds that are either bank guaranteed or carrying at least BBB rating by RAM or any other approved rating agency;
7. Warrant, options and futures contracts;
8. Units and shares of other collective investments schemes;
9. Securities traded in a foreign market subject to the provisions of the Guidelines; and
10. Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time.

### **Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund's investment in unlisted securities must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;
- The value of the Fund's investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of a Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme;

- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

**Distribution Policy**

Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.

### 3.7 APEX DANA AL-KANZ (ADAK)

**Fund Category**

Money Market (Islamic)

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To seek capital preservation, a high level of liquidity and reasonable returns by investing in low risk Shariah-compliant instruments.

**Note: Any material change to the investment objective of the Fund would require Unit holders' approval**

**Investment Strategy and Policy**

To invest in a Shariah-compliant short-term money market instruments and short term fixed income securities. Typically, these instruments include deposits and securities that mature within 365 days or 1 year.

The Fund may at its absolute discretion, invests up to a maximum of 95% of its NAV in Shariah-compliant money market instruments and debentures with maturity period of not more than 365 days. The Fund will also invest up to 10% of its NAV in Shariah-compliant debentures with maturity period of not more than 732 days. The Fund will maintain a minimum of 5% of its NAV in liquid assets at all times.

When the interest rate outlook is positive, the Fund will invest more in the instruments with shorter maturity period. On the other hand, when the interest rate outlook is negative the Fund will invest more in the instruments with longer maturity period.

In selecting the money market instruments and short-term debt securities for investment, the fund manager will consider the issuer risk and liquidity risk. A thorough review of the issuer and its guarantors, if any, is undertaken before investing. The credit rating of the issuer shall be no lower than BBB as rated by RAM/MARC for long-term instruments and P3/MARC-3 as rated by RAM/MARC for short-term instruments.

In instances where the ratings are downgraded, the fund manager will reassess the associated risks and all relevant factors in protecting the value of the Fund before deciding to dispose of the debentures.

The Fund will be an excellent alternative for aggressive investors. For example, in a bearish equity market situation an investor may temporarily switch to the Fund in order to preserve capital. The Fund will also provide an opportunity for corporate investors to diversify their large cash holdings into liquid and capital-protected investments.

Therefore, in order to meet the investors' requirements, the fund manager will select instruments, which are low in credit risk while at the same time are high in liquidity.

**Collective Investment Schemes:**

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objectives of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities/instruments, class of securities/instruments, economic sector, market or geographic area.

### Performance Benchmark

- Malayan Banking Berhad Islamic Savings Rate

(Source: Malayan Banking Berhad's website at <http://www.Maybank2u.com.my>)

***"Investment in the Fund is not the same as placement in a deposit with a Financial Institution. There are risks involved and investors should rely on their own evaluation to assess the merits and risks when investing in the Fund. Please be aware that the risks profile of the Fund is different from the risk profile of the benchmark"***

### Permitted Investments

The permitted investments of the Fund include the following investments:

1. Fixed income securities listed on approved stock exchange(s);
2. Government Investment Issues (GII), Islamic Accepted Bills, Bank Negara Negotiable Notes, Cagamas Mudharabah Bonds and other Government Islamic Paper;
3. Malaysian currency balances in hand, Islamic fixed deposits and Islamic money market instruments with local commercial banks, finance companies, merchant banks, discount houses and Bank Islam Malaysia Berhad that includes negotiable certificates of deposits, bankers acceptance and placement of money at call with discount houses;
4. Unlisted real estate investment trust of a Malaysian issuer;
5. Collective investment schemes in the form of units/shares of other money market funds;
6. Futures contract subject to meeting necessary requirements set by the Securities Commission; and
7. Any other form of investments as approved by the SAC and/or Shariah committee and agreed upon by the Manager and the Trustee from time to time and permitted by the relevant authorities, where necessary.

### Investment Restrictions and Limits

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments:

- The value of the Fund's investments in permitted investments which have a remaining maturity period of not more than 365 days must not be less than 90% of the Fund's NAV;
- The value of the Fund's investments in permitted investments which have a remaining maturity period of not more than 365 days but fewer than 732 days must not exceed 10% of the Fund's NAV;
- The value of the Fund's investments in debentures and money market instruments issued by any single issuer must not exceed 20% of the Fund's NAV;
- The single issuer limit in debentures and money market instruments maybe increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal;
- The value of the Fund's placement in deposits with any single Financial Institutions must not exceed 20% of the Fund's NAV;
- The value of the Fund's investments in debentures and money market instruments issued by any group of companies must not exceed 30% of the Fund's NAV;
- The value of the Fund's investments in debentures must not exceed 20% of the securities issued by any single issuer;
- The value of the Fund's investments in money market instruments must not exceed 20% of the instruments issued by any single issuer;
- The value of the Fund's in collective investment schemes must not exceed 25% of the units/shares in any collective investment scheme;

- Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
- The Fund shall not borrow cash or assets (including the borrowing of securities) in connection with its activities.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

**Distribution Policy**

Income will be distributed on an annual basis and subject to availability of distribution surplus.



### 3.8 APEX ASIAN (EX JAPAN) FUND (AAEJF)

**Fund Category**

Equity

**Base currency of the Fund**

Ringgit Malaysia

**Investment Objective**

To achieve a steady income\* and some prospects for capital appreciation in the long term by investing primarily in Asian markets excluding Japan.

*\*Please note that this Fund does not provide income to Unit holders.*

**Note: Any material change to the investment objectives of the Fund would require Unit holder's approval.**

**Investment Policy and Strategy**

To invest in a diversified portfolio of equity and equity-related securities\*.

*\*Equity-related securities refer to Warrant, American Depositary Receipt (ADR), Global Depositary Receipt (GDR) and rights issue.*

To achieve the investment objective, 70% to 100% of the Fund's NAV will be invested in a diversified portfolio of equities and equity-related securities\* issued by companies listed in the Asian countries (excluding Japan). The Fund will also seek to invest in Asian companies whose securities are listed on stock exchanges outside of Asia.

*\*Equity-related securities refer to Warrant, American Depositary Receipt (ADR), Global Depositary Receipt (GDR) and rights issue.*

Selection criteria will be focusing on stocks which are undervalued as compared to its fair value and which have a potential for earning growth. The Fund will also invest in money market instruments depending on the short-term and long-term market outlook which upon maturity, the Fund will receive interest income. We adopt an active investment management approach that is not a 'frequent-trading' strategy", however the frequency of its trading strategy will very much determine by the prevailing market opportunities.

The Manager may take a temporary defensive position during adverse market conditions. In times of extreme market volatility and/ or when market valuation is at a level considered unsustainable, the Fund will judiciously scale back its equity exposure below its normal operating range of 70% to 100% of the Fund's NAV. During such times, the Manager will invest in investments which the Manager considers may better preserve the value of the Fund (for example, money market instruments) although not necessarily meeting entirely the growth objective of the Fund.

The Fund's asset allocation is:

- 70%-100% of the Fund's NAV in equity and equity-related securities\*
- 0%-30% of the Fund's NAV in money market instruments and liquid assets

*\*Equity-related securities refer to Warrant, American Depositary Receipt (ADR), Global Depositary Receipt (GDR) and rights issue.*

**Equity Investments:**

In managing the equity portfolios, the Manager adopts a combination of "top down" and "bottom up" investment techniques, recognising that these are not mutually exclusive processes. The disciplines governing these processes are inter-connected and the interaction between asset allocation

determination with minimum of 70% in equity and equity-related securities\* and stock selection is a strong one. Although the Manager takes into account the macroeconomic picture, its emphasis is on value investing.

*\*Equity-related securities refer to Warrant, American Depositary Receipt (ADR), Global Depositary Receipt (GDR) and rights issue.*

The Manager will seek out stocks that are undervalued relative to their fair value, in the expectation that their share prices will rise at some point to more accurately reflect their true worth.

The Manager will use financial analysis, on-site company visits, and their contact network in order to satisfy themselves as to the suitability of the potential equity investments including warrants. The Manager will also take advantage of any mispricing opportunities that may be presented to them in the market place. These opportunities generally represent short to medium-term (within 6 months to 3 years) inefficiencies in the market that may subsequently correct to a fair value over the longer term.

***Foreign Investments:***

The Fund will invest in securities listed on the stock exchanges of the Asia region excluding Japan with initial focus in ASEAN countries, Hong Kong SAR, China, Taiwan, Korea, and India. The Fund will also seek to invest in Asian companies whose securities are listed on stock exchanges outside of Asia.

The Manager will apply the same investment policy and strategy as investment in Malaysia for foreign securities. The Manager will only invest and focusing on stocks which are undervalued as compared to its fair value and which have potential for earning growth. The aforementioned stocks shall be included in our foreign stock universe (a list of approved stocks that can be invested by the Manager) after we have completed our in-house research for each individual stock and approved by the Head of Investment. In addition, the Manager will aim to invest in industries that are lowly correlated to the Malaysian market and niche industries that are not available in Malaysia.

***Collective Investment Schemes:***

The investment of the Fund in other collective investment schemes must be relevant and consistent with the objectives of the Fund. The investment must be particularly appropriate based on the target collective investment scheme's investment in a particular style, securities, economic sector, market or geographic area.

***Warrant Investments:***

The investment of the Fund may consist of warrants. The investment in warrants must carry the right in respect of a security listed and traded in eligible market, transferable, have a ready price or value and have adequate proof of title or ownership to allow proper custodial arrangement to be made. Investment in equity warrants will provide a leveraging impact on the Fund and the strategy employed is similar to that of equity investment as illustrated above.

***Derivative Investments:***

The investment of the Fund may consist of investment in futures contracts traded in a futures market of an exchange approved, or an exempt future market declared under the CMSA 2007. Investment in futures contracts must be consistent with the objective of the Fund and in any futures contract, other than a futures option or an eligible exchange traded option, must be for hedging purposes only.

The Fund will only invest in derivatives that are issued by counterparties with a strong credit rating. A Malaysian counterparty must have a credit rating of at least "AA3" by RAM or its equivalent rating by MARC. Whereas, a foreign counterparty must have a credit rating of at least "A" as rated by S&P or its equivalent rating by another recognised global rating agency. The Manager will unwind the affected invested derivative instrument or hold the derivative instrument to maturity if its period to maturity is less than six (6) months if the counterparty is downgraded below the abovementioned credit ratings. Unit

holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives are part of the underlying investment assets of the Fund.

**Unlisted Securities:**

The investment of the Fund may consist of securities that are not traded in or under the rules of an eligible market. The investment must be consistent with the objective of the Fund.

**Performance Benchmark**

- MSCI AC ASIA EX JAPAN (100%)

(Source: MSCI website at <http://www.msci.com>)

***“The risk profile of the Fund is not the same as the risk profile of the performance benchmark”***

**Permitted Investments**

The permitted investments of the Fund include the following investments:

1. Securities that are relevant and consistent with the Fund’s objective;
2. Securities traded on foreign markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions;
3. Securities and liquid assets in the Malaysia market;
4. Unlisted securities whether or not approved for listing and quotation under the rules of an eligible market, which are offered directly to the Fund by the issuer;
5. Government Investment Issues (GII), Islamic Accepted Bills, Bank Negara Negotiable Notes, Cagamas Mudharabah Bonds and other Government Islamic Papers;
6. Warrants, options and other equity securities;
7. Units or shares of other collective investments schemes;
8. Future Contracts excluding futures options and eligible exchange traded options;
9. May participate in lending of securities but subject to the Guidelines on Securities Borrowing and Lending (“Securities Lending”) and to be conducted through the holder of a dealer’s license under the CMSA 2007 approved to conduct securities lending if permitted by the SC and the relevant authorities;
10. Liquid assets such as cash, Islamic deposits with licensed institutions and/or other institutions license or approved to accept deposits, and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee; and
11. Any other form of investments as may be permitted by the SC for investment by unit trust funds from time to time.

**Investment Restrictions and Limits**

Subject to the Deed, the Act and the Guidelines, the following provisions shall govern the acquisition of investments:

- The investments of the Fund must be relevant and consistent with the objectives of the Fund;
- The value of the Fund’s investment in unlisted securities must not exceed 10% of the Fund’s NAV;
- The value of a Fund’s investments in ordinary shares issued by any single issuer must not exceed 10% of the fund’s NAV;
- The value of the Fund’s investment in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund’s NAV;
- The value of a Fund’s placement in deposits with any single institution must not exceed 20% of the Fund’s NAV;
- The value of a Fund’s OTC derivative transaction with any single counter-party must not exceed 10% of the Fund’s NAV;

- The value of a Fund's investments in structured products issued by a single counter-party must not exceed 15% of the Fund's NAV;
- The aggregate value of a Fund's investments in transferable securities, money market placements, deposits, OTC derivatives and structures products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of a Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV;
- The value of a Fund's investments in a transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issue. However, this limit does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund's investments in collective investment schemes must not exceed 25% of the units/ shares in any one collective investment scheme;
- The level of liquid assets for the Fund should, among others, give regard to the need for liquid assets to enable repurchase of Units and the objectives set out for the Fund and how the liquid assets may affect the proper and efficient management of the Fund. Liquid assets must be held in the form of cash, deposits with Financial Institutions and/or other institutions licensed or approved to accept deposits and any other instrument capable of being converted into cash within seven (7) days as may be approved by the Trustee;
- The Fund shall not borrow other assets (including the borrowing of securities) in connection with its activities; and
- The Fund may invest abroad based on the limits imposed by Bank Negara Malaysia and the foreign markets as approved by the SC.

The investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of the restrictions is permitted where the restrictions is breached due to an appreciation in value of the investments, or as a result of repurchase of Units or payment made from the Fund. The Manager should not make any further acquisitions to which the relevant limit is breached, and within reasonable period of not more than three months from the date of the breach; take all necessary steps and actions to rectify the breach.

#### **Distribution Policy**

Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.

### **3.9 ADDITIONAL INFORMATION RELATING TO SHARIAH-COMPLIANT FUNDS (ADA, ADAS-I, ADAF-I, AND ADAK)**

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#### **3.10 Shariah Approval Process**

The investment portfolio of all the Islamic funds must comprise securities which have been classified as Shariah compliant by the SAC.

#### **3.11 Shariah-Compliant Securities**

In classifying these securities, the SAC received input and support from the SC. The SC obtained information on the companies through, among others, annual reports and enquiries made to the companies. The SAC, through the SC, will continue to review the Shariah status of securities listed on Bursa Malaysia, on an annual basis, based on the latest available annual audited financial statements of the companies.

Reference for investment in local securities is based on the list of Shariah-compliant securities issued by the SAC twice yearly on the last Friday of May and November which is readily available at the SC's website. However, for initial public offering ("IPO") companies that have yet to be determined the Shariah status by the SAC, Shariah Committee will adopt the following analysis as a temporary measure in determining its Shariah status until the SAC releases the Shariah status of the respective companies.

#### **3.12 Rulings of the Shariah Approval Process**

The SAC adopts a two-tier quantitative approach, which applies the business activity benchmarks and the financial ratio benchmarks, in determining the Shariah status of the listed securities. Hence, the securities will be classified as Shariah-compliant if they are within the business activity benchmarks and the financial ratio benchmarks.

##### **Business activity benchmarks**

The contribution of Shariah non-compliant activities to the overall revenue and profit before taxation of the company will be computed and compared against the relevant business activity benchmarks as follows:

##### **a. The five-per cent benchmark**

The five-per cent benchmark is applicable to the following businesses/activities:

- ❖ conventional banking;
- ❖ conventional insurance;
- ❖ gambling;
- ❖ liquor and liquor-related activities;
- ❖ pork and pork-related activities;
- ❖ non-halal food and beverages;
- ❖ Shariah non-compliant entertainment;
- ❖ interest income from conventional accounts and instruments (including dividends from investment in Shariah non-compliant instruments and interest income awarded arising from a judgement by a court or arbitrator);
- ❖ tobacco and tobacco-related activities; and
- ❖ other activities deemed non-compliant according to Shariah.

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the overall revenue and profit before taxation of the company must be less than five per cent.

##### **b. The 20-per cent benchmark**

The 20-per cent benchmark is applicable to the following businesses/activities:

- ❖ hotel and resort operations;
- ❖ share trading;
- ❖ stockbroking business;
- ❖ rental received from Shariah non-compliant activities; and
- ❖ other activities deemed non-compliant according to Shariah.

For the above-mentioned businesses/activities, the contribution of Shariah non-compliant businesses/activities to the overall revenue and profit before taxation of the company must be less than 20 per cent.

#### Financial ratio benchmarks

For the financial ratio benchmarks, the SAC takes into account the following:

- (i) **Cash over total assets**  
Cash only includes cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments is excluded from the calculation.
- (ii) **Debt over total assets**  
Debt only includes interest-bearing debt whereas Islamic financing or sukuk is excluded from the calculation.

Each ratio, which is intended to measure riba and riba-based elements within a company's statements of financial position, must be less than 33 per cent. In addition to the above two-tier quantitative criteria, the SAC also takes into account the qualitative aspect which involves public perception or image of the company's activities from the perspective of Islamic teaching.

#### Special Purpose Acquisition Companies (SPACs)<sup>1</sup>

In classifying securities of SPACs, the SAC considers the following criteria:

- (i) The proposed business activity should be Shariah-compliant;
- (ii) The entire proceeds raised from the initial public offering should be placed in Islamic accounts; and
- (iii) In the event that the proceeds are invested, the entire investment should be Shariah-compliant.

Shariah-compliant securities include ordinary shares and warrants (issued by the companies themselves). This means that warrants are classified as Shariah-compliant securities provided the underlying shares are also Shariah-compliant. On the other hand, loan stocks and bonds are Shariah non-compliant securities unless they are structured based on the SAC's approved Shariah rulings, concepts and principles.

#### 3.13 Shariah Committee's Screening Process of the Investment

##### (i) "Shariah-compliant securities" which are subsequently considered "Shariah non-compliant"

These refer to securities which were earlier classified as Shariah-compliant but due to certain factors such as changes in the companies' business operations and financial positions, are subsequently reclassified as Shariah non-compliant.

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<sup>1</sup> SPAC is a special company formed to acquire businesses through acquisition or merger with other entities. SPAC is a publicly-traded shell company that raises funds through an initial public offering. The proceeds are placed with a trustee pending a qualifying acquisition.

In this regard, if on the date this updated list takes effect, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, investors who hold such securities must dispose them off. Any dividends received up to the date of the announcement and capital gains arising from the disposal of Shariah non-compliant securities on the date of the announcement can be kept by the investors. However, any dividends received and excess capital gain from the disposal of Shariah non-compliant securities after the date of the announcement should be channelled to baitulmal and/or charitable bodies.<sup>2</sup>

On the other hand, investors are allowed to hold their investment in the Shariah non-compliant securities if the market price of the said securities is below the investment cost. It is also permissible for the investors to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, they are advised to dispose of their holding.

In addition, during the holding period, investors are allowed to subscribe to:

- (a) any issue of new securities by a company whose Shariah non-compliant securities are held by the investors, for example rights issues, bonus issues, special issues and warrants (excluding securities whose nature is Shariah non-compliant e.g. loan stocks); and
- (b) Shariah-compliant securities of other companies offered by the company whose Shariah non-compliant securities are held by the investors, on condition that they expedite the disposal of the Shariah non-compliant securities.

#### **(ii) Shariah non-compliant securities**

The SAC advises investors who invest based on Shariah principles to dispose of any Shariah non-compliant securities which they presently hold, within a month of knowing the status of the securities. Any gain made in the form of capital gain or dividend received during or after the disposal of the securities has to be channelled to charitable bodies or *baitulmal*. The investor has a right to retain only the original investment cost.<sup>3</sup>

**Note : Original investment cost may include brokerage cost or other related transaction cost**

***The Shariah adviser confirms that the investment portfolio of the Funds will comprise instruments that have been classified as Shariah-compliant by the SAC of the SC or the SAC of BNM. For instruments that are not classified as Shariah-compliant by the SAC of the SC or the SAC of BNM, they will review and determine the Shariah status of the said instruments in accordance with the ruling issued by the Shariah adviser.***

<sup>2</sup> For Islamic funds such as Islamic unit trust funds, Islamic wholesale funds and others, the gain must be channelled to baitulmal and/or charitable bodies as advised by their Shariah adviser or the relevant fund managements' Shariah adviser.

<sup>3</sup> This guidance also applies to Islamic funds such as Islamic unit trust funds, Islamic wholesale funds and others. If the disposal of the Shariah non-compliant securities causes losses to the fund, the fund management company must bear the losses by ensuring the loss portion be restored and returned to the fund.

## 4.0 RISK FACTORS

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### 4.1 The Risks of Investing in Unit Trusts

Prior to making an investment, investors should consider the following risk factors in addition to the other information set out in this Master Prospectus.

### 4.2 General Risks

#### ***Country Risk***

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

#### ***Manager's Risk***

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

#### ***Risk of Non-Compliance***

Non-adherence with laws, rules, regulations, prescribed practices, internal policies and procedures may result in tarnished reputation, limited business opportunities and reduced expansion potential for the management company. Unit holders' investment goals may also be affected if the fund manager does not adhere to the investment mandate. Compliance unit of the management company, which oversees the entire compliance matters of the management company, will mitigate such risk.

#### ***Loan Financing Risk***

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

#### ***Returns Are Not Guaranteed Risk***

There is no guarantee on the investment returns to unit holders. Unlike fixed deposits which carry a specific rate of return, the fund does not provide a fixed rate of return.

#### ***Inflation Risk***

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

#### ***Liquidity Risk***

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

#### ***Future Contract Risk***

A future is similar to an option, except that with futures, investors must exercise their right to purchase the underlying financial instrument or commodity at the settlement date. Hence, the downside risk is



basically unlimited because investors are obligated to fulfill their end of the transaction regardless of how market prices move. A futures contract is an agreement to transact at a later date. Because of this, it is important to sell the contract before the settlement date. That way, investors can avoid having a truckload of commodities delivered to their doorstep on the day of the settlement.

***Credit and Default Risk***

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

**4.3 Specific Risks for Funds investing in equities and equity-related securities**

***Market Risk (AMGT, AQF, ADA, ADAS-I, ADAF-I, ADF, AAEJF)***

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

***Particular Stock Risk (AMGT, AQF, ADA, ADAS-I, ADAF-I, ADF, AAEJF)***

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.

***Warrant Risk (AMGT, AQF, ADAS-I, ADAF-I, ADF, AAEJF)***

Warrants have a limited life, as denoted by the expiry date of each issue. After this date, warrants can no longer be traded or exercised. Hence, the warrants are worthless after their expiry date. It must also be noted that warrants experience time decay (erosion of their time value) throughout their life, and that the rate of this decay accelerates as warrants near expiry.

***Negative Return Risk (AMGT, AQF, ADA, ADAS-I, ADAF-I, ADF, AAEJF)***

The Fund will generate a negative return whenever the stock market is bearish. To minimize the negative return, the fund manager will reduce the exposure of equity investment in the Fund.

***Reclassification of Shariah Status Risk (ADA, ADAS-I, ADAF-I, ADAK)***

This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the SAC, the Shariah adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such equities. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities.

***Dividend Payment Risk (AQF, ADA, ADAF-I, AAEJF)***

Dividend stocks may declare less-than-expected dividend payment. This may happen due to an unfavorable business condition. In this regard, the fund manager will dispose the dividend stocks if the dividend payments are no longer deemed attractive.

***Currency Risk (AMGT, AAEJF, ADF)***

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments

are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors 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.

**Country Risk (AMGT, AAEJF, ADF)**

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

**Derivative Risk (AQF, ADAS-I, ADAF-I, ADF, AAEJF)**

While the Fund does not intend to actively trade in derivatives, the Manager may enter into forward contracts to hedge the Fund's positions. Unit holders should be aware that there is a risk of higher volatility in the NAV per Unit of the Fund when derivatives or structured products are part of the Fund's investment assets. Any change in the aforesaid factors would either positively or negatively impact the value of the investment.

**4.4 Specific Risks for Funds investing in fixed income securities**

**Interest Rate Risk (AQF, ADA, ADAF-I, ADAK)**

Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments. When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. The reverse may apply when interest rates fall. In order to mitigate interest rate risk, the Manager will need to manage the debt portfolio taking into account the coupon rate and time to maturity of the debt instruments.

**Credit Risk (AQF, ADA, ADAF-I, ADAK)**

Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit rating downgrade.

**Risk Management Strategies**

The risk management strategies undertaken by the Manager include but are not limited to the following:

- Monitoring and evaluating the market and economic the market and economic conditions of the local market;
- Adhering to the Funds' investment objective, investment strategies and restrictions as stated in the Master Prospectus, Deed and/or Guidelines;
- Determining and monitoring effective diversification of Shariah-compliant securities across sectors and companies;
- Employing and active asset allocation strategy depending on the equity market conditions and rebalancing the portfolio should the need arise;
- Practice prudent liquidity management to ensure that the Fund maintains reasonable levels of liquidity to meet ant redemption request;
- Monitoring and diversifying the Funds' portfolio of sukuk in the form of, but not limited to, the issuers and sectors, the tenure of the sukuk and the credit rating of sukuk to reduce any concentration risk;
- Regular review of the Funds' performance; and
- Escalating and reporting investment matters to the Investment Committee.

## 5.0 CHARGES, FEES AND EXPENSES

There may be direct and indirect fees and charges, which may be incurred as cost of investing in unit trust. When subscribing the Units, there may be sales charge incurred and for redeeming the Units, there may be redemption charge incurred. Investors when investing in unit trust fund may also indirectly incur fees and expenses such as management fees and trustee fees. Hence, investors are advised to consider the fees and charges before investing in the Fund.

### Charges Directly Incurred

#### 5.1 Sales of Unit

The sales charge of each Fund is as follows:

Fund	Sales Charge
AMGT	5.2632% of the NAV per Unit
AQF	No sales charge
ADA	No sales charge
ADAS-I	5.2632% of the NAV per Unit
ADAF-I	5.2632% of the NAV per Unit
ADF	5.2632% of the NAV per Unit
ADAK	No sales charge
AAEJF	5.2632% of the NAV per Unit

*The above sales charges are negotiable*

A sales Charge will be imposed on the purchase of Units of a Fund and is deducted upfront from the purchase amount and the net amount will be invested into a Fund.

The computation is based on the NAV per Unit of the Fund.

Investors investing under the EPF Members' Investment Scheme will be levied a service charge of up to 3% of the NAV per Unit, as regulated by EPF.

An illustration for calculating the sales charge for the Fund with the assumption that a 7.0% charge is being imposed is as follows:

#### 1. Investment Amount

The computation of the sales charge is as follows:

Amount invested	10,000.00
Rate of Sales Charge	
Add: Sales Charge	700.00
<b>Amount to be paid by the investors</b>	<b>10,700.00</b>

## 2. Allotment of Units

Henceforth, Units credited to the investors' investment account are (expressed in 4 decimal places)

$$\text{Amount Invested} = \text{RM10,000} = \frac{\text{RM10,000}}{\text{RM0.5000}} = 20,000 \text{ Units}$$

$$\text{NAV per Unit} = \text{RM0.5000}$$

Therefore, based on the above illustration, the sales charge per Unit of the Fund is at RM700.00 and the Unit entitled to the investors for allotment is 20,000.00.

## 5.2 Redemption of Unit

The redemption charge for each Fund is as follows:

Fund	Redemption Charge
AMGT	Nil
AQF	Nil
ADA	Nil
ADAS-I	Nil
ADAF-I	Nil
ADF	Nil
ADAK	Nil
AAEJF	Nil

The redemption charge will be added to the NAV in deriving the total amount to be paid to the investors. The computation is based on the NAV per Unit of the Fund that has not been rounded up.

An illustration for calculating the redemption charge for the Fund without any charge is being imposed is as follows:

### 1. Amount Redeemed

The computation of the amount to be redeemed is as below:

$$\begin{aligned} \text{Redemption Proceeds} &= \text{Units Redeemed} \times \text{NAV per Unit} \\ &= 20,000 \text{ Units} \times \text{RM0.5000} \\ &= \text{RM10,000} \end{aligned}$$

### 2. Redemption Entitlement

The computation of the redemption entitlement is as follows:

Redemption Proceeds	RM10,000.00
Rate of Redemption Charge	0%
Less: Redemption Charge	RM0.00
<b>Total amount to be paid to Unit holders</b>	<u>RM10,000.00</u>

Therefore, based on the above illustration, the redemption entitlement is RM10,000.00.

### 5.3 Switching Fee

You may switch out of the Fund into another fund managed by the Manager. Units will be redeemed at the buying price, and invested into the new fund at the NAV.

Three free switches per account are allowed in each calendar year. Subsequent switches will be charged a 1% of redemption moneys for administrative purpose.

### 5.4 Transfer Fee

A fee of RM 5.00 will be charged for each transfer.

*Note: With effect from 1 April 2015, a Unit Holder or the Fund (as the case may be) shall pay a GST at the rate of 6% which may be imposed by the relevant authority in respect of any fees, charges or expenses payable by virtue of the Deed for the respective Fund.*

*Investors should be aware that such fees, charges and expenses referred to or quoted in this Master Prospectus and the Deed are referred to or quoted as being exclusive of GST.*

### Fees Indirectly Incurred

#### 5.5 Management Fee

For managing the Funds, the Manager is entitled to annual management fee. This fee is paid out of the Fund and is based on the NAV (before deducting the management fee and trustee fee) of the Fund calculated and accrued on a daily basis and is payable to the Manager on a monthly basis. The annual management fee for each Fund is as follow:

Fund	Management Fee
AMGT	1.50% (p.a. of the NAV)
AQF	1.50% (p.a. of the NAV)
ADA	1.95% (p.a. of the NAV)
ADAS-I	1.50% (p.a. of the NAV)
ADAF-I	1.50% (p.a. of the NAV)
ADF	1.50% (p.a. of the NAV)
ADAK	0.20% (p.a. of the NAV)
AAEJF	1.50% (p.a. of the NAV)

An illustration for calculating the management fee for the Fund is as follows:

NAV (before deducting the management fee and trustee fee)	RM100,000,000.00
Total Number of Days	365
Annual Management Fee Rate	1.5%
Accrued Management Fee, calculated on daily basis	$(RM100,000,000.00 \times 1.5\%) / 365$ = RM4,109.59

Therefore, based on the above illustration, the accrued management fee on a daily basis is RM4,109.59.

### 5.6 Trustee Fee

For performing its function as Trustee to the Fund, Trustee is entitled to an annual fee (inclusive of custodial fee) which is paid out of the Fund and is based on the NAV (before deducting the management fee and trustee fee) of the Fund calculated and accrued on a daily basis and is payable to the Trustee on a monthly basis.

The annual trustee fee for each Fund is as follows:

Fund	Trustee Fee
AMGT	0.05% (p.a. of the NAV)
AQF	0.05% (p.a. of the NAV)
ADA	0.10% (p.a. of the NAV)
ADAS-I	0.05% (p.a. of the NAV)
ADAF-I	0.05% (p.a. of the NAV)
ADF	0.05% (p.a. of the NAV)
ADAK	0.05% (p.a. of the NAV)
AAEJF	0.05% (p.a. of the NAV)

**Note:** 1. The fees and charges quoted herein are exclusive of government tax & duties.

2. Fees are subject to a minimum Trustee Fee of RM16,000.00 per annum for all the funds (**except ADA**) listed above.

An illustration for calculating the trustee fee for the Fund is as follows:

NAV (before deducting the management fee and trustee fee)	RM100,000,000.00
Total Number of Days	365
Annual Trustee Fee Rate	0.05%
Accrued Trustee Fee, calculated on daily basis	$(RM100,000,000.00 \times 0.05\%) / 365$ = RM136.99

Therefore, based on the above illustration, the accrued trustee fee on a daily basis is RM136.99.

### 5.7 Fund Expenses

In administering the Fund, only direct fees or costs incurred will be paid out of the Fund. These include the following:

- commissions/fees paid to brokers in effecting dealings in the investments of the Funds, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Funds by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor appointed for the Funds;
- costs, fees and expenses incurred for the valuation of any investment of the Funds by independent valuers for the benefit of the Funds;

- (e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (f) costs, fees and expenses incurred for any meeting of the Unit holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Funds;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Funds;
- (i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Funds;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Funds;
- (k) costs, fees and expenses incurred in the termination of the Funds or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Funds or any asset of the Funds, including proceedings against the Trustee or the Manager by the other for the benefit of the Funds (save to the extent that legal costs incurred for the defense of either of them are not ordered by the court to be reimbursed by the Funds);
- (m) remuneration and out of pocket expenses of the independent members of the investment committee of the Funds, unless the Manager decides otherwise; and
- (n) costs, fees and expenses deemed by the Manager and the Trustee to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; and
- (o) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians.

***Note: The above fees and charges are exclusive of GST payable by a unit holder or the fund (as the case may be)***

#### **5.8 Policy on Stock Broking Rebates and Soft Commissions**

The manager will retain soft commissions received from stockbrokers, provided they are of demonstrable benefit to the Unit holders and in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments. The soft commissions may take the form of goods and services such as data and quotation services, computer software and investment related publications such as Bloomberg etc. which are incidental to the management of the fund. Rebates, if any, will be directed to the account of the fund.

***Past performance of the Fund is not an indication of its future performance.***

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

## 6.0 TRANSACTION INFORMATION

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### 6.1 Valuation of Assets of the Funds

The manager will ensure that all the assets of the Fund will be valued in accordance with the Guidelines.

#### Listed Securities and warrants

For securities listed on any exchange, the valuation basis will be based on the market price of the securities i.e. prices at the end of a trading day. Accordingly, investments in listed securities that are quoted on the Bursa Malaysia will be valued as at 5.00 p.m. or such time as may be specified by the SC. In the case of newly subscribed issues e.g. rights and warrants that have not yet been traded, valuation shall be at cost. However, if the valuation based on the market price does not represent the fair value of the securities, as such in abnormal market condition, or there is no market price available for valuation, including in the event of a suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the trustee, then the securities should be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

Where the value of an asset of the Fund is denominated in a foreign currency (if any), the assets are translated daily to Ringgit Malaysia using the bid foreign exchange rate quoted by either Reuters or Bloomberg, at United Kingdom time 4.00 p.m. on the same day.

#### Fixed income securities

For Listed fixed income securities the valuation will be based on the last traded prices quoted on an exchange.

#### Unlisted fixed Income Securities

For the instrument of unlisted fixed Income Securities denominated in Ringgit Malaysia (RM), the valuation basis will be based on the price quoted by the BPA registered with SC. Where the Manager is of view that the price quoted by the BPA for a specific fixed Income Securities differs from the "market price" by more than 20 basis points, the Manager may use the "market price" provided that the Manager must records its basis for using a non-BPA price, obtains necessary internal approval to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the "market yield".

#### Unlisted foreign currency fixed Income Securities

The valuation basis will be as at fair value by reference to the average indicative yield/price quoted by three independent and reputable institutions.

#### Cash, Fixed Deposits & Money market instruments

Cash, Fixed Deposits and Money market instruments placed with financial institutions are valued by reference to the principal value of such investments and the interests accrued thereon for the relevant period.

#### Unlisted collective investment schemes

The valuation basis will be based as at last published net asset value per unit for that collective investment scheme.

#### Suspended securities

For suspended securities, the valuation will be based on suspended price or last available quoted price. Unless there is conclusive evidence to indicate that the value of such shares has gone below the suspended price or the last available quoted price, whereupon their value will then be ascertained in a manner as agreed upon by the Manager and Trustee.



**Any other instruments**

For any other type of investment instrument others than mentioned above, the valuation basis will be as at fair value as determined in good faith by the Manager on methods or bases which have been verified by the auditor of the Funds and approved by the Trustee.

**For investment in futures contracts**

Will be marked-to-market based on price quoted on a daily basis at the end of the trading day.

**6.2 Valuation Point of the Funds**

Valuation point is the point in time on a Business Day, the Manager may decide, at which the NAV of the Fund is calculated.

If the Fund only has exposure to investments in Malaysia, the Fund shall be valued at 5.00 pm on every Business Day ("T" day). However, if the Fund has exposure to investments outside of Malaysia, the Fund shall be valued at next Business Day ("T+1") before 5.00pm. The daily price of the Fund for a Business Day will not be published in the newspaper on the next day but will instead be published the next following business day (i.e. the price will be two (2) days old).

If the foreign market in which the Fund is invested therein is closed for business, the Manager will value the investment based on the latest available price as at the day the foreign market was last opened for business.

The Manager adopts the single pricing policy with service charge and redemption charge (if any) to price the Units in relation to investments and redemption of Units. Hence, the purchase of Units and the redemption of Units will be carried out at a single price (i.e. NAV per Unit) whereby the service charge and redemption charge (if any) will be calculated separately based on Unit holders invested amount / redemption amount. The daily NAV per Units is valued at the next valuation point (i.e. the close of the Business Day) on forward price basis.

**6.3 Unit Pricing**

The pricing of Unit is based on the NAV of the Fund. The NAV of the Fund is based on a forward price basis, which means that it is calculated at the end of the close of a relevant Business Day.

**6.4 Policy on Rounding Adjustment**

The NAV per unit and units created for the Fund is rounded to four (4) decimal points. Redemption proceeds, fees and charges are rounded to two (2) decimal points.

**6.5 Incorrect Pricing Policy**

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

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

Unless the Trustee otherwise directs, there will be no reimbursement if the error is below 0.5% of the NAV per Unit and where the total impact on an individual account is less than RM10 in absolute amount as the reprocessing costs may be greater than the amount of the adjustment.

### 6.6 Determination of the Net Asset Value per Unit

The NAV per Unit of the Fund on any day is determined by dividing the value of the Fund's assets less its liabilities, (i.e. NAV), by the number of Units in issue and fully paid for that day.

$$\text{NAV per Unit} = \frac{\text{Assets-Liabilities}}{\text{Units in circulation on a given day}}$$

An illustration of calculation of NAV per Unit is as follows:

	<b>Assets</b>	<b>RM</b>
	Securities Investment	90,000,000
Add:	Money Market Instruments	8,000,000
Add:	Other Assets	5,000,000
(Less) Tax	Liabilities	(3,000,000)
Invoice/ Confirma tion Advice Slip:		
	<b>Net Asset Value</b>	<b><u>100,000,000</u></b>

Hence, NAV per Unit, if Units in issue are 200,000,000 Units

$$\begin{aligned} &= \text{NAV of the Fund} \div \text{Units in Issue} \\ &= \text{RM}100,000,000 \div 200,000,000 \text{ Units} \\ &= \text{RM}0.5000 \text{ (rounded to four decimal points)} \end{aligned}$$

### Calculation of Selling Price

The selling price is the NAV per Unit of the Funds respectively. Any sales charge payable by Unit Holder would be calculated as a percentage of the selling price per Unit of the Fund.

For illustration purpose, we assume the following:

#### 1. Investment Amount

The computation of the sales charge is as follows:

Amount invested	10,000.00
Rate of Sales Charge	
Add: Sales Charge	<u>700.00</u>
<b>Amount to be paid by the investors</b>	<b><u>10,700.00</u></b>

#### 2. Allotment of Units

Henceforth, Units credited to the investors' investment account are (expressed in 4 decimal places):

$$\begin{aligned} \text{Amount Invested} &= \text{RM}10,000 = \frac{\text{RM}10,000}{\text{RM}0.5000} = 20,000 \text{ Units} \\ \text{NAV per Unit} &= \text{RM}0.5000 \end{aligned}$$

Therefore, based on the above illustration, the sales charge per Unit of the Fund is at RM700.00 and the Unit entitled to the investors for allotment is 20,000.00.

**Calculation of Buying Price**

The buying price is the NAV per Unit of the Funds respectively. For illustration purpose, we assume the following:

Redemption Units	RM20,000.00
Rate of Redemption Charge	0%
Less: Redemption Charge	RM0.00
NAV per Unit	RM0.50
<b>Total amount to be paid to Unit holders</b>	<b>RM10,000.00</b>

Therefore, based on the above illustration, the redemption entitlement is RM10,000.00.

**6.7 The MasterAccount & QuickForm System**

Investors are required to open a *MasterAccount* when they make an initial investment with the Manager. The details provided by investors on their *MasterAccount Application Form* will be entered into the Manager's records and will form the basis of all future transactions regarding the Fund and any other funds launched by the Manager. When a *MasterAccount* is established, a *Confirmation of MasterAccount Details* will be automatically generated and sent to the investor. To change any *MasterAccount* details held by the Manager, the investor should complete and return to the Manager *MasterAccount Amendment Form* or simply notify the Manager in writing of the changes required. Any amendment to an investor's *MasterAccount* details will require the signature of all authorised Unit holders named in the account. For cheque or bank draft payment, Units will only be issued upon clearance.

Once a *MasterAccount* has been activated, Unit holders wishing to buy, sell, switch or transfer could simply complete the appropriate *QuickForm*. Please see "How to Make Application to Buy, Sell, Switch and Transfer" on page 54-55 for further details.

**6.8 Application & Acceptance**

For applications received or deemed to have been received by the Manager before 4.00 p.m. any Business Day, Units will be issued at the selling price and redeemed at the redemption price based on the NAV of the Fund calculated at the end of the Business Day upon which the applications were received (i.e. "Forward Pricing"). Applications received after 4.00 p.m. will be treated for the next Business Day. The number of Units received will be rounded to the four (4) decimal places. For a money market fund, application should be received by the Manager before 10 a.m. on any Business Day.

The Manager reserves the right to reject any application that is not completed in full and/or not accompanied by the required documents.

**For EPF Investment Schemes**

For applications received or deemed to have been received by the Manager before 12 p.m. on any Business Day, Units will be issued at the selling price and redeemed at the redemption price based on the NAV of the Fund calculated at the end of the Business Day upon which the applications were received (i.e. "Forward Pricing"). Units will only be issued at the selling price based on the NAV of the Fund calculated at the end of Business Day upon payments from EPF or other official confirmations from EPF on the approval of such payments were received by the Manager. The number of Units received will be rounded to the four (4) decimal places. Applications received after 12 p.m. will be treated for the next Business Day.

The Manager reserves the right to reject any application that is not completed in full and/or not accompanied by the required documents.

### 6.9 Sale and Purchase of Units

All applications for buying and selling of Units and any other requests should be sent directly to either one of the following offices:

<b>Business Office:</b> <b>Apex Investment Services Berhad</b> <b>3rd Floor, Menara MBSB,</b> <b>46, Jalan Dungun,</b> <b>Damansara Heights</b> <b>50490 Kuala Lumpur.</b> <b>Tel : (603) 2095 9999</b> <b>Fax : (603) 2095 0693</b> <b>E-mail : <a href="mailto:enquiry@apexis.com.my">enquiry@apexis.com.my</a></b>	<b>Head Office:</b> <b>Apex Investment Services Berhad</b> <b>Suite 7.02, 7<sup>th</sup> Floor, Menara Apex,</b> <b>Off Jalan Semenyih, Bukit Mewah,</b> <b>43000 Kajang</b> <b>Selangor Darul Ehsan.</b> <b>Tel : (603) 8736 1118</b> <b>Fax : (603) 8737 7924</b> <b>E-mail : <a href="mailto:enquiry@apexis.com.my">enquiry@apexis.com.my</a></b>
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Alternatively, investors can purchase Units of the Funds with any of our appointed consultants who have registered with the "FIMM" and issued with FIMM authorisation cards.

### 6.10 Cooling-Off Period

The cooling off period is applicable to all first-time individual investors except for a staff of the Manager and persons registered with a body approved by the SC to deal in unit trusts.

The cooling off right must be exercised within six (6) Business Days commencing from the date of receipt of the application for Units by the Manager. The refund for every Unit held by the investor pursuant to exercising his cooling off right shall be the sum of the NAV per Unit on the day the Units were first purchased and sales charge per Unit originally imposed on the day the Units were purchased.

Switching is strictly prohibited during cooling off period.

### 6.11 Switching

To switch, simply complete the Quick Form and clearly state the Units of a Fund to be converted for the Units of another Fund managed by the Manager.

The minimum amount for the switch is 1,000 Units. The switching of Units will be valued at the NAV per Unit that would be ascertained at the end of the Business Day on which the application is accepted.

Three free switches per account are allowed in each calendar year. Subsequent switches will be charged a 1% of redemption moneys for administrative purpose. Five (5) working days are required to process each switch. Therefore, the following switching will only be permitted after five (5) working days.

### 6.12 Transfer of Units

Units in the Fund are transferable. Investors are required to fill up the Form of Transfer. Transfer fee is RM5 for each transfer. Transfer requests, however must comprise of at least 1,000 units each.

### 6.13 Information Search

The Unit holders/investors may obtain the latest information on FBM KLCI and other important news on FBM KLCI through major local newspapers e.g. The Star, our website at [www.apexequity.com.my](http://www.apexequity.com.my) and the BURSA website.

## 6.14 Transaction Details

Application to	Minimum Amount	Documents Required	What you will receive
Make Initial Investment	<p>Cash &amp; EPF –</p> <p>- RM2, 000</p> <p>Cash (for AQF) -RM250,000</p> <p>Monthly Regular Savings Plan - RM500 (Cash only)</p>	<p><b>If you do not already have a MasterAccount:</b></p> <ul style="list-style-type: none"> <li>✓ Duly completed and signed MasterAccount Application Form and Quick Form</li> </ul> <p><i>For Individual Account:</i></p> <ul style="list-style-type: none"> <li>✓ legible photocopy of identity card or passport (for foreigner) of Principal Applicant and identity card/birth certificate/passport (for foreigner) of Joint Applicant</li> </ul> <p><i>For Non-Individual Account:</i></p> <ul style="list-style-type: none"> <li>✓ certified true copy of a Board Resolution, List of Authorised Signatories, Memorandum &amp; Articles of Association, Form 8 or Form 9 or Form 13 if applicable, Form 24, Form 44 and Form 49</li> <li>✓ Completed KWSP 9N (AHL) Form and KWSP Investment Declaration, if it is EPF Investment</li> <li>✓ Duly completed FIMM Pre-Investment Form</li> <li>✓ Duly completed and signed Suitability Assessment Form</li> <li>✓ Duly completed and signed FATCA Form (Foreign Account Tax Compliance Act)</li> <li>✓ Proof of payment (refer to 'Payment Method')</li> </ul>	<p>Confirmation of MasterAccount Details</p> <p>Tax Invoice – Buy</p>
Make Initial Investment	<p>Cash &amp; EPF –</p> <p>- RM2, 000</p> <p>Cash (for AQF) -RM250,000</p> <p>Monthly Regular Savings Plan - RM500 (Cash only)</p>	<p><b>If you already have a MasterAccount:</b></p> <ul style="list-style-type: none"> <li>✓ Completed and signed Quick Form</li> <li>✓ OR written instructions clearly stating your MasterAccount number, the Fund's name, and the amount to be invested</li> <li>✓ Completed KWSP 9N (AHL) Form and KWSP Investment Declaration, if it is EPF Investment</li> <li>✓ Proof of payment (refer to 'Payment Method')</li> </ul>	<p>Tax Invoice – Buy</p>

Make Additional Investments	Cash – RM500  EPF - RM1,000  Monthly Regular Savings Plan – RM200 (Cash only)	<b>Cash Investment:</b> <ul style="list-style-type: none"> <li>✓ Completed and signed QuickForm</li> <li>✓ OR written instructions clearly stating your MasterAccount number, the Fund's name, and the amount to be invested</li> <li>✓ Proof of payment (refer to 'Payment Method')</li> </ul> <b>EPF Investment:</b> <ul style="list-style-type: none"> <li>✓ Completed QuickForm</li> <li>✓ Completed KWSP 9N (AHL) Form</li> <li>✓ KWSP Investment Declaration</li> <li>✓ Photocopy of Identity Card with original thumb print</li> <li>✓ Monthly Regular Savings Plan – not applicable</li> </ul>	Tax Invoice – Buy
Sell	There is no minimum redemption requirement*	<ul style="list-style-type: none"> <li>✓ Completed and signed QuickForm</li> <li>✓ OR written instructions clearly stating your MasterAccount number, the Fund's name, the value or units to be sold and settlement instructions</li> </ul>	Tax Invoice – Sell Payment Advice
Switch	1, 000 Units	<ul style="list-style-type: none"> <li>✓ Completed and signed QuickForm</li> <li>✓ OR written instructions clearly stating your MasterAccount number, the Fund's names, the value or units to be switched</li> </ul>	Tax Invoice – Switch
Transfer	1,000 Units	<ul style="list-style-type: none"> <li>✓ Complete and sign Form of Transfer with payment of RM5 for each transfer</li> <li>✓ Clearly state the Fund's name, units to be transferred and name of Transferor and Transferee**</li> </ul>	Transfer Advice & Tax Invoice

*\*In the case of a partial sale, instructions will be carried out only if the minimum holdings (1,000 Units or such other lower amount as the Manager may determine from time to time) remain in the Fund. If the number of Units of the remaining investment is below the minimum requirement, all Units in the Fund held by the Unit holders will be redeemed automatically.*

*\*\*We reserve the right to accept or refuse to register a transfer if the transferee does not have direct relationship with the investor, such as immediate family.*

#### 6.15 Income Distribution & Reinvestment Policy

Name of Fund	Income Distribution Policy
AMGT, AQF, ADAS-I, ADAF-I, ADF and AAEJF	Distribution is at the discretion of the Manager. If income distributed, it will be automatically re-invested via issuance of additional Units in the Fund.
ADAK	Income will be distributed on an annual basis and subject to availability of distribution surplus.
ADA	Subject to availability of distribution surplus and approval of the Trustee, the Fund may make annual distribution. The amount of income available for

	distribution, after deducting expenses incurred by the Fund, may fluctuate from year to year.
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Generally, in the absence of express instructions, income for the Funds will be automatically reinvested into additional Units of the Funds based on the NAV per Unit on income payment date. Unit holders who wish to realise any income can do so by redeeming Units held in the Fund.

For reinvestment into additional units, no sales charge will be imposed.

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

#### 6.16 Unclaimed Income Distribution Policy

Unit holders who instruct that income distributed is to be paid out instead of being reinvested would receive the income in the form of cheque payment. If the cheques are not cleared within six months from the date of issue, the Manager will automatically reinvest the income into additional Units of the Fund on behalf of the Unit holder based on NAV per Unit at the end of the expiry date.

#### 6.17 Unclaimed Monies Policy

Monies payable to a Unit holder (other than unclaimed distribution) remain unclaimed for the last twelve (12) months or such period as prescribed under the Unclaimed Moneys Act will be paid to Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter all claims need to be made to the Registrar of Unclaimed Money.

#### 6.18 Payment Method

##### ➤ Cheques / Bank Drafts

Cheques and bank drafts must be drawn on a bank located in RM, crossed and made payable to “Apex Investment Services Berhad - Clients Trust Account” and attached to the application. Post-dated cheques will not be accepted. Any charges arising due to returned cheque from the investor will be borne by the investor.

##### ➤ Telegraphic Transfer

Telegraphic transfers should be remitted in RM to the bank account stated below. A copy of the receipt from the forwarding bank must be sent together with the application. Please note that any bank charges and /or other fees levied by the remitting bank for undertaking a telegraphic transfer shall be borne by the investor.

Account Name: *Apex Investment Services Berhad - Clients Trust Account*

Bank details:

Maybank Islamic Berhad 100 Jalan Tun Perak Kuala Lumpur.
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Account No: 5640-1662-7254
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##### ➤ Direct Deposit

Cash and cheque can be deposited directly into the bank account at any branch of Maybank Islamic Berhad, using the account numbers stated above. However, for cash deposit, additional information will be required from the investor by the Manager to ensure compliance with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.

A copy of the pay-in slip must be sent together with investor's application, either by fax or post. Any incomplete pay-in slip will not be executed. Please note that the instruction to purchase Units will be executed on the date on which the completed documents are received or deemed received by the Manager. If there is no notification of deposit payment, application will be rejected and we shall hold such amount until claimed.

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

## **6.19 Client Services**

### **Communications**

#### ***Tax Invoice/ Confirmation advice Slip***

Each time Units are bought or sold, a Tax Invoice/ Confirmation Advice Slip confirming full details of the transaction will be sent by ordinary post, normally within 14 days of the transaction Date.

#### ***Statement***

Statements of the Funds' will be sent to all Unit holders. The statement includes the following:

i. ***Portfolio Holding:***

It summarises the current Unit holding on the last Business Day of that financial year.

ii. ***Transactions Completed During the Period:***

It provides a detailed description of all transactions that have been completed during the statement period.

iii. ***Financial Reports:***

The audited annual financial reports will be sent to Unit holders within two months of the financial year-end. In addition, the unaudited interim financial report will be sent to Unit holders within two months of the end of the interim period the Fund cover.

## **Other Services**

#### ***Publication of Prices***

The NAV per Unit of the Funds are sent to the Federation of Investment Managers Malaysia (FIMM) for published daily in major local newspapers on the following day. However, if the investments of the Fund are in foreign markets, the daily price of the Fund for a Business Day will not be published in the newspaper on the next day but will instead be published the next following day (i.e. the price will be two (2) days old).

Fund performance rankings as evaluated by independent performance measurement firms are available in certain financial publications.

While the Manager will ensure the accuracy and the availability of the prices to the press for publication, the Manager, however, will not be held liable for any error or omission in prices finally published in the press as this is beyond the Manager's realm of control. In the event of any conflict between the prices published by the press and the prices quoted by the Manager, the Manager's quotes shall prevail.

Unit holders/Investors may also obtain the latest information on FBM KLCI and other important news on FBM KLCI through major local newspapers e.g. The Star, our website at [www.apexequity.com.my](http://www.apexequity.com.my) and the BURSA website.

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



## 7.0 SALIENT TERMS OF THE DEEDS

### 7.1 Unit Holders' Rights

Unit holders have the right to the following, subject to the provisions of the relevant Deeds:

- To receive distribution of the Funds (if any);
- To participate in any increase in the NAV of the Units and to enjoy other rights and privileges as set out in the respective Deeds;
- To call for Unit holders' meeting, and to vote for the removal of the Trustee or Manager through an extraordinary resolution;
- To exercise cooling-off right;
- To receive annual and interim reports; and
- To exercise such other rights and privileges as are provided for in the respective Deeds.

### 7.2 Unit Holders' Liabilities

#### **AQF, ADA, ADAS-I, ADF, ADAK & AAEJF**

No Unit holder is require transferring to him/her any of the investments or assets of the Fund or entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of the investments or assets of the Fund.

The Unit holders have no right by any reason to attend any meeting of shareholders, stockholders or debenture holders or to vote or take part or to give consent to any company or shareholders', stockholders' or debenture holders' action.

The Unit holders shall not be liable for any amount in excess of the purchase price paid for the Units as determined pursuant to relevant Deeds at the time when the Units were purchased and any charges payable were made in the relation of provisions from relevant Deeds or in the relationship between the Manager, the Trustee and the Unit holders.

Unit holders are not obligated to indemnify the Trustee or the Manager in the event that the liabilities incurred by the Trustee and the Manager in the name of or on behalf of the Funds pursuant to or in the performance of the provisions of the relevant Deeds exceed the value of the assets of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Funds.

### 7.3 Maximum Fees and Charges Permitted by the Fund

Fund	Management Fee	Trustee Fee	Service Charge	Repurchase Charge
<b>AMGT</b>	2.0% of NAV (before deducting the management fee and trustee fee) p.a.	0.50% of NAV (before deducting the management fee and trustee fee) p.a.	5.0% of the subscription amount	0.5% of the NAV per Unit
<b>AQF</b>	2.0% of NAV (before deducting the management fee and trustee fee) p.a.	0.20% of NAV (before deducting the management fee and trustee fee) p.a.	10.0% of the NAV per Unit	5.0% of the NAV per Unit
<b>ADA</b>	2.0% of NAV (before deducting the	0.20% of NAV (before deducting the management fee and trustee fee) p.a.	5.0% of the subscription amount	Nil

Fund	Management Fee	Trustee Fee	Service Charge	Repurchase Charge
	management fee and trustee fee) p.a.			
<b>ADAS-I</b>	2.0% of NAV (before deducting the management fee and trustee fee) p.a.	0.20% of NAV of the Fund (before deducting the management fee and trustee fee for the relevant day), subject to a minimum of RM18,000 p.a.	10.0% of the NAV per Unit	10.0% of the NAV per Unit
<b>ADAF-I</b>	1.5% of NAV (before deducting the management fee and trustee fee) p.a.	0.20% of NAV of the Fund (before deducting the management fee and trustee fee) p.a.	5.0% of the selling price.	Nil
<b>ADF</b>	2.0% of NAV (before deducting the management fee and trustee fee) p.a.	0.20% of NAV of the Fund (before deducting the management fee and trustee fee for the relevant day), subject to a minimum of RM18,000 p.a.	10.0% of the NAV per Unit	5.0% of the NAV per Unit
<b>ADAK</b>	2.0% of NAV (before deducting the management fee and trustee fee) p.a.	0.2% of NAV of the Fund (before deducting the management fee and trustee fee for the relevant day), subject to a minimum of RM18,000 p.a.	5.0% of the NAV per Unit	5.0% of the NAV per Unit
<b>AAEF</b>	1.85% of NAV (before deducting the management fee and trustee fee) p.a.	1.00% of NAV of the Fund (before deducting the management fee and trustee fee for the relevant day), subject to a minimum of RM18,000 p.a. (excluding foreign custodian fee and charges).	7.0% of the NAV per Unit	3.0% of the NAV per Unit

A lower fee and/or charges than what is stated in the Deeds may be charged, all current fees and charges are disclosed in this Master Prospectus. Any increase of the fees and/or charges above the stated in the current Master Prospectus may be made provided that a supplemental prospectus is issued and the maximum stated in the Deeds shall not be breached. Any increase of the fees and/or charges above the maximum stated in the Deeds shall require Unit holders' approval.

#### 7.4 Other Expenses of the Fund

Only the expenses, which are directly related and necessary to the business of the Funds, may be charged to the Funds.

The expenses directly incurred by and charged to the Funds includes but are not limited to the list of expenses as per disclosed in this Master Prospectus (refer to Section 5.0 for Fees and Charges) and other expenses directly or indirectly related to the Fund (refer to section 5.7 for Fund Expenses).

Expenses associated with the management and administration of the Funds, such as general overheads and cost for services expected to be provided by the Manager shall not be charged to the Funds.

Expenses relating to the issue of this Master Prospectus may not be charged to the Funds, where the Manager imposes a Sales Charge. Accordingly, the Manager has borne all cost relating to the issuance of this Master Prospectus.

## **7.5 Termination of the Fund**

### **AMGT**

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

- If the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of the assets of the Manager and not discharged within 60 days;
- If in the opinion of the Trustee the Manager is incapable of performing or in fact fails to perform its duties satisfactorily or does any other thing which in the opinion of the Trustee is calculated to bring the Fund into disrepute or to be harmful to the interests of the Unit holders, provided that if the Manager shall be dissatisfied with such opinion the matter shall be referred to the Chairman of the SC or some person appointed by him for determination and his determination shall be final and bind the Trustee and the Manager;
- If within such time as the Trustee considers to be reasonable after the removal of the Manager pursuant to any provision of the Deed the Trustee is unable to find a qualified corporation acceptable to the Trustee to act as the new manager; or
- If any law is passed which renders it illegal to continue the Fund.

### **AQF, ADA, ADAS-I, ADF, ADAK & AAEJF**

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

- If the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- If, in the opinion of the Trustee, the Manager has ceased to carry on business;
- If, in the opinion of the Trustee, the Manager has to the prejudice of Unit holders failed to comply with the provisions of the Deeds or contravened any of the provisions of any relevant law; or
- A special resolution is passed at a Unit holders' meeting to terminate or wind up the Fund and the court has confirmed the resolution.

### **ADAF-I**

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

- If within such time as the Trustee considers to be reasonable after the removal of the Manager pursuant to any provision of the Deed the Trustee is unable to find a qualified corporation acceptable to the Trustee to act as the new manager; or
- If any law is passed which renders it illegal to continue the Fund.

## **7.6 Unit Holders' Meeting**

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

### **Unit holders' meeting convened by Unit holders**

#### **AQF, ADAS-I, ADF, ADAK & AAEJF**

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving an application from not less than fifty (50) or one-tenth (1/10) of all the Unit holders, whichever is less, summon a meeting of the Unit holders by:

- Sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all Unit holders; and

- Publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

#### **ADA**

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving an application from not less than fifty (50) or one-tenth (1/10) of all the Unit holders, whichever is less, summon a meeting of the Unit holders by:

- Sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all Unit holders;
- Publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities; and
- Specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

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

- Requiring the retirement or removal of the Manager;
- Requiring the retirement or removal of the Trustee;
- Considering the most recent financial statement of the Fund; or
- Giving to the Trustee such directions as the meeting thinks proper.

Provided always that the Manager shall not be obliged to summon such a meeting unless application has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit holders, whichever is the lesser number.

#### **Unit holders' Meeting convened by Trustee**

##### **AMGT & ADAF-I**

The Trustee may summon a meeting for the purpose of:

- The Manager is in liquidation;
- In the opinion of the Trustee, the Manager has ceased to carry on business; or
- In the opinion of the Trustee, the Manager has, to the prejudice of Unit holders, failed to comply with the Deeds or contravened any of the SC requirements.

In the above, the Trustee may summoned a Unit Holder Meeting by sending notice by post and publishing an advertisement to giving notice of the meeting in national language newspaper published daily and circulating generally throughout Malaysia, and in one other newspaper as may be approved by the SC at least twenty-one (21) days before the date of the proposed meeting.

##### **AQF, ADAS-I, ADF, ADAK & AAEJF**

The Trustee may summon a meeting for the purpose of:

- The Manager is in liquidation;
- In the opinion of the Trustee, the Manager has ceased to carry on business; or
- In the opinion of the Trustee, the Manager has, to the prejudice of Unit holders, failed to comply with the Deeds or contravened any of the provisions of the Act.

In the above, the Trustee may summoned a Unit Holder's Meeting by sending notice by post to the last known address of the Unit holders and publishing an advertisement to giving notice of the meeting in national language newspaper published daily and another newspaper approved by the relevant authorities at least twenty-one (21) days before the date of the proposed meeting.

The Trustee may summoned a Unit Holders Meeting for the purpose of authorising the exercise of the right to vote by the Manager and/or Trustee in respect of any shares forming part of the investments of the Funds, which are held by the Manager and/or Trustee at any election for the appointment of any Director of a corporation whose shares are so held.

For such purpose, the meeting may be summoned by the Trustee by sending notice by post at least seven (7) days before the date of the proposed meeting and publishing an advertisement to giving notice of the proposed meeting in national language newspaper published daily at least fourteen (14) days before the date of the proposed meeting.

**ADA**

Applies the same requirement as AQF, ADAS-I, ADF, ADAK & AAJBF, however, the Trustee may summoned a Unit holders Meeting for the purpose of authorising the exercise of the right to vote by the Manager and/or Trustee in respect of any shares forming part of the investments of the Funds, which are held by the Manager and/or Trustee at any election for the appointment of any Director of a corporation whose shares are so held.

For such purpose, the meeting may be summoned by the Trustee by sending notice by post at least fourteen (14) days before the date of meeting and specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

**Unit holders' Meeting Convened by the Manager**

**AMGT & ADAF-I**

The Manager must, within twenty-one (21) days after an application is delivered to the Manager being an application by not less than fifty (50) or one tenth (1/10) in number, whichever is less, of the Unit holders, summons a Unit holders' meeting by: -

- Sending notice by post of the proposed meeting at least seven (7) days before the proposed meeting to each Unit holder;
- By publishing at least fourteen (14) days before the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and circulating generally throughout Malaysia, and in one other newspaper as may be approved by the SC.

**AQF, ADAS-I, ADF, ADAK & AAJBF**

The Manager may for any purpose whatsoever summon a meeting of the Unit holders by sending by post at least fourteen (14) days before the date of the proposed meeting, or as such other time as may be prescribed by the relevant laws, a notice of the proposed meeting to all the Unit holders.

**ADA**

The Manager may for any purpose whatsoever summon a meeting of the Unit holders by giving at least fourteen (14) days written notice of the meeting to Unit holders and specifying in the notice the place and time of the of the meeting and terms of the resolutions to be proposed at the meeting.

**Quorum Required for Convening a Unit Holders' Meeting**

**AMGT**

At any meeting, any two (2) or more Unit holders present in person or by proxy and registered as holding in aggregate not less than one-tenth (1/10) of the Units for the time being in issue shall form a quorum for the transaction of business except for the purpose of passing in extraordinary resolution. The quorum for passing extraordinary resolution shall be any two (2) or more Unit holders present in person or by proxy and registered as holding in aggregate not less than one-quarter of the Units for the time being in issue. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

**AQF**

The quorum required for a meeting of the Unit holders shall be five (5) Unit holders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unit holders convened for the purpose of removing the Manager and/or the Trustee shall be ten (10) Unit holders, whether present in person or by proxy, who must hold the aggregate at least fifty per centum (50%) of the Units in circulation at the time of the meeting. Where the Fund has less than five (5) Unit holders, the quorum required for a meeting of the Unit holders of the Fund shall be any number of Unit holders, whether present in person or by proxy.

**ADA**

The quorum required for a meeting of the Unit holders shall be five (5) Unit holders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unit holders convened for the purpose of voting on a special resolution shall be five (5) Unit holders, whether present in person or by proxy, who must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting and provided further that if the Fund has five (5) or less Unit holders, the quorum required for a meeting of the Fund shall be two (2) Unit holders, whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a special resolution, the Unit holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting.

**ADAS-I, ADF & ADAK**

The quorum required for a meeting of the Unit holders shall be five (5) Unit holders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unit holders convened for the purpose of removing the Manager and/or the Trustee shall be at ten (10) Unit holders, whether present in person or by proxy, who must hold in aggregate at least fifty per centum (50%) of the Units in circulation at the time of the meeting.

**ADAF-I**

At any meeting, any five (5) or more Unit holders present in person or by proxy. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

**AAEJF**

Applies the same quorum requirement as ADAS-I, ADF & ADAK, however, if the fund has five (5) or less Unit holders, the quorum required for a meeting of the Unit holders of the Fund shall be two (2) Unit holders, whether present in person or by proxy; if the meeting has been convened for the purpose of removing the Manager and/or the Trustee, the Unit holders present in person or by proxy must hold in aggregate at least fifty per centum (50%) of the Units in circulation at the time of the meeting.

**7.7 Retirement, Removal or Replacement of the Manager**

**AMGT**

Subject to the Act and the Deed, circumstances that may lead towards the retirement, removal or replacement of the Manager as stated in the Deed are as follows:

- If the Manager is in breach of its obligation under the Deed;
- If the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets and is not discharged within 60 days;
- If for good and sufficient reason the Trustee is of opinion and so states in writing to the Manager that a change of Manager is desirable in the interests of the Unit holders, provided that if the Manager shall be dissatisfied with such opinion the matter shall be referred to the Chairman of the SC or some person appointed by him for determination and his determination shall be final and bind the Manager and the Trustee; or
- If the Unit holder or Unit holders who is or between them are registered as holding in aggregate 75% or more of the Units then in issue (other than those held or deemed to be held by the Manager) delivers or deliver to the Trustee in writing a request that the Manager should retire.

**AQF, ADA, ADAS-I & ADF**

Subject to the Act and the respective Deeds, circumstances that may lead towards the retirement, removal or replacement of the Manager as stated in the respective Deeds are as follows:

- If the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit holders for it to do so after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit holders by way of a special resolution;
- Unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws; or
- The Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business.

And the Manager shall not accept any extra payment or benefit in relation to such removal.

Subject to the approval of the relevant authorities, the Manager shall retire in favor of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' notice in writing of its desire so to do, or such lesser time as the Manager and the Trustee may agree upon.

**ADAF-I**

Subject to the Act and the Deed, circumstances that may lead towards the retirement, removal or replacement of the Manager as stated in the Deed are as follows:

- If the Manager is in breach of its obligation under the Deed;
- If the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets and is not discharged within 60 days;
- If for good and sufficient reason the Trustee is of opinion and so states in writing to the Manager that a change of Manager is desirable in the interests of the Unit holders, provided that if the Manager shall be dissatisfied with such opinion the matter shall be referred to the 3<sup>rd</sup> party acceptable to the Manager and Trustee for arbitration;
- If the Unit holder or Unit holders who is or between them are registered as holding in aggregate 75% or more of the Units then in issue (other than those held or deemed to be held by the Manager) delivers or deliver to the Trustee in writing a request that the Manager should retire.

**ADAK & AAEJF**

Subject to the Act and the respective Deeds, circumstances that may lead towards the retirement, removal or replacement of the Manager as stated in the respective Deeds are as follows:

- If the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit holders for it to do so after the Trustee has given notice of that opinion and the reasons for that opinion, and has considered any representation made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit holders by way of a special resolution;
- Unless expressly directed otherwise by the relevant authorities, if the Manager is in breach of any of its obligations or duties under the Deed or the relevant laws, or has ceased to be eligible to be a management company under the relevant laws;
- The Manager goes into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;

And the Manager shall not accept any extra payment or benefit in relation to such removal.

Subject to the approval of the relevant authorities, the Manager shall retire in favor of some other corporation and as necessary under any relevant law upon giving to the Trustee twelve (12) months' notice in writing of its desire so to do, or such lesser time as the Manager and the Trustee may agree upon.

**7.8 Retirement, Removal or Replacement of Trustee**

**AMGT & ADAF-I**

The Manager may at any time and from time to time remove the Trustee by giving to the Trustee not less than three (3) months' notice of the date on which the manager requires the Trustee to cease acting as such, provided that notwithstanding the giving or the terms of such notice the Trustee shall not cease to act as such unless and until the Manager shall by deed supplemental hereto have appointed a qualified corporation to be the Trustee in place of the removed Trustee.

**ADA**

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire so to do, or such shorter period as the Manager and the Trustee shall agree and may by a deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

**AQF, ADAS-I, ADF, ADAK & AAEJF**

Applies the same requirement as ADA, however, the Trustee may be removed and another trustee may be appointed by special resolution of the Unit holders at a duly convened meeting of which notice has been given to the Unit holders in accordance with the Deeds.



## 8.0 THE MANAGEMENT COMPANY

### 8.1 General Information

Apex Investment Services Berhad, was incorporated on 21 February 1997 under the Companies Act, 1965 and has been in operations since the date of its incorporation. The Manager has an authorised capital of RM25 million comprising 25 million, ordinary shares while its issued and paid-up capital is RM23.5 million, comprising 23.5 million ordinary shares.

The Manager sets the investment objectives of the Funds under management and is also responsible for the administration and promotion of the Funds. The Manager manages eight (8) funds namely the Apex Malaysia Growth Trust, Apex Quantum Fund, Apex Dana Aslah, Apex Dana Al-Faiz-I, Apex Dana Al-Sofi-I, Apex Dynamic Fund, Apex Dana Al-Kanz and Apex Asian (Ex Japan) Fund.

For more information on the management company, please visit our website at [www.apexequity.com.my](http://www.apexequity.com.my)

### 8.2 Roles and Functions of the Manager

The Manager is responsible for the day-to-day management and administration of the Fund in accordance with the provisions of the Deed. The main duties performed by the Manager include:

- ✿ Arranging the sale and repurchase of Units;
- ✿ Keeping proper records of the Fund and reporting to Unit holders;
- ✿ Valuing the investments; and
- ✿ Promotion of the Fund.

The Manager's compliance unit will ensure compliance standards are adhered to always. The compliance officer reports to the Board of Directors of the Manager.

### 8.3 Board of Directors

#### Roles and Functions of the Board of Directors

The Board of Directors of the Manager is responsible for overseeing the activities of the Manager. Board meetings are held formally every three months, or more frequently if required.

### 8.4 Members of the Board of Directors

Name	Designation (Independent/ Non-Independent)	Appointment Date
Clement Chew Kuan Hock	Executive and Non-Independent Director	08 Dec 2014
Tan Keah Huat	Executive and Non-Independent Director	03 May 2001
Wong Fay Lee	Non-Independent and Non-Executive Director	08 Dec 2014
Y.M. Dato' Tunku Ahmad Zahir bin Tunku Ibrahim	Non-Executive and Independent Director	21 Feb 1997
Azran bin Osman Rani	Non-Executive and Independent Director	12 Jan 2015

## 8.5 Investment Committee

### Roles and Responsibilities:

The investment committee is responsible for formulating, implementing and monitoring the investment management policies of the Funds in accordance with its objectives and the provisions of the respective Deed. Investment committee meetings are held formally every month, or more frequently if required.

The main functions of the investment committee are:

- To select appropriate strategies to achieve the proper performance of the Funds in line with its investment objectives;
- To ensure that strategies are implemented properly and efficiently by the Manager and any delegate thereof;
- To actively monitor, measure and evaluate the investment management performance of the Manager and any delegate; and
- To ensure that the investment management of the Funds complies with the provisions of its respective Deed, the Act, the Guidelines, securities law and internal investment restrictions and policies.

### Members of Investment Committee:

The investment committee members are as follow:

**Y.M Dato' Tunku Ahmad Zahir bin Tunku Ibrahim** (Independent Member)

**Clement Chew Kuan Hock** (Non-Independent Member)

**Azran bin Osman Rani** (Independent Member)

### Remuneration for Independent Investment Committee Member

Subject to the provisions of the Deed, each independent investment committee member is entitled to remuneration as may be agreed from time to time by the Manager, payable out of the Fund in arrears.

## 8.6 Shariah Committee

The role of a Shariah committee is as follow:

- ✧ To ensure that the Fund is managed and administered in accordance with the Shariah principles;
- ✧ To provide expertise and guidance for the Fund in all matters relating to the Shariah principles, including on the Fund's deed and prospectus, its structure and investment, and other operational and administrative matters;
- ✧ To consult the SC who may consult the SAC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
- ✧ To comply and ensure that the Fund complies with any guideline, ruling or decision issued by the SC;
- ✧ To be responsible for scrutinizing the Fund's compliance report as provided by the compliance officer and transaction report provided by or duly approved by the trustee to ensure that the Fund's investments are in line with the Shariah principles; and
- ✧ To prepare a report to be included in the Fund's interim and annual report certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.

The Shariah committee meetings are held formally twice in a year, or more frequently if required to review on the Fund's asset.

### **8.7 Members of Shariah Committee**

The Board of Directors has appointed the Shariah committee members on 23 April 2003. The Shariah committee members are as follow:

#### **Prof. Madya Dr. Mohamad Sabri bin Haron**

##### ***Chairman and Independent Member***

Prof. Madya Dr. Mohamad Sabri bin Haron is a lecturer at the Pusat Citra Universiti, Universiti Kebangsaan Malaysia. He is also an Associate Senior Fellow at Institute of Malaysian and International Studies (IKMAS). He obtained a Diploma in Islamic Studies from Kolej Sultan Zainal Abidin in 1985 and Bachelor of Islamic Studies (al-Quran and al-Sunnah) from National University of Malaysia in 1988. He has completed his Master of Comparative Law at International Islamic University of Malaysia in 1993. He succeeded in obtaining his Ph.D. in Islamic Law (Fiqh and Usul Fiqh) in 1998 from University of Jordan. His specialization areas are in Islamic Economics and Islamic Civilization. He also has been seconded to the Securities Commission as the senior manager in Islamic Capital market starting from 1 June 2009 until 31 May 2010.

#### **Dr. Ab. Halim bin Muhammad**

##### ***Independent Member***

Dr. Ab Halim bin Muhammad graduated in 1972 with a Bachelor's Degree of Shariah from Al-Azhar University, Cairo Egypt and completed his studies in Ph. D. of Shariah at St. Andrew, Scotland University in 1977. He served as a lecturer and became the Head of Department of Quran & Sunnah, Faculty of Islamic Studies Universiti Kebangsaan Malaysia. Some of the subjects that he taught were Islamic Jurisprudence (Muamalat, Islamic Banking & Islamic Finance and Takaful), Principles of Islamic Jurisprudence and Islamic Criminal Laws. However, he has retired as a lecturer now. He used to be the first Chairman of Shariah Committee of BMMB prior to joining National Shariah Advisory Council of Bank Negara Malaysia in 2004. He was also a member of Shariah Committee of Securities Commission. He has been re-appointed as a member of the Bank's Shariah Committee since 30 November 2009.

#### **Mohd Fadhly bin Md. Yusoff**

##### ***Independent Member***

Encik Mohd Fadhly Md Yusoff ("Encik Mohd Fadhly") has more than 13 years of experience in Islamic Capital Market during his tenure as manager with Islamic capital market department of Securities Commission Malaysia from 1995 to 2008. During this period, he was involved in Shariah compliance supervision in relation to submissions for the issuances of sukuk, structured products, collective investment schemes and Islamic REITs. In addition, he has also undertaken in-depth research for the development of new Islamic capital market instruments as well as providing technical inputs for the preparation of various guidelines issued by Securities Commission Malaysia. Currently, Encik Mohd Fadhly also serves as a member of Shariah committee of RHB Islamic Bank Berhad, Bank Pembangunan Malaysia Berhad, Sun Life Malaysia Takaful Bhd and Opus Asset Management Sdn Bhd. He has actively participated in various industry development initiatives namely the International Organization of Securities Commission (IOSCO) Task Force on Islamic Capital Market, Islamic Financial Services Board's (IFSB) Governance of Islamic Investment Funds Working Group, technical member for the publication of Resolutions of the Securities Commission Shariah Advisory Council and Islamic capital market educational and/or promotional programs.

He obtained his Bachelor of Shariah (1st Class Honours) from University of Malaya, Malaysia in 1995.

## **8.8 Duties and Responsibilities of the Fund Managers**

AISB's fund managers are authorized to manage the Funds in accordance with the Funds' stated investment objective. This authority is subject to the requirements of this Master Prospectus, the respective Deeds, Guidelines and relevant laws, acceptable and efficacious business practice within the unit trust industry, the policies and internal controls in place of the Management Company. The fund managers will report to the investment committee of the Fund and will implement the investment strategies selected by this committee.

## **8.9 Key Personnel of the Investment Team**

### **Dzulkarnine Dato' Kazim** (Head of Fund Management)

Dzulkarnine began his career as a Corporate Executive with Malaysian Resources Corporation Berhad in the early 1990's. Later, he joined BBMB Securities Berhad (now known as ECM Libra Avenue) as an Investment Analyst for the telecommunication, power & media sectors. In 1999, he joined PNS Labuan Ltd, a fund management company as a Senior Investment Analyst and was later promoted to the position of Head of Investment. His last position was a Head of Investments & Operations at A-Bio Sdn Bhd, a government linked venture capital company focusing on biotechnology industry. He is the designated fund manager for AMGT, ADF, ADA, AQF, ADAF-I, ADAK, AAEJF and ADAS-I. Dzulkarnine holds a Bachelor of Science (Honors) degree in Accounting & Finance from the University of East London in the UK and a Master in Economics (Finance) from Beijing Technology and Business University, Beijing.

### **Gary Lim** (Regional Fund Manager)

Gary Lim has 20 years of experience in investments covering the Asia region. Prior to joining Apex Investment Services, he spent almost nine years at Absolute Asia Asset Management and four and a half years at Nomura Asset Management where he managed largely institutional money, both from American and European pensions. At Absolute Asia and Nomura, Gary has served in various research functions but largely with responsibilities for the North Asian Markets. At Absolute Asia, Gary was also involved in asset allocation while he was the Deputy Chairman of the Stock Selection Committee at Nomura. Prior to Nomura Asset Management, Gary was with OCBC Asset Management for five and a half years where he started off as an analyst covering the Asean markets before he progressed to become a fund manager with research responsibilities for North Asia. His previous experience includes working a year at Sun Hung Kai Securities as an investment analyst covering Singapore and Malaysia listed companies and two years with Neptune Orient Lines as a Corporate Planning Executive. He is also the designated fund manager for AAEJF, ADF and AMGT.

Gary graduated from The University of Michigan, Ann Arbor with a Bachelor in Business Administration degree majoring in Accounting & Finance. Gary is also a CFA® charterholder.

## **8.10 Material Litigation and Arbitration**

As at 30 April 2017, there is no current material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings, which might materially affect the business and/or financial position of the Manager.

Further information on the board of director's, investment committee, Shariah committee members and fund manager is provided in the Manager's website at [www.apexequity.com.my](http://www.apexequity.com.my)

## 9.0 THE TRUSTEE

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### 9.1 Maybank Trustees Berhad

#### Profile of Maybank Trustees Berhad

Maybank Trustees Berhad (5004-P) is the Trustee of the Fund with its registered office at 8th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

Maybank Trustees Berhad ("MTB") was incorporated on 12 April 1963 and registered as a Trust Company under the Trust Companies Act 1949 on 11 November 1963. It was one of the first local trust companies to provide trustee services with the objective of meeting the financial needs of both individual and corporate clients.

#### Experience in Trustee Business

Maybank Trustees Berhad has acquired experience in the administration of unit trust funds/ schemes since 1991.

#### Duties and Responsibilities of the Trustee

The Trustee's role is mainly to act as custodian of the Fund and to exercise all due diligence and vigilance in carrying out its functions and duties and to safeguard the rights and interests of the Unitholders. Apart from being the legal owner of the Fund's assets, the Trustee is responsible for ensuring that the Manager performs its obligations in accordance with the provisions of the Deed and the relevant laws.

#### Delegates of the Trustee

MTB has delegated its custodian function to Malayan Banking Berhad. The custodian function is run under Maybank Securities Services ("MSS"), a unit within Malayan Banking Berhad. Maybank Securities Services provides a comprehensive end to end clearing and custody services for global and domestic equities and fixed income securities. MSS provides a complete suite of corporate outsourcing solutions with a proven track record in servicing international institutional clients: Sub Custodian for major Foreign Banks and Global Custodians. MSS also provides Global custody services in more than 100 different markets via a special arrangement with their reputable partners.

The roles and duties of the trustee's delegate, MSS, are as follows:

- Safekeep, reconcile and maintain assets holdings records of funds against trustee's instructions;
- Act as settlement agent for shares and monies to counterparties against trustee's instructions;
- Act as agents for money market placement where applicable against trustee's instructions;
- Disseminate listed companies' announcements to and follow through for corporate actions instructions from trustee;
- Compile, prepare and submit holdings report to trustee and beneficial owners where relevant; and
- Other ad-hoc payments for work done for the funds against trustee's instructions, etc.

The custodian acts only in accordance with instructions from the Trustee.

#### Material Litigation and Arbitration

As at 10 March 2017, save for the suit(s) mentioned herein below, the Trustee is not engaged in any material litigation as plaintiff or defendant and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

Several holders of the bonds (“Bondholders”) issued by Aldwich Berhad [In Receivership] (“Aldwich”) have sued Aldwich for its failure to settle its indebtedness to the Bondholders following the default of the said bonds in 2010 and cited the Trustee as one of 6 co-defendants under Kuala Lumpur High Court Civil Suit No. D-22NCC-1622-11/2012 (“Aldwich Bondholders’ Suit”). The claim against the Trustee is for the sum of RM177,248,747.31 or any other sum that the Court deems fit. The other defendants are the holding company of Aldwich, the Chief Executive Officer of the holding company of Aldwich, the Security Agent and the Reporting Accountant. The Trustee does not admit liability to the Aldwich Bondholders’ Suit and has defended it. Trial has concluded. The High Court is yet to fix a date for delivery of its decision on the Aldwich Bondholders’ Suit after adjourning the earlier dates of 30 December 2016, 20 January 2017, 23 January 2017, 28 February 2017, 3 March 2017, 9 March 2017, 5 April 2017, 11 April 2017 and 20 April 2017. The Aldwich Bondholders’ Suit will not materially affect the business or financial position of the Trustee.

## **9.2 CIMB Commerce Trustee Berhad**

### **Corporate Information**

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

### **Experiences in Trustee Business**

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as Trustee to various unit trust funds, real estate investment trust fund, wholesale funds and private retirement schemes.

### **Trustee’s Delegate**

CIMB Commerce Trustee Berhad has delegated its custodian function to CIMB Bank Berhad (CIMB Bank). CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company in Bursa Malaysia. CIMB Bank provides full-fledged custodial services, typically clearing, settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries’ client base, both locally and overseas.

For the local Ringgit assets, they are held through its wholly owned nominee subsidiary “CIMB Group Nominees (Tempatan) Sdn Bhd”. For foreign non-Ringgit assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

### **Duties and Responsibilities of the Trustee**

The Trustee’s functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- a. Take into custody the investments of the Fund and hold the investments in trust for the Unitholders;
- b. Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, SC Guidelines and acceptable business practice within the unit trust industry;

- c. As soon as practicable, notify the Securities Commission of any irregularity or breach of the provisions of the Deed, SC Guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unitholders are not served;
- d. Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unitholders;
- e. Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed of the Fund, Prospectus, the SC Guidelines and securities law.; and
- f. Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

**Material Litigation and Arbitration**

As at 30 April 2017, CIMB Commerce Trustee Berhad 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 or any of its delegates.

## 10.0 RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST

Save as disclosed below, there are no existing or potential related party transaction involving the Funds, the Manager, the Trustee, promoters, vendors and/or persons connected to them. None of the directors and substantial shareholders of the Manager has any direct or indirect interest in other corporations carrying on a similar business as the Manager.

Name of Related Party and Nature of relationship	Existing / Potential Related Party Transaction
JF Apex Securities Bhd (JFAS)  JFAS owns 43% of the Manager	Delegate: JFAS is the Manager's delegate for its human resources and administration, internal audit, company secretarial, licensing & training and information technology functions.  Broker: JFAS provides broker services to the Funds.
Med-Bumikar MARA Sdn Bhd (MBM)  MBM owns 43% of the Manager	Interest in Advance: The Manager have interest in advance to MBM
Maybank Trustees Bhd (MTB)  <u>Delegate:</u> Malayan Banking Berhad Custody Services (Trustee's Delegate)  The MTB and its delegates are all under Malayan Banking Bhd (MBB)'s group.	Custodian: Malayan Banking Berhad (Custody Services) will be the custodian of the Funds' assets.
CIMB Commerce Trustee Berhad  <u>Delegate:</u> CIMB Bank Berhad	Custodian: CIMB Group Nominees (Tempatan) Sdn Bhd will be the custodian of the Funds' assets.

It is the Manager's policy that all transaction with any related parties are entered in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties and that dealings with the related parties are transacted at arm's length basis.

In due course, the Manager observes high standards of integrity and fair dealing in managing the Fund to the best and exclusive interest of the Unit holders and does not conduct transactions in any manner that will result in unnecessary cost or risk to the Funds. The Manager will also avoid any conflict of interest and if conflicts arise, the Manager will ensure that the Funds are not disadvantaged by the transaction concerned.

The Manager does not make improper use of its position in managing the Fund to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interests of Unit holders of the Funds. Where the directors or the investment committee members are involved, directly or indirectly, in any transaction, they are refrained from being involved in any decision-making process of the transaction.



The Manager's policy with respect of dealing with conflict of interest situation is to ensure that the Fund Manager and Investment Analysts of Manager are discouraged from dealing in securities on a personal basis and if they choose to deal in securities, prior approval must be obtained from the designated Director in any securities, on a trade-by-trade basis. At all times, dealing in securities by a staff of the Manager is subject to the Manager's Personal Account Dealing Rules.

All securities dealings by other employees, directors or their respective spouse and children of the Manager are to be disclosed by them to the Board of Directors and monitored by the compliance unit of the Manager on a quarterly basis or such other frequency as will be determined by the Manager.

The Manager had not been involved in activities that were in conflict of interest to the Unit holders while managing the existing Funds.

Meanwhile, the Trustees have in place sufficient policies and procedures to deal with any conflict of interest situations. The Trustees will not engage in any improper use of its position as the owner of the Fund's asset to gain, either directly or indirectly, take advantage or cause any detriment to the interest of the Unit holders. Any related party transaction is to be made on terms which are best available to the Funds and which are not less favorable to the Funds than an arms-length transaction between independent parties.

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

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

## **11.0 TAXATION ADVISER'S LETTER ON TAXATION OF THE UNIT TRUSTS AND UNIT HOLDERS**

25 May 2017

The Board of Directors  
Apex Investment Services Berhad  
6th Floor, Menara Apex  
Off Jalan Semenyih  
Bukit Mewah, 43000 Kajang  
Selangor Darul Ehsan

Dear Sirs,

### **TAXATION OF THE FOLLOWING UNIT TRUSTS AND UNIT HOLDERS**

- **APEX MALAYSIA GROWTH TRUST**
- **APEX QUANTUM FUND**
- **APEX DANA ASLAH**
- **APEX DYNAMIC FUND**
- **APEX DANA AL-SOFI-I**
- **APEX DANA AL-FAIZ-I**
- **APEX DANA AL-KANZ**
- **APEX ASIAN (EX JAPAN) FUND**

This letter has been prepared for inclusion in the Master Prospectus to be dated 1 July 2017 in connection with the offer of units in the following unit trusts viz, the Apex Malaysia Growth Trust, Apex Quantum Fund, Apex Dana Aslah, Apex Dynamic Fund, Apex Dana Al-Sofi-I, Apex Dana Al-Faiz-I, Apex Dana Al-Kanz and Apex Asian (Ex Japan) Fund [collectively known as "the Funds"].

The chargeability to tax of income derived by the Funds and of income distributed and received by the unit holders from the Funds is set forth in the ensuing paragraphs.

### **TAXABILITY OF INCOME OF THE FUNDS**

The Funds will be regarded as resident for Malaysian tax purposes since the Trustees of the Funds are resident in Malaysia.

The taxation of the Funds is governed by Sections 61 and 63B of the Malaysian Income Tax Act 1967 ("the Act").

#### **Taxation of Funds income**

The income of the Funds consisting of dividends, interests and other investment income which is accruing in or derived from Malaysia is charged to Malaysian income tax at the rate of 24% after deduction of allowable expenses.

For those Funds conducted in accordance with the principles of *Syariah*, any gains or profits received in lieu of interest will be accorded the same tax treatment as that of interest income pursuant to Section 2(7) of the Act.

Dividends, interests and other investment income or gains received by the Funds from overseas would be subject to tax in the respective country.

### **Non-taxable receipts**

Income which is specifically tax-exempt by statute is not subject to any tax. Hence, the Funds are not subject to income tax on the following receipts:

- a) Gains arising from the realisation or disposal of investments by the Funds;
- b) Dividend income from:
  - i) Overseas investments; or
  - ii) Malaysian investments, whereby the distributions are made under the single-tier tax system or made out of exempt income account from:
    - incentives enjoyed, either currently or previously, or from remittance of foreign income into Malaysia; or
    - tax-exempt dividends received.
- c) Interest income from:
  - i) Overseas sources; or
  - ii) Malaysian sources, viz.:
    - Bank licensed under the Financial Services Act 2013 or Islamic bank licensed under the Islamic Financial Services Act 2013 or development financial institution prescribed under the Development Financial Institutions Act 2002<sup>1</sup>;
    - Debentures or Islamic Securities, originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit, not issued by a company in the same group as the investor and approved by the Securities Commission or Labuan Financial Services Authority;
    - Bonds or securities issued by Pengurusan Danaharta Nasional Berhad; and
    - Bonds, other than convertible loan stock, paid or credited by any company listed on the Malaysian Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") <sup>2</sup>.

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<sup>1</sup> *Not applicable to a wholesale money market fund which does not comply with the criteria set out in the guidelines of the Securities Commission Malaysia (effective the year of assessment 2017).*

- d) Interest or discount income from the following Malaysian sources, viz:-
- Securities or bonds issued or guaranteed by the Government of Malaysia;
  - Debentures or Islamic Securities, other than convertible loan stock, approved by the Securities Commission; and
  - Bon Simpanan Malaysia issued by Bank Negara Malaysia.
- e) Discount or profit received by the Funds from sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad.
- f) Income received from a Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.
- g) Income from Sukuk Ijarah, excluding convertible loan stock, issued by Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad) in any currency.
- h) Income received from Sukuk Kijang with nominal value of up to USD 250 million issued or to be issued in accordance with the Shahriah principle of Ijarah by BNM Kijang Berhad.
- i) Gains or profits derived from Sukuk Wakala, excluding convertible loan stock, issued in any currency in accordance with the principle of *Al-Wakala Bil Istismar* by the Wakala Global Sukuk Berhad.
- j) Gains or profits derived from Sukuk Wakala with nominal value of up to USD 1.5 billion, excluding convertible loan stock, issued in accordance with the principle of *Wakala Bil Istithmar* by the Malaysia Sovereign Sukuk Berhad.
- k) Gains or profits derived from Sukuk Wakala with nominal value of up to USD 1.5 billion, excluding convertible loan stock, issued in accordance with the principle of *Wakala* by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).

### **Deductible expenses**

Expenses which have been wholly and exclusively incurred in the production of gross income of the Funds are deductible as direct expenses under Section 33(1) of the Act.

In addition to the deduction in full on direct expenses, Section 63B of the Act allows the Funds to claim special deduction on certain expenses which are incurred not directly in the production of income. Such expenses, known as permitted expenses, are in respect of managers' remuneration, expenses on maintenance of the register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage which are incurred by the Funds but are not deductible under Section 33(1) of the Act.

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<sup>2</sup> Effective 3 August 2010, MESDAQ market has been transformed to ACE market.

This special deduction shall not be less than 10% of the total permitted expenses subject to a maximum of 25% of the total permitted expenses incurred by the Funds.

### Single tier tax system

Malaysia is under the single tier tax system since 1 January 2014. In this connection, dividends received by the Funds for those dividends paid from 1 January 2014 onwards are tax exempt.

### Real property gains tax ("RPGT")

RPGT is charged on gains arising from the disposal of real property, which is defined as any land situated in Malaysia and any interest, option or other right in or over such land. Pursuant to Paragraph 34A of the Second Schedule to the Real Property Gains Tax ("RPGT") Act, 1976, a disposal of shares in a real property company ("RPC") is a disposal of a chargeable asset which is also chargeable to RPGT. An RPC is a controlled company which owns or acquires real property or shares in real property companies, the total market value of which is not less than 75% of its tangible assets.

Gains on disposal of real properties and shares in RPCs would be subject to RPGT of up to 30% depending on the tenure of holding the real properties or the shares in RPCs. The following RPGT rates will apply:-

Holding period	RPGT rate (%)
Three years or less	30%
More than three years but within four years	20%
More than four years but within five years	15%
Five years and above	5%

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

GST was implemented in Malaysia effective 1 April 2015. The standard rate of GST for taxable supplies is 6%. There are also zero-rated supplies with GST at 0% and exempt supplies which are not subject to GST.

The issue, holding or redemption of any unit under a trust fund is an exempt supply. The investment activities of the Funds such as buying and selling of securities are also exempt supplies. Therefore, if the Funds are just making such exempt supplies, the Funds are not liable to be registered for GST.

However, certain expenses incurred by the Funds such as fund manager's fees, trustee fees and professional fees will be subject to GST at a standard rate of 6% if the service providers are GST registered persons. Any input GST incurred by the Funds on the aforementioned expenses are not claimable from the Royal Malaysian Customs if the Funds are only making exempt supplies.

### Zakat paid by trust body

Payment of zakat perniagaan made to an appropriate religious authority would be allowed a tax deduction, subject to a maximum of 2.5% of the aggregate income of each Fund.

## TAXATION OF UNIT HOLDERS

### **Taxable distribution**

Section 61(1A) specifically provides for the assessment of income of the unit holders. A unit holder of the Funds is assessed and charged to tax on his share of the total income of the Funds which is distributed to him by the Funds. However, a unit holder will not be subject to tax on exempt income or gains distributed to him by the Funds out of income exempt from tax. The distribution from the Funds is net of tax chargeable on the Funds. As such, tax at source, representing the tax paid by the Funds, would have been deducted from all taxable income which is distributed from the Funds to the unit holders. This tax credit is available for set-off against the tax payable by the unit holder in respect of his share of the taxable income distributed from the Funds.

With effect from the year of assessment 2016, resident corporate unit holders which are incorporated in Malaysia with paid-up ordinary share capital of not more than RM2.5 million at the beginning of the basis period will be subject to tax at 19% on the chargeable income of up to RM500,000. The chargeable income in excess of RM500,000 is taxed at 24%.

The preferential tax rate of 19% would not be applicable to corporate unit holders with paid-up ordinary share capital of more than RM2.5 million at the beginning of the basis period or if more than 50% of its paid-up ordinary share capital is directly or indirectly owned by another company with a paid-up ordinary share capital of more than RM2.5 million at the beginning of the basis period, or if the corporate unit holder directly or indirectly owns more than 50% of the paid-up ordinary share capital of another company having a paid-up ordinary share capital of more than RM2.5 million at the beginning of the basis period. This category of corporate unit holders will be taxed at 24% on all its chargeable income.

Distribution of Funds income received by unit holders who are individuals or non-corporate taxpayers who are tax resident in Malaysia will be subject to income tax at scale rates ranging from 0% to 28%. Individuals and other non-corporate unit holders who are non-residents in Malaysia will be subject to income tax at a flat rate of 28% on the Funds income received.

There is no withholding tax on the income distribution from the Funds to non-resident unit holders. However, non-resident unit holders may be subject to tax in their own country of residence, depending on the tax legislation prevailing in their respective countries and the double taxation treaties these countries have with Malaysia, if any.

### **Exempt distributions**

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

The interest or discount income exempted from tax at the Funds' level will also be exempted from tax upon distribution to the unit holders.

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

Gains arising from the sale or redemption of the units by the unit holders will not be subject to income tax, except for those accruing to dealers in securities, insurance companies and financial institutions.

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

## **Unit split**

New units issued arising from unit splits are not taxable in the hands of the unit holders.

## **GST**

The issue, holding or redemption of any unit under a trust fund is an exempt supply. As such, the redemption from the Funds by the unit holders will not be subject to GST. Any income distribution received by the unit holders from the investment in the Funds is also an exempt supply and will not be subject to GST.

However, any fee-based charges related to buying, transferring and switching of units charged by the fund managers to the unit holders will be subject to GST at the standard rate of 6% if the fund managers are GST registered persons.

We confirm that, as at the date of this report, the statements made in this report correctly reflect our understanding of the tax position of the Funds and of the unit holders under current Malaysian tax legislation.

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

Yours faithfully  
For and on behalf of  
**MAZARS TAXATION SERVICES SDN BHD**

**Fo Wai Lan**  
**Executive Director**

We, Mazars Taxation Services Sdn Bhd hereby consent to act as the Tax Adviser as named in your Master Prospectus in connection with the taxation of the eight (8) Funds<sup>4</sup> to be dated 1 July 2017. We have also given consent to the inclusion of our report as Taxation Adviser in the form and context in which it appears in the Master Prospectus and have not withdrawn such consent.

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<sup>4</sup> The eight (8) Funds are:-  
Apex Malaysia Growth Trust  
Apex Quantum Fund  
Apex Dana Aslah  
Apex Dynamic Fund  
Apex Dana Al-Sofi-I  
Apex Dana Al-Faiz-I  
Apex Dana Al-Kanz  
Apex Asian (Ex Japan) Fund

## 12.0 ADDITIONAL INFORMATION

### Investor Services

#### FOR MORE INFORMATION ON:

- ❖ The Fund's NAV per Unit
- ❖ Investment Details
- ❖ Liquidation Details

#### CALL US AT:

- ❖ 03-2095 9999 (Kuala Lumpur Office)
- ❖ 03-8736 1118 (Kajang Office)

**Business Hours: 9.00am to 6.00pm from Monday to Friday.**

### Avenues for advice

*If you have any questions about the information in this Master Prospectus or would like to know more about investing in the Funds, you may contact our Customer Service at 03-2095 9999 or e-mail us at [enquiry@apexis.com.my](mailto:enquiry@apexis.com.my)*

### List of Current Deed and Supplemental Deed (s)

The Deed constituting the Funds was entered into between the Management Company and the Trustee.

Fund	Deed(s) that Govern the Fund	Trustee for the Fund
AMGT	<ul style="list-style-type: none"> <li>▪ Deed dated 28 July 1997</li> <li>▪ Supplemental Deed dated 6 July 1999</li> <li>▪ Second Supplemental Deed dated 10 March 2005</li> <li>▪ Third Supplemental Deed dated 20 August 2013</li> <li>▪ Fourth Supplemental Deed dated 3 August 2015</li> <li>▪ Fifth Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
AQF	<ul style="list-style-type: none"> <li>▪ Deed dated 19 June 2000</li> <li>▪ Supplemental Deed dated 20 December 2000</li> <li>▪ Second Supplemental Deed dated 9 March 2006</li> <li>▪ Third Supplemental Deed dated 23 February 2010</li> <li>▪ Fourth Supplemental Deed dated 3 August 2015</li> <li>▪ Fifth Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
ADA	<ul style="list-style-type: none"> <li>▪ Deed dated 10 August 2000</li> <li>▪ First Supplemental Deed dated 23 February 2010</li> <li>▪ Second Supplemental Deed dated 25 April 2014</li> <li>▪ Third Supplemental Deed dated 3 August 2015</li> </ul>	CIMB Commerce Trustee Berhad



<b>ADAS-I</b>	<ul style="list-style-type: none"> <li>▪ Deed dated 13 August 2003</li> <li>▪ Supplemental Deed dated 18 August 2004</li> <li>▪ Second Supplemental Deed dated 3 August 2015</li> <li>▪ Third Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
<b>ADAF-I</b>	<ul style="list-style-type: none"> <li>▪ Deed dated 13 August 2003</li> <li>▪ Supplemental Deed dated 14 July 2004</li> <li>▪ Second Supplemental Deed dated 25 August 2004</li> <li>▪ Third Supplemental Deed dated 20 August 2013</li> <li>▪ Fourth Supplemental Deed dated 3 August 2015</li> <li>▪ Fifth Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
<b>ADF</b>	<ul style="list-style-type: none"> <li>▪ Deed dated 28 March 2006</li> <li>▪ First Supplemental Deed dated 20 August 2013</li> <li>▪ Second Supplemental Deed dated 3 August 2015</li> <li>▪ Third Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
<b>ADAK</b>	<ul style="list-style-type: none"> <li>▪ Deed dated 28 March 2006</li> <li>▪ First Supplemental Deed dated 3 August 2015</li> <li>▪ Second Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad
<b>AAEJF</b>	<ul style="list-style-type: none"> <li>▪ Deed dated 12 October 2007</li> <li>▪ First Supplemental Deed dated 30 March 2013</li> <li>▪ Second Supplemental Deed dated 20 August 2013</li> <li>▪ Third Supplemental Deed dated 3 August 2015</li> <li>▪ Fourth Supplemental Deed dated 15 April 2016</li> </ul>	Maybank Trustees Berhad

**Financial Year End of the Funds**

<b>Fund</b>	<b>Financial Year End</b>
<b>AMGT</b>	31 December
<b>AQF</b>	31 December
<b>ADA</b>	30 June
<b>ADAS-I</b>	30 June
<b>ADAF-I</b>	30 June
<b>ADF</b>	31 December
<b>ADAK</b>	30 June
<b>AAEJF</b>	30 June

*The annual report will be sent to Unit holders within two months of the financial year-end. In addition, the interim report will be sent to Unit holders within two months of the end of the interim period of the Fund.*

### **13.0 STATEMENT OF CONSENT**

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The Trustees, Shariah advisers and taxation adviser have given and have not withdrawn their written consent to the inclusion in this Master Prospectus of their names and/or report/letter in the form and context in which such names appear and have not withdrawn such consent.

The taxation advisers have given their consent to the inclusion of the Tax Advisers' letter on taxation of the Fund and Unit holders in the form and context in which it appears in this Master Prospectus and have not withdrawn such consent.

### **14.0 DOCUMENTS AVAILABLE FOR INSPECTION**

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The following documents may be inspected at the registered office of the Manager or such other place as the SC may determine, without charge:

- The Deeds and its supplemental deed of each Funds;
- The current Master Prospectus and supplementary or replacement prospectus, if any;
- The latest annual and interim reports of the Funds;
- Each material contract disclosed in this Master Prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- Where applicable the audited financial statements of the Manager and the Fund for the current financial year and for the last three financial years or if less than three years, from the date of incorporation or commencement;
- Any-reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Master Prospectus;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in this Master Prospectus; and
- Consents given by an expert disclosed in this Master Prospectus.

## **15.0 DIRECTORY**

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Units can be bought and sold on any Business Day from Monday to Friday at the following locations:

### **Head Office**

Suite 7.02, 7<sup>th</sup> Floor, Menara Apex  
Off Jalan Semenyih, Bukit Mewah,  
43000 Kajang,  
Selangor Darul Ehsan.

Tel : (603) 8736 1118

Fax : (603) 8737 7924

E-mail : [enquiry@apexis.com.my](mailto:enquiry@apexis.com.my)

### **Business Office (Kuala Lumpur)**

3rd Floor, Menara MBSB,  
46, Jalan Dungun,  
Damansara Heights,  
50490 Kuala Lumpur.

Tel : (603) 2095 9999

Fax : (603) 2095 0693

E-mail : [enquiry@apexis.com.my](mailto:enquiry@apexis.com.my)

CASH : ☐ INDIVIDUAL ☐ NON-INDIVIDUAL  
EPF : ☐ Islamic ☐ Conventional

In accordance with the requirements of the Capital Markets and Services Act 2007, this application form should not be circulated unless accompanied by the Prospectus. Please read the latest Prospectus (es) of the relevant Fund(s) / Investment(s) before completing this Form. Please complete in **BLOCK LETTERS** and **BLACK INK** only.

## 1. PARTICULARS OF PRINCIPAL APPLICANT

The principal applicant **MUST** be 18 years and above as at the date of this application. A copy of NRIC or Passport of the principal applicant must be attached.

Title: ☐ Mr ☐ Mrs ☐ Ms ☐ Others

Full Name (as in NRIC / Passport):

NRIC (New) No.:  -  -  NRIC (Old)/Passport No.:

Date of Birth (dd/mm/yy):  -  -  Gender: ☐ Male ☐ Female

Race: ☐ Malay ☐ Chinese ☐ Indian ☐ Others Marital Status: ☐ Single ☐ Married ☐ Divorced

Religion: ☐ Muslim ☐ Buddhist ☐ Hindu ☐ Christian ☐ Catholic ☐ Others

Status: ☐ Malaysian, Bumiputera ☐ Malaysian, Non-Bumiputera ☐ Non-Malaysian

Monthly Income: ☐ RM2,000 & Below ☐ RM2,001-RM5,000 ☐ RM5,001-RM10,000 ☐ Above RM10,000

Occupation: ☐ Retiree ☐ Self-Employment ☐ Employment (please tick the relevant industry below):  
☐ Government Employee ☐ Professional Services ☐ Engineering ☐ Banking & Finance ☐ Health Care ☐ Construction ☐ Nonprofit-Social Service  
☐ Contract & Freelance ☐ Sales & Marketing ☐ Information Technology ☐ General Labor ☐ Real Estate ☐ Transportation

## 2. PARTICULARS OF JOINT APPLICANT

A copy of NRIC, Passport or Birth Certificate of the joint applicant must be attached.

Title: ☐ Mr ☐ Mrs ☐ Ms ☐ Others

Full Name (as in NRIC / Passport):

NRIC (New) No.:  -  -  NRIC (Old)/Passport No.:

Date of Birth (dd/mm/yy):  -  -  Gender: ☐ Male ☐ Female

Race: ☐ Malay ☐ Chinese ☐ Indian ☐ Others Marital Status: ☐ Single ☐ Married ☐ Divorced

Religion: ☐ Muslim ☐ Buddhist ☐ Hindu ☐ Christian ☐ Catholic ☐ Others

Status: ☐ Malaysian, Bumiputera ☐ Malaysian, Non-Bumiputera ☐ Non-Malaysian

Monthly Income: ☐ RM2,000 & Below ☐ RM2,001-RM5,000 ☐ RM5,001-RM10,000 ☐ Above RM10,000

Occupation: ☐ Retiree ☐ Self-Employment ☐ Employment (please tick the relevant industry below):  
☐ Government Employee ☐ Professional Services ☐ Engineering ☐ Banking & Finance ☐ Health Care ☐ Construction ☐ Nonprofit-Social Service  
☐ Contract & Freelance ☐ Sales & Marketing ☐ Information Technology ☐ General Labor ☐ Real Estate ☐ Transportation

Relationship to Principal Applicant: ☐ Husband ☐ Wife ☐ Son ☐ Daughter ☐ Grandchild ☐ Nephew / Niece ☐ Others

Signing Instruction (Please select one, if the box is not tick, it will be considered as "Both to sign"):  
☐ Either one to sign ☐ Both to sign

## 3. PARTICULARS OF NON-INDIVIDUAL (CORPORATION / PARTNERSHIP / OTHER ENTITIES)

The applicant **MUST** provide a certified true copy of Board Resolution, Memorandum and Articles of Association, Form 8 or 9, Form 24, Form 49 and Form 44.

Name of Applicant:

Nature of Business:

Contact Person:  Cert. of Incorporation No.:

Designation:  Date of Incorporation (dd/mm/yy):

Status: ☐ Incorporated in Malaysia, Bumiputera Controlled ☐ Incorporated in Malaysia, Non-Bumiputera Controlled ☐ Incorporated Outside Malaysia

## 4. ADDRESS FOR REGISTRATION

Correspondence Address:

Town:  Tel. No. (Office):

State:  Tel. No. (Home):

Country:  Post Code:  Hand Phone No.:

Email Address:  Fax No.:

## TERMS & CONDITIONS OF THE MASTERACCOUNT

By applying to invest in units in any of the Apex Investment Services Berhad ("ApexISB")'s Funds or units of other Unit Trusts Funds distributed ("Funds") by ApexISB as an institutional unit trust agent ("IUTA"), the Applicant agrees that:

### 1. TERMS AND CONDITIONS

The Applicant will be bound by these Terms and Conditions and the terms of the constitution documents (such as the Trust Deed and the Prospectus) of each relevant Fund(s) in respect of all transactions. Where there are conflicting terms, the terms of the relevant Trust Deed shall prevail. This application form must be accompanied together with the Master Prospectus of Apex Investment Services Berhad.

### 2. INSTRUCTIONS / VOICE RECORDINGS

- 2.1 Except in respect of transfer instructions, any one joint Applicant may operate the MasterAccount singly unless ApexISB is otherwise notified in writing.
- 2.2 All instructions given or purported to be given via any written or facsimile transaction by the persons authorised to operate the MasterAccount as named in the MasterAccount Application Form ("the Form") or otherwise in writing are binding on the Applicant. ApexISB shall have no obligation to verify the authenticity of any such instructions or the identity of any person giving such instructions.
- 2.3 The account(s) in the name of the Applicant specified in the Form attached to these Terms and Conditions or such other account as the Applicant may notify ApexISB in writing from time to time ("Applicant's Account") shall be used for the purposes of transactions contemplated by these Terms and Conditions and the Applicant's Account shall be governed by these Terms and Conditions.
- 2.4 ApexISB shall be entitled to use voice recording devices to record instructions communicated to it and such recording(s) may constitute evidence of the instructions.

### 3. CONSULTANT

- 3.1 If a Consultant is named in the Form, ApexISB is entitled to process any instructions received from such Consultant without further reference to the Applicant unless ApexISB has received prior contrary instructions in writing duly signed by the Applicant.
- 3.2 ApexISB shall be entitled to regard the Consultant as the Applicant's agent throughout the period of operation of the MasterAccount unless otherwise notified in writing. ApexISB shall not be responsible for any action or omission on the part of the Consultant and shall be under no obligation to verify the authenticity of the instructions received or to determine whether or not such instructions were authorised. The Applicant shall have no right of action against ApexISB in connection with the execution by ApexISB of such instructions and undertakes not to make any claim against ApexISB in connection therewith.

### 4. REJECTION / CANCELLATION OF APPLICATION

- 4.1 ApexISB as the manager and distributor of the various Funds is entitled to :-
  - (a) reject any Form which is not completed in full and supported by the requested documents and payments;
  - (b) cancel any units issued if the payment for the units cannot be matched within seven (7) days of the receipt of the application or subscription instruction, and require the Applicant to pay the difference (as a debt due to ApexISB under clause 10 of the Terms and Conditions) if applicable, pursuant to the relevant Trust Deed; and
  - (c) in its absolute discretion (without giving any reason) reject in whole or part thereof any application for subscription or switching and suspend the operation of the MasterAccount.

### 5. STATEMENTS / CONTRACT NOTES

- 5.1 Contract notes, transfer advices, statements, cheques and other documents shall be sent at the risk of the Applicant to the Applicant's address as detailed in the Form. If the Applicant fails to notify ApexISB in writing of any errors in the contract note or transfer advice within 5 days, or in the statement within 30 days of issue, the Applicant shall be deemed to have waived any right to raise any objection or to pursue any remedies against ApexISB or the relevant Trustee(s).

### 6. MONIES

- 6.1 All application monies must be paid or remitted as instructed and any cheque(s) must be honoured when presented.
- 6.2 If an application is rejected in whole or in part, the application monies or balance thereof will be returned (without interest) by ApexISB by cheque or, at the cost of the Applicant, by telegraphic transfer, within thirty (30) business days.
- 6.3 The Applicant confirms that ApexISB may issue a cheque in Ringgit Malaysia to settle any redemption or other monies (if any) payable by ApexISB. Such cheque shall be made payable to the Applicant or the Applicant's nominee who is registered unit holder(s) and sent to the last registered address of the Applicant or the Applicant's nominee on ApexISB's records unless otherwise notified in writing.
- 6.4 The Applicant hereby authorises ApexISB to automatically reinvest any distributions in the relevant Funds without further reference to the Applicant.

### 7. REPRESENTATION

- 7.1 The Applicant shall not rely on any information or representations other than those contained in the relevant Trust Deed and Prospectus.
- 7.2 The Applicant warrants that if an application is made on behalf of a corporation, the corporation has the power and the capacity and has taken all necessary steps to invest in the relevant Fund(s).

### 8. INFORMATION ON UNIT TRUSTS

- 8.1 ApexISB may in its absolute discretion upon acceptance of the Applicant's application provide to the Applicant the most recent published editions of prospectuses, explanatory interim and annual reports and accounts and other up to date promotional and advertising literature, publications, materials and statistical information ("Information") relating to Funds.
- 8.2 The Applicant acknowledges and agrees that :-
  - (a) ApexISB shall not be responsible nor be liable to the Applicant for advising or giving or for refraining from or omitting to advise or give any recommendation to the Applicant as to whether or not to invest in any Funds in respect of which information has been provided and, if necessary, the Applicant should seek independent financial and/or legal advice with respect to any such investment opportunity
  - (b) No warranty is given by ApexISB as to the performance or profitability of the Funds or any part thereof.
  - (c) ApexISB shall not be responsible nor be liable to the Applicant for any actions, proceedings, claims, costs, expenses, losses or damages of whatsoever nature suffered or incurred by the Applicant as a result of or in connection with any investment, subscription, holding, disposal, redemption or any other dealing of any units in any of the Funds or any other transaction made or omitted to be made by the Applicant on the basis of any information provided by ApexISB.

### 9. SUBSCRIPTION, TRANSFER, SWITCHING AND REDEMPTION OF FUNDS DISTRIBUTED BY APEXISB

- In the case of an application made for funds distributed by ApexISB, the Applicant acknowledges and agrees that:-
- (a) any unit trust management company ("UTMC") which receives the application for subscription, transfer, switching, redemption, investment and/or any other dealings with respect to the relevant Funds shall not be obliged to accept such application in whole or in part and ApexISB shall not be liable for :-
    - (i) ensuring that the relevant UTMC accept such application; or
    - (ii) any action, proceeding, claim, cost, expense, loss or damage of whatsoever nature including any loss of investment opportunity which the Applicant may suffer or incur

as a result of any refusal to accept or delay in accepting such application by any such UTMC.

- (b) If any application for subscription, transfer, switching, redemption, investment and/or any other dealings with respect to the relevant Funds is to be carried in the name of a nominee ("the Nominee") as nominee for and on behalf of the Applicant, ApexISB shall be authorised to release or provide to the Nominee any information held by ApexISB in respect of the Applicant and/or the Funds.
- (c) The Applicant shall forward all instructions with respect to the Funds, whether in the Applicant's or the Nominee's name to ApexISB in accordance with the prescribed manner set by ApexISB from time to time.
- (d) If the Applicant wishes to invest, subscribe, transfer, switch, redeem or deal in any of the Funds, he will place his order with ApexISB at least half an hour before the specified cut-off time for the receipt by the relevant UTMC of any application on the subscription, transfer, switching, redemption and/or any other dealings, so that ApexISB and/or the Nominee can use reasonable endeavour to send any such application to the appropriate UTMC in respect of the relevant Funds on the same "Dealing Day" for such UTMC being a day on which dealings take place in units or shares of such Funds as the date upon which ApexISB receives the relevant instruction from the Applicant; otherwise ApexISB and/or the Nominee will deliver such application to the appropriate UTMC in respect of the relevant Funds on the next Dealing Day.
- (e) ApexISB shall not be obliged under any circumstances to take any action or instruction from the Applicant at any time outside its normal business hours.
- (f) ApexISB shall not be obliged to verify the authenticity of any instruction given or purported to be given by the Applicant or for and on behalf of the Applicant or to determine whether or not such instructions are authorised.
- (g) If the Applicant wishes to invest in the EPF Member Investment Scheme, the Applicant must complete the KWSP 9N form, and/or any other form(s) prescribed by the EPF Board and the respective UTMC.

### 10. COST AND COMMISSION

- 10.1 The Applicant shall be responsible for the payment of any commission, transfer fees, registration fees, taxes, any other liabilities, costs and expenses properly payable or incurred by ApexISB under these Terms and Conditions.
- 10.2 ApexISB may receive a selling or placing commission and/or fee from any UTMC or any other source for the subscription order made by the Applicant and ApexISB shall be entitled to retain such commission for its own benefit and is not obliged to account to the Applicant for all or any part of such commission.
- 10.3 ApexISB shall be entitled to set-off any monies due to the Applicant under these Terms and Conditions against any debt or liability due from the Applicant to ApexISB from time to time.

### 11. NOTICES

All notices and other communications sent by or to the Applicant shall be sent at the risk of the Applicant. Unless due to willful default or negligence of ApexISB, ApexISB shall not be responsible for any inaccuracy, interruption, error, delay or failure in transmission or delivery of any notices via whatever means, or for any equipment failure or malfunction. ApexISB shall not be liable for any direct or indirect consequential losses arising from the foregoing.

### 12. INDEMNITY

- 12.1 The Applicant hereby indemnifies ApexISB and the relevant Trustee(s) and any of their agents against any actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with this MasterAccount or in connection with ApexISB accepting, relying on or failing to act on any instructions given by or on behalf of the Applicant unless due to the willful default or negligence of ApexISB.
- 12.2 The Applicant acknowledges and accepts that ApexISB has absolute discretion to rely on facsimile confirmation from the Applicant and undertakes to indemnify and hold harmless ApexISB, its employees and agents against all costs, expenses, loss of liabilities, claims and demands arising out of relying on the Applicant's confirmation.

### 13. SET OFF

- 13.1 ApexISB is entitled to set off any claim which ApexISB or the relevant Trustee(s) may have against any of the assets, units or cash of the Applicant held by ApexISB or the relevant Trustee(s).

### 14. LEGAL AND TAX IMPLICATIONS

- 14.1 The Applicant shall acquaint himself with the relevant tax laws and exchange control regulations in force in the countries of his citizenship, residence or domicile.

### 15. PERSONAL DATA

- 15.1 The Applicant has provided in the MasterAccount application form, and may, from time to time, provide personal information ("Data") to ApexISB. The Applicant hereby expressly consents that the Data may be used by ApexISB and provided to the relevant Trustee(s), JF Apex Nominees (Tempatan) Sdn Bhd or any of ApexISB's holding companies, subsidiaries or associated companies, which provides services to ApexISB, within or outside Malaysia, for the purposes of the application of MasterAccount with ApexISB under this Agreement including any subsequent transactions that are related to it, provision of financial services including the appointment of nominees by the Applicant or any related services and, including direct marketing. However, in the event the Applicant notifies ApexISB in writing to cease or not to begin processing Data for purpose of direct marketing, ApexISB shall comply with such written notice issued by the Applicant.
- 15.2 The Applicant and ApexISB hereby agree and acknowledge that:
  - (a) the Applicant may request for access to the Personal Data and would be able to contact ApexISB through the customer service representative department of the Apex group of companies ("Group") at the address stated in the Group's Policy Statement to request for correction on the Data and make enquiries or complaints with regards to the Data;
  - (b) ApexISB may disclose the Data to its employees, consultant and third party service providers in the course of providing the services under this Agreement;
  - (c) the Applicant may, by notice in writing to ApexISB, stop the processing and usage of the Data or part of the Data in the event if there is a danger where other persons are able to be identified from the Data;
  - (d) the Applicant may withdraw its consent granted herein to process the Data; and
  - (e) it is necessary and obligatory for the Applicant to provide the Data in order for ApexISB to process the Applicant's application for opening of master account to provide the services under this Agreement.

### 16. MISCELLANEOUS

- 16.1 References to persons include corporations, references to one gender include both genders and references to the singular includes the plural and vice versa.
- 16.2 Each joint Applicant's obligation is joint and several and any reference herein to the Applicant, where appropriate, may refer to any one or more joint Applicant(s).
- 16.3 The MasterAccount is personal to the Applicant and cannot be changed, assigned or transferred in any way by the Applicant.
- 16.4 ApexISB reserves the right to vary the Terms and Conditions at any time without notifying the Applicant.
- 16.5 If any of these Terms and Conditions is held or deemed to be void or unenforceable, the other terms and conditions will remain in full force and effect.

### 17. APPLICABLE LAW

These Terms and Conditions shall be governed by and construed in accordance with the laws of Malaysia.

## Apex Investment Services Berhad

## APPOINTMENT OF NOMINEE TO HOLD UNIT TRUST

Whereas applicant abovenamed ("the Investor") has registered with Apex Investment Services Berhad ("ApexISB") as an investor in unit trusts funds ("Unit Trusts") that are managed by ApexISB or distributed by ApexISB as an institutional unit trusts agent ("IUTA") for other unit trusts management companies.

And Whereas as an IUTA and for ease of operations, ApexISB requires the services of a nominee to effect transactions for the Investor and also to keep in custody Unit Trusts for and on behalf of the Investor.

And Whereas the Investor is desirous of appointing **JF Apex Nominees (Tempatan) Sdn Bhd** ("the Nominee") and the Nominee has agreed to the appointment to hold and act for and on behalf of the Investor time to time in relation to Unit Trusts subject to the terms and conditions herein provided.

Now the Investor hereby **agrees** as follows:

### 1. INSTRUCTIONS ON UNIT TRUSTS

- 1.1 The Investor shall forward all instructions with respect to the Unit Trusts to ApexISB in accordance with the prescribed manner set by ApexISB from time to time.
- 1.2 Any unit trusts management company ("UTMC") which receives the application for subscription, transfer, switching, redemption, investment and/or any other dealings with respect to the Unit Trusts shall not be obliged to accept such application in whole or in part and the Nominee shall not be liable for:
  - (i) ensuring that the relevant UTMC accept such application; or
  - (ii) any action, proceeding, claim, cost, expense, loss or damage of whatsoever nature suffered or incurred by the Investor including any loss of investment opportunity which the Investor may suffer or incur as a result of any refusal to accept or delay in accepting such application by any such UTMC.
- 1.3 The Nominee may aggregate transactions for the Unit Trusts with those of the other investors/clients of the Nominee.
- 1.4 All transactions with respect to the Unit Trusts will be effected by the Nominee on behalf of the Investor with the relevant representative, agent, adviser or management company of the Unit Trusts in accordance with the restrictions or limitations set by the respective UTMC, the relevant prospectus and deed of the respective Unit Trusts and the laws, rules, regulations, guidelines and practices of the unit trusts industry.
- 1.5 The Investor acknowledges that the Investor is aware of such restrictions and limitations and the contents of the relevant prospectus and deed governing the Unit Trusts.
- 1.6 The Nominee shall be entitled at its sole discretion to refuse to comply with any instructions which in the Nominee's opinion is unclear or ambiguous or which would or might cause ApexISB and/or the Nominee to contravene any applicable law, regulation, guideline, rules or practices of the unit trusts industry and the Nominee shall not be responsible or liable to the Investor as a result of refusal to act in such circumstances.
- 1.7 The Nominee, its personnel, employees or agents are under no obligation to verify the authenticity of any instructions given or purported to be given by the Investor or for and on behalf of the Investor or to determine whether such instructions are duly authorised.

### 2. CUSTODY

- 2.1 The Investor hereby agrees that notwithstanding anything to the contrary herein contained:
  - (a) the Unit Trusts shall be held by the Nominee as the registered holder for and on behalf of the Investor;
  - (b) the Nominee shall not recognise any trust or equity in respect of the Unit Trusts or any part thereof; and
  - (c) the Nominee shall be a bare custodian and not a trustee in all matters relating to this Agreement and/or the Unit Trusts.
- 2.2 Subject to ApexISB receiving instructions to the contrary, the Nominee shall:
  - (a) present for payment the Unit Trusts which are subscribed or redeemed or otherwise shall become payable;
  - (b) hold for the Investor all distributions and rights with respect to any Unit Trusts held, and
  - (c) receive and collect all interest, dividends and other payments or distributions of income in respect of the Unit Trusts.
- 2.3 The Nominee shall not be liable to pay any interest to the Investor for any monies held by the Nominee for the Investor for any reason whatsoever.
- 2.4 The Nominee shall have no duty or responsibility as regards attendance at meetings or voting in respect of any of the Unit Trusts or as regards any subscription, conversion or other rights in respect thereof or as regards any merger, consolidation, reorganisation, receivership, bankruptcy or insolvency proceedings, compromise or arrangement in connection with the Unit Trusts, nor shall the Nominee be under any duty to investigate or participate therein or take any affirmative action in connection therewith except in accordance with written instructions from the Investor and upon such conditions and indemnity and provision for expenses as the Nominee may require.

### 3. COST AND COMMISSION

- 3.1 The Investor shall be responsible for the payment of any commission, transfer fees, registration fees, taxes, any other liabilities, costs and expenses properly payable or incurred by the Nominee under this Agreement and in holding or executing transaction in respect of the Unit Trusts.

- 3.2 The Nominee shall be entitled to set-off any monies due to the Investor under this Agreement against any debt or liability due from the Investor to the Nominee from time to time.
- 3.3 All fees and charges payable to the Manager and the Trustee are subject to goods and services tax as may be imposed by the government or other authorities from time to time.

### 4. VARIATION AND TERMINATION

- 4.1 Without contrary to Clause 4.2, the Nominee at its sole discretion may by notice in writing to the Investor vary or terminate this Agreement at any time.
- 4.2 The Nominee may without notice to the Investor amend this Agreement from time to time in order to comply with any relevant law, regulation, guidelines or practices with respect to this Agreement or the unit trusts industry.
- 4.3 The Investor may terminate this Agreement at any time by written notice to the Nominee to take effect immediately on receipt.
- 4.4 Upon termination of this Agreement, the Nominee shall be entitled at its absolute discretion to transfer all the Unit Trusts to the Investor at the cost and expense of the Investor and the Investor shall do all things necessary to affect such transfer.

### 5. LIABILITY AND INDEMNITY

- 5.1 The Nominee shall not be liable for any direct, indirect, special or consequential damages which may be suffered by the Investor, such as, but not limited to, loss of anticipated profits or other anticipated economic benefits, whatsoever or howsoever caused, whether in contract or in tort (which includes but is not limited to negligence), arising directly or indirectly in connection with or arising out of this Agreement or the Unit Trusts.
- 5.2 The Investor hereby agrees to indemnify and hold harmless the Nominee and/or its personnel, employees and agents against any action, proceeding, claim, cost, expense, loss or damage of whatsoever nature which may be brought against, suffered or incurred by any of them arising either directly or indirectly out of or in connection with the Agreement or in connection with the Nominee accepting, relying on or failing to act on any instruction given or purport to be given by or on behalf of the Investor to ApexISB or the Nominee.
- 5.3 The Nominee shall not be required to take any legal action or proceedings with respect to the Unit Trusts or for and on behalf of the Investor.

### 6. NON-EXCLUSIVITY

- 6.1 The services to be provided by the Nominee to the Investor are non-exclusive and the Nominee shall be permitted to perform such services for such other persons/ body as the Nominee in its absolute discretion deem fit and the Nominee shall not be liable or under any obligation to:
  - (a) account to the Investor for all or any part of benefits received or any fact which may come to the notice of the Nominee or any of its personnel, employees or agents in the course of providing such services; or
  - (b) disclose to the Investor any fact or thing which may come to the notice of the Nominee in the course of providing such services to others or in the course of its carrying in any other capacity or in any manner whatsoever than in the course of carrying out its duties under these terms and conditions.

### 7. MISCELLANEOUS

- 7.1 All notices and documents sent, conveyed, forwarded, published or transmitted by the Nominee to the Investor in any manner the Nominee deems practical and appropriate, or in accordance with such manner as may be mutually agreed upon by the Nominee and the Investor are deemed to have been duly served and shall be at the risk of the persons entitled thereto.
- 7.2 The Investor acknowledge that the Nominee may delegate any of its functions under this Agreement to any person/body and the Investor hereby expressly agrees that the Nominee may disclose information about the Investor and the Unit Trusts to such person/body in order to undertake these functions. The Nominee is to ensure that the delegatee provides sufficient guarantees to the technical and organizational security measures that govern the processing of the Investor and the Unit Trusts' information and the delegatee takes reasonable steps to ensure compliance with those measures that are put in place.
- 7.3 The Investor shall not assign any of its rights and interest in this Agreement, the Unit Trusts without the written consent of the Nominee.
- 7.4 References to persons include corporations, references to one gender include both genders and references to the singular includes the plural and vice versa.
- 7.5 Each joint Investor's obligation is joint and several and any reference herein to the Investor, where appropriate, may refer to any more or more joint Investor(s).
- 7.6 The Nominee may give any notification or to take or to refrain from taking any action in order to comply with the provisions of any laws or any statutory and regulatory requirements now or hereafter in force which purports to impose any duty on the Nominee as the holder of any Unit Trusts.
- 7.7 Nothing in this Agreement shall be deemed to create a partnership between the Nominee and the Investor nor an employee-employer relationship.
- 7.8 If any of these terms and conditions is held or deemed to be void or unenforceable, the other terms will remain full force and effect.
- 7.9 The agreement set out in these terms and conditions shall be governed by and construed in accordance with the laws of Malaysia.

## UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

Investing in a Unit Trust Fund with Borrowed Money is More Risky than Investing with Your Own Savings.

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

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

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take the loan. If you are in doubt in respect of any aspect of this risk disclosure statement or the terms of the loan financing, you should consult the institution offering the loan.









## UPDATE CORRESPONDENCE ADDRESS

**Correspondence Address:**

[illegible]

**Town:**

[illegible]

State:

[illegible]

Country:

[illegible]

Post Code:

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Email Address:

[illegible]

Tel. No. (Office):

[illegible]

**Tel. No. (Home):**

[illegible]

Hand Phone No.:

[illegible]

Fax No.:

[illegible]

Occupation:

- ☐ Retiree      ☐ Self-Employment      ☐ Employment (please tick the relevant industry below) :  
☐ Government Employee      ☐ Professional Services      ☐ Engineering   ☐ Banking & Finance   ☐ Health Care   ☐ Construction   ☐ Nonprofit-Social Service  
☐ Contract & Freelance      ☐ Sales & Marketing      ☐ Information Technology   ☐ General Labor   ☐ Real Estate   ☐ Transportation

## CONSULTANT DETAILS

Name : \_\_\_\_\_

Code : \_\_\_\_\_ Signature : \_\_\_\_\_

**FOR OFFICE USE**

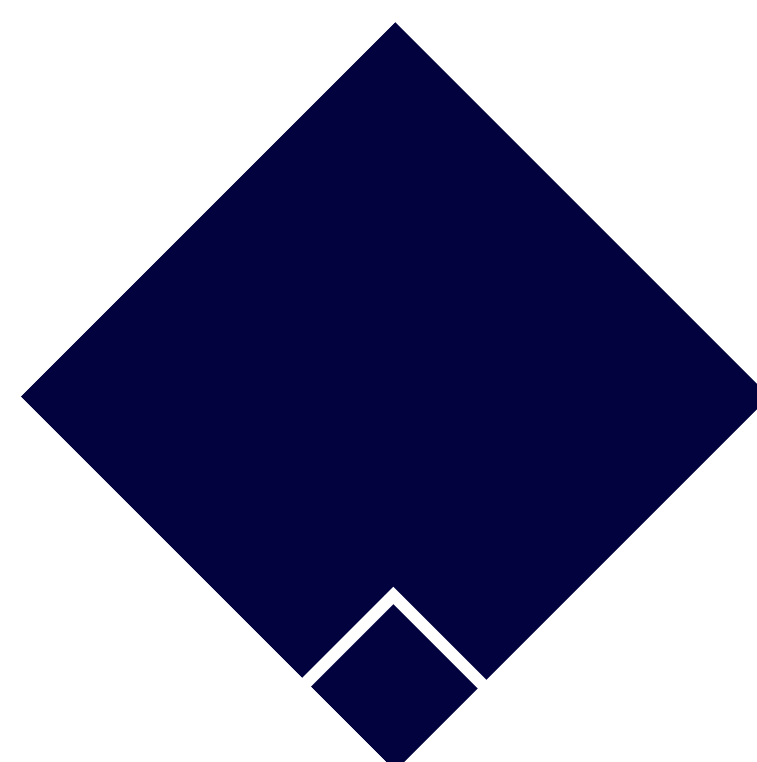
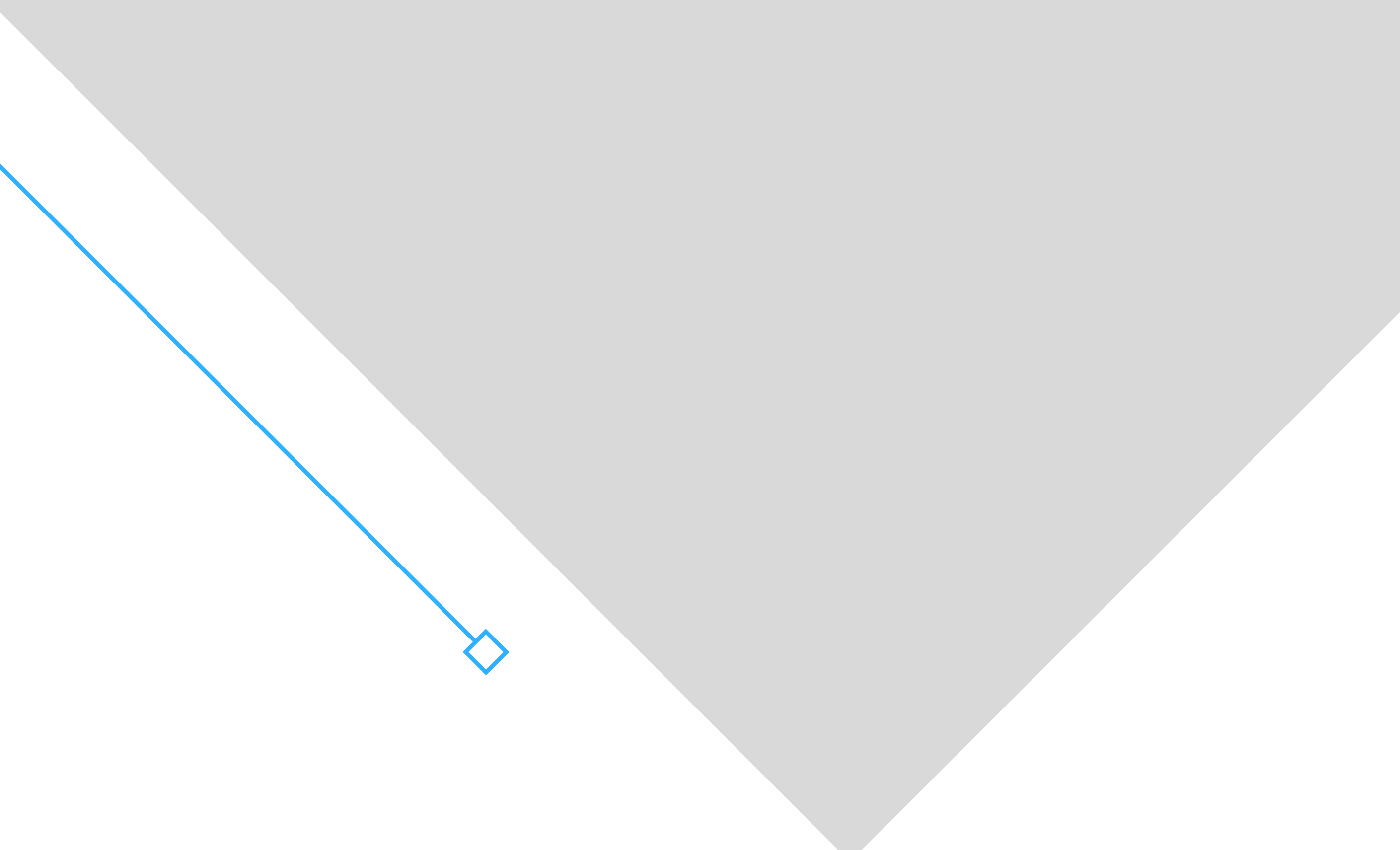
Customer Service : Received by : Transaction No. :

Operations :                      Input by :                      Settlement date :

Verified by : \_\_\_\_\_ Receiving bank : \_\_\_\_\_







**Apex Investment Services Berhad (420390-M)**  
**3rd Floor, Menara MBSB,**  
**46 Jalan Dungun, Damansara Heights,**  
**50490 Kuala Lumpur, Malaysia.**  
**Customer Service Line: (03) 2095 9999**  
**Email: [enquiry@apexis.com.my](mailto:enquiry@apexis.com.my)**  
**Website: <http://www.apexequity.com.my>**