

Information Memorandum for **Global Smaller Companies Fund**



The Manager

AmFunds Management Berhad

Registration number: 198601005272 (154432-A)

The Trustee

Deutsche Trustees Malaysia Berhad

Registration number: 200701005591 (763590-H)



AmInvest

This Information Memorandum is dated 10 January 2022

Growing Your Investments in a Changing World

SOPHISTICATED INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY SOPHISTICATED INVESTORS, SEE SECTION 5: RISK FACTORS COMMENCING ON PAGE 30.

ABOUT THIS INFORMATION MEMORANDUM

This is an Information Memorandum which introduces you to AmFunds Management Berhad and the Global Smaller Companies Fund (“Fund”), which is a wholesale fund. This Information Memorandum outlines in general what you would need to know about the Fund and is intended for the exclusive use by prospective Sophisticated Investors (as defined herein) who should ensure that all information contained herein remains confidential.

This Information Memorandum is strictly private and confidential and solely for your own use. It is not to be circulated to any third party. No offer or invitation to purchase the units of the Fund, the subject of this Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

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reference to that legislation, statute or statutory provision for the time being, as amended or re-enacted, and to any repealed legislation, statute or statutory provision which is re-enacted (with or without modification).

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

DISCLAIMER

An investment in the Fund carries with it a degree of risk. The value of units and the income from it, if any, may go down as well as up, investment in wholesale fund involve risks including the risk of total capital loss and no income distribution. Sophisticated Investors should consider the risk factors set out under Section 5: Risk Factors.

Statements made in this Information Memorandum are based on the law and practices currently in force in Malaysia and are subject to changes in such law and practices.

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

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale, switching or redemption of units in the Fund other than those contained in this Information Memorandum or any supplemental document and, if issued, given or made, such advertisement, information or representations must not be relied upon

by an investor. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations in this Information Memorandum or any supplemental document will be solely at the risk of the Sophisticated Investor. Sophisticated Investors may wish to consult their independent professional adviser about the suitability of the Fund for their investment needs.

This Information Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Manager has the right to reject any application by a US Person. However, if you are investing through our appointed distributor who operates under a nominee system of ownership, kindly consult the respective distributor accordingly.

Personal Data

As part of our day to day business, we collect your personal information when you apply to open an account with us, subscribe to any of our products or services or communicate with us. In return, we may use this information to provide you with our products or services, maintain our records or send you relevant information. We may use your personal information which includes information on any transactions conducted with us, for one or more of the following purposes, whether in Malaysia or otherwise:

- a. Assess your eligibility or suitability for our products which you had applied for and to verify your identity or financial standing through credit reference checks;
- b. To notify you of more and up to-date information such as improvements and new features to the existing products and services, development of new products, services and promotions which may be of interest to you;
- c. Manage and maintain your account(s) through regular updates, consolidation and improving the accuracy of our records. In this manner we can respond to your enquiries, complaints and to generally resolve disputes quickly so that we can improve our business and your relationship with us;
- d. Conduct research for analytical purposes, data mining and analyse your transactions / use of products and services to better understand your current financial / investment position and future needs. We will also produce data, reports and statistics from time to time, however such information will be aggregated so that your identity will remain confidential;
- e. Comply with the requirements of any law and regulations binding on us such as conducting anti-money laundering checks, crime detection / prevention, prosecution, protection and security;
- f. Enforcement of our rights to recover any debt owing to us including transferring or assigning our rights, interests and obligations under any of your agreement with us;
- g. In the normal course of general business planning, oversight functions, strategy formulation and decision making within AmBank Group;

- h. To administer and develop the Manager's and/or the Manager's associated companies within the AmBank Group business relationship with you;
- i. Outsourcing of business and back-room operations within AmBank Group and/or other service providers; and
- j. Any other purpose(s) that is required or permitted by any law, regulations, standards, guidelines and/or relevant regulatory authorities including with the trustee of the Fund.

Sophisticated Investors are advised to read our latest or updated Privacy Notice (notice provided as required under the Personal Data Protection Act 2010) available on our website at www.aminvest.com. Our Privacy Notice may be revised from time to time and if there is or are any revision(s), it will be posted on our website and/or other means of communication deemed suitable by us. However any revision(s) will be in compliance with the Personal Data Protection Act 2010.

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1 DEFINITIONS

AFM, the Manager, us, our or we	AmFunds Management Berhad.
AmBank	AmBank (M) Berhad.
AmBank Group	Refers to AMMB Holdings Berhad and all its direct and indirect subsidiaries, including, but not limited to: AmBank (M) Berhad, AmBank Islamic Berhad, AmInvestment Bank Berhad, AmInvestment Group Berhad, AmFunds Management Berhad, AmIslamic Funds Management Sdn Bhd, AmFutures Sdn Bhd, AmCard Services Berhad and AmGeneral Insurance Berhad.
AmInvest	The brand name for the funds management business of AMMB Holdings Berhad comprising AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd.
AUD	Australian Dollar.
Auditor	Has the same meaning as defined in the CMSA 2007.
Business Day	<p>A day on which the Bursa Malaysia and/or commercial banks in Kuala Lumpur are open for business.</p> <p>The Manager may declare certain Business Days to be non-Business Days although Bursa Malaysia and/or commercial banks in Kuala Lumpur are open, if the markets in which the Fund is invested in are closed for business. This is to ensure that investors are given a fair valuation of the Fund when making subscriptions or redemptions. This information will be communicated to you via our website at www.aminvest.com. Alternatively, you may contact our Customer Service at 603- 2032 2888.</p>
Classes	<p>Any number of class(es) of units representing similar interests in the assets of the Fund and Class means any one class of units.</p> <p>Classes that may be offered by the Fund are as follows:</p> <ul style="list-style-type: none"> • AUD-Hedged Class • EUR-Hedged Class • RM-Hedged Class • SGD-Hedged Class • USD Class • AUD Class • EUR Class • RM Class • SGD Class

	<p>As of the date of this Information Memorandum, only these three (3) Classes (each a “Class” and collectively “Classes”) will be offered for subscriptions:</p> <ul style="list-style-type: none"> • RM Class – a class issued by the Fund which is denominated in RM. • RM-Hedged Class – a class issued by the Fund which is denominated in RM and will be hedged against the base currency of the Fund. • USD Class – a class issued by the Fund which is denominated in USD.
CMSA 2007, CMSA, the Act	Capital Markets and Services Act 2007 and any amendments made thereto.
Company	Janus Henderson Horizon Fund, an open-ended investment company organised as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as a Société d' Investissement à Capital Variable.
CRS	Common Reporting Standards.
CSSF	Commission de Surveillance du Secteur Financier (Luxembourg Financial Sector Supervisory Authority).
Deed	The deed dated 7 December 2021 and supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.
ESG	Environmental, Social, and Governance.
EU	The European Union.
EUR	Euro, the official currency of the EU.
FATCA	Foreign Account Tax Compliance Act.
Fund	Global Smaller Companies Fund.
Information Memorandum	Information memorandum of the Fund.
Investment Manager	Investment Manager of the Target Fund i.e. Henderson Global Investors Limited.
IUTA	Institutional Unit Trust Scheme Adviser registered with the Federation of Investment Managers Malaysia (FIMM) to market and distribute unit trust funds.
Latest Practicable Date (LPD)	30 November 2021.

Launch date	The date of this Information Memorandum and is the date on which sales of units of the Fund may first be made; the Launch Date is also the date of constitution of the Fund.
Long-term	Refers to a period of at least five (5) years.
Management Company	Management Company of the Target Fund i.e. Henderson Management S.A.
MSCI World Small Cap Index	<p>Morgan Stanley Capital International World Small Cap Index.</p> <p><i>Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).</i></p>
MYR, RM	Ringgit Malaysia.
NAV per unit	Net Asset Value attributable to a Class divided by the number of units in circulation of that Class, at the valuation point.
Net Asset Value (NAV)	The value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and trustee fee for the relevant day; where the Fund has more than one Class, there shall be a NAV attributable to each Class.

OECD	Organisation for Economic Co-operation and Development.
p.a.	Per annum.
Redemption	Repurchase of units of the Fund.
SC, the SC	Securities Commission Malaysia.
SC Guidelines	Guidelines on the Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC, and shall include any amendments and revisions contained herein or made pursuant thereto.
SICAV	Société d'Investissement à Capital Variable.
SGD	Singapore Dollar.
Sophisticated Investor(s)	Means any person who comes within any of the categories of investors set out in Part 1, Schedule 6 and 7 of the CMSA or any categories of investors as may be defined by the SC from time to time and any amendments and revisions contained herein or made pursuant thereto.
Special Resolution	<p>Means a resolution passed by a majority of not less three-fourths of the Unit Holders present and voting at the meeting in person or by proxy.</p> <p>For the purposes of terminating the Fund or a Class of the Fund, "Special Resolution" is passed by a majority in number holding not less than three-fourths of the value of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy.</p>
Target Fund	Janus Henderson Horizon Fund – Global Smaller Companies Fund.
Trustee	Deutsche Trustees Malaysia Berhad.
UCI	Undertakings for collective investment.
UCITS	Undertaking for collective investment in transferable securities.
UCITS Directive	The Directive 2009/65/EC, as may be amended from time to time.
Unit Holder(s), you	<p>The person(s) for the time being registered under the provisions of the Deed as a holder of units of the Fund including the joint holders, whose name appears in the Manager's register of Unit Holders.</p> <p>Please note that if a Sophisticated Investor invests through a distributor via nominee system of ownership, the</p>

	Sophisticated Investor will not be deemed a Unit Holder under the Deed.
US (United States) Person	A US citizen or resident individual, a partnership or corporation organized in the US or under the laws of the US or any State thereof, a trust if: (i) a court within the US would have authority under applicable law to render orders or judgements concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the US as defined in the Malaysia-US IGA Guidance Notes on Compliance Requirements for Malaysia-US Intergovernmental Agreement on FATCA issued by Inland Revenue Board Of Malaysia dated 11 September 2015, including any amendments, guidelines and other administrative actions made thereunder.
USD	US Dollar.
Wholesale Fund	A fund, the units which are issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units have been made, exclusively to Sophisticated Investors.

2 CORPORATE DIRECTORY

MANAGER

AmFunds Management Berhad
Registration number: 198601005272
(154432-A)

Registered office
22nd Floor, Bangunan AmBank Group,
No.55, Jalan Raja Chulan,
50200 Kuala Lumpur.
Tel: (03) 2036 2633

Business office
9th & 10th Floor, Bangunan AmBank
Group,
No.55, Jalan Raja Chulan,
50200 Kuala Lumpur.
Tel: (03) 2032 2888
Fax: (03) 2031 5210
Email: enquiries@aminvest.com
Website: www.aminvest.com

TRUSTEE

Deutsche Trustees Malaysia Berhad
Registration number: 200701005591
(763590-H)

Registered office / Business office
Level 20, Menara IMC,
8 Jalan Sultan Ismail,
50250 Kuala Lumpur.
Tel: (03) 2053 7522
Fax: (03) 2053 7526

TRUSTEE'S DELEGATE (CUSTODIAN)

Deutsche Bank (Malaysia) Berhad
Registration number: 199401026871
(312552-W)

Registered office / Business office
Level 18 - 20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (603) 2053 6788
Fax: (603) 2031 8710

3 THE FUND'S DETAILED INFORMATION

3.1 Fund Information

Fund Name	Global Smaller Companies Fund.
Base Currency of the Fund	USD.
Fund Type	Growth.
Fund Category	Wholesale (feeder fund).
Investment Objective	<p>The Fund seeks to provide long-term capital growth.</p> <p><i>Notes: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i></p>
Investment Strategy	<p>The Fund seeks to achieve its investment objective by investing a minimum of 85% of the Fund's NAV in the Target Fund. This implies that the Fund has a passive strategy.</p> <p>Even though the Fund is passively managed, the Fund's investments will be actively rebalanced from time to time to accommodate for subscription and redemption requests, price movements or due to reasons beyond Manager's control. During this period, the Fund's investment may differ from the stipulated asset allocation. Additionally, the Manager do not intend to take temporary defensive measure for the Fund during adverse market, economic, political or any other conditions to allow the Fund to mirror the performance of the Target Fund.</p> <p>The Manager may, in consultation with the Trustee and with the approval of the Unit Holders, terminate the Fund or replace the Target Fund with another fund that has similar objective if, in the Manager's opinion, the Target Fund no longer meets the Fund's investment objective.</p>
Asset Allocation	<ul style="list-style-type: none"> • A minimum of 85% of the Fund's NAV in Target Fund; and • A maximum of 15% of the Fund's NAV in liquid asset such as cash and deposits. For clarification, deposit includes cash with bank which pays interest.
Performance Benchmark	MSCI World Small Cap Index. (available at www.aminvest.com)
Income Distribution Policy	Given the Fund's investment objective, the Classes of the Fund are not expected to pay any distribution. Distributions, if any, are at the Manager's discretion.

	<p>RM and RM-Hedged Classes Distribution, if any, can be in the form of cash (by telegraphic transfer) or units (by reinvestment into units of the respective Classes).</p> <p>Other Classes except for RM and RM-Hedged Classes Distribution, if any, to be reinvested into units of the respective Classes.</p> <p><i>Notes: Income distribution amount (if any) for each of the Classes could be different and is subject to the sole discretion of the Manager. For RM and RM-Hedged Classes only, if income distribution earned does not exceed RM500, it will be automatically reinvested.</i></p>
Investor Profile	<p>The Fund is suitable for Sophisticated Investors seeking:</p> <ul style="list-style-type: none"> • potential capital appreciation over a long-term investment horizon; and • participation in the global small cap equity markets. <p><i>Note: Long-term refers to a period of at least five (5) years.</i></p>

3.2 Other Information

Launch Date	10 January 2022
Initial Offer Period	<p>A period of up to twenty-one (21) days commencing from the date units of the Fund are being offered for sale.</p> <p><i>Note: The Manager reserves the right to determine a shorter offer period and notify the Trustee. The decision for a shorter offer period is based on the sole discretion of the Manager.</i></p>
Initial Offer Price	<p>RM Class: RM1.0000 RM-Hedged Class: RM1.0000 USD Class: USD1.0000</p>
Financial Year End	31 May.
Permitted Investment	<p>As permitted under the Deed, the Fund will invest in any of the following investments:</p> <ol style="list-style-type: none"> i. the Target Fund or any collective investment scheme having a similar objective with the Fund; ii. liquid assets which include but not limited to cash and deposits; iii. financial derivatives for hedging purposes; and

	iv. any other kind of investments as permitted by the SC or any other relevant authorities from time to time which is in line with the investment objective of the Fund.
Investment Limits and Restrictions	The Fund must be invested in one (1) collective investment scheme.

4 INFORMATION ON JANUS HENDERSON HORIZON FUND – GLOBAL SMALLER COMPANIES FUND (THE TARGET FUND)

Name of Target Fund	Janus Henderson Horizon Fund – Global Smaller Companies Fund
Regulatory Authority	CSSF
Management Company	Henderson Management S.A.
Investment Manager	Henderson Global Investors Limited
Sub-Investment Manager	Janus Henderson Investors (Singapore) Limited Janus Capital Management LLC
Domicile	Luxembourg
Date of Establishment	6 August 2019
Name of Share Class	A2 USD
Base Currency of the Target Fund	USD

4.1 About Janus Henderson Horizon Fund

The Target Fund is a sub-fund of Janus Henderson Horizon Fund (the “Company”). The Company is an open-ended investment company organised as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV. The Company was incorporated in Luxembourg on 30 May 1985 pursuant to the Luxembourg law of 10 August 1915 on commercial companies (as amended) and is qualified as an UCITS under Part 1 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended.

4.2 Management Company, Investment Manager and Sub-Investment Manager of the Target Fund

The Company has appointed Henderson Management S.A. (the “Management Company”) as its management company. The Management Company is authorised to act as the fund management company in accordance with Chapter 15 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended. The Management Company is entrusted with the day-to-day management of the Company, with the responsibility for the Management Company to perform directly or by way of delegation functions relating to the Company’s investment management and administration, and implementation of the Company’s policy for the marketing and distribution of the sub-funds. The Management Company is part of Janus Henderson Group, a substantial financial services group of companies listed in New York and Australia.

Henderson Global Investors Limited (the “Investment Manager”) is a limited liability company incorporated under the laws of England and Wales. The Investment

Manager is authorised and regulated by the Financial Conduct Authority and has been appointed by the Management Company to provide investment management services to the Management Company. The Investment Manager is ultimately owned by Janus Henderson Group. Janus Henderson Group is a public company limited by shares incorporated in Jersey and is listed on the New York Stock Exchange and the Australian Securities Exchange. The Investment Manager shares or delegates discretionary investment management functions of certain sub-funds to the sub-investment managers. The Investment Manager has appointed Janus Henderson Investors (Singapore) Limited and Janus Capital Management LLC to act as the discretionary investment managers in respect of the Target Fund.

4.3 Investor Profile

A typical investor will invest into this Target Fund to seek capital growth through investment in the global small cap equity markets. Investors in the Target Fund should plan to invest their money for the medium to long-term.

4.4 Investment Objective

The Target Fund aims to provide capital growth over the long-term.

4.5 Investment Policy

The Target Fund invests at least 80% of its net assets in equities or equity-related instruments of small capitalisation companies, in any industry, in any country.

In this context, small capitalisation companies are those whose market capitalisation, at the time of initial purchase, are within the range of market capitalisations of companies included in the MSCI World Small Cap Index.

If the market capitalisations of such companies fall outside the range of the MSCI World Small Cap Index after the initial purchase, these companies will continue to be considered smaller companies for the purposes of the Target Fund's minimum 80% allocation to equities or equity-related instruments of smaller companies worldwide, including, any further investments into such companies.

In choosing investments, the Investment Manager and/or Sub-Investment Manager(s) aim to select a number of smaller companies based on market and economic research to identify the most attractively valued smaller companies relative to their ability to generate income over the long-term.

Equity-related instruments may include depositary receipts.

The Target Fund may use derivative instruments (such as futures, forwards, options and warrants) to reduce risk and to manage the Target Fund more efficiently. Under

no circumstances shall the use of these instruments and techniques cause the Target Fund to diverge from its investment policy.

On an ancillary basis and for defensive purposes, the Target Fund may invest in:

- investment grade government bonds and associated derivative instruments;
- cash and money market instruments.

4.6 Investment Strategy

The Investment Manager aims to deliver capital growth by investing in small companies listed globally. The Target Fund looks to identify good quality, but potentially undervalued stocks, driven by the belief that the level of real returns delivered depends on the initial price paid.

4.7 Performance Target

To outperform the MSCI World Small Cap Index, after the deduction of charges, over any 5-year period.

4.8 Active Management and Benchmark Usage

The Target Fund is actively managed with reference to the MSCI World Small Cap Index, which is broadly representative of the companies in which it may invest, as this forms the basis of the Target Fund's performance target and the level above which performance fees may be charged (if applicable). The Investment Manager has discretion to choose investments for the Target Fund with weightings different to the index or not in the index, but at times the Target Fund may hold investments similar to the index.

4.9 Investment Restrictions

1. Investments in the Target Fund shall consist of:
 - (a) Transferable securities and money market instruments admitted to official listings on stock exchanges in member states of the EU;
 - (b) Transferable securities and money market instruments dealt in on other regulated markets in member states of the EU, that are operating regularly, are recognised and are open to the public;
 - (c) Transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Eastern and Western Europe, the American continent, Asia, Oceania and Africa;
 - (d) Transferable securities and money market instruments dealt in on other regulated markets that are operating regularly, are recognised and open to

the public of any other country in Eastern and Western Europe, the American Continent, Asia, Oceania and Africa;

- (e) Recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in a) and c) or regulated markets that are operating regularly, are recognised and open to the public as specified in b) and d) and that such admission is secured within a year of issue;
- (f) Units of UCITS and/or other UCIs within the meaning of Article 1(2), first and second indents of the UCITS Directive, as amended, whether they are situated in a member state of the EU or not, provided that:
- such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in community law, and that cooperation between authorities is sufficiently ensured;
 - the level of protection for unit holders in the other UCIs is equivalent to that provided for unit holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive, as amended;
 - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;
- (g) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered office in a member state of the EU or, if the registered office of the credit institution is situated in an other state, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in community law;
- (h) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market; and/or over-the-counter ("OTC") derivatives, provided that:
- the underlying consists of instruments described in sub-paragraphs (a) to (g) above, financial indices, interest rates, foreign exchange rates or

currencies, in which the Company may invest according to its investment objectives;

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time, at their fair value, at the Company's initiative.
- (i) Money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended, if the issuer or issuer of such instruments is itself regulated for the purpose of protecting Investors and savings, and provided that they are:
- issued or guaranteed by a central, regional or local authority or central bank of a member state of the EU, the European central bank, the EU or the European investment bank, an other state or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more member states of the EU belong; or
 - issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs (a),(b) or (c) above; or
 - issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by community law; or
 - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least € 10 million and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. Furthermore, the Target Fund may invest no more than 10% of its net assets in securities and money market instruments other than those referred to in section 4.9(1)(a) to (i).

3. The Target Fund may acquire the units of UCITS and/or other UCIs referred to in section 4.9(1)(f), provided that in aggregate no more than 10% of the Target Fund's net assets are invested in units of UCITS or other UCIs.

The Target Fund can, under the conditions provided for in Article 181 paragraph 8 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended, invest in the shares issued by one or several other sub-funds of the Company.

Notwithstanding the 10% limit above, the Company can decide, under the conditions provided for in chapter 9 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended, that the Target Fund may invest at least 85% of its assets in units or shares of another UCITS authorised according to the UCITS Directive (or a portfolio of such UCITS).

When the Target Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same Investment Manager or by the same management company or by any other company with which the Investment Manager or by the management company is linked by common management or control, or by a substantial direct or indirect holding (i.e. more than 10% of the capital or voting rights), that no subscription, redemption and/or management fees may be charged to the Company on its investment in the units of such other UCITS and/or UCIs. In respect of the Target Fund's investments in UCITS and other UCIs linked to the Investment Manager or its affiliates, there shall be no management fee charged to that portion of the assets of the relevant Target Fund. The Company will indicate in its annual report the total management fees charged both to the relevant Target Fund and to the UCITS and other UCIs in which the Target Fund has invested during the relevant period.

4. The Target Fund may hold ancillary liquid assets.
5. The Target Fund may not invest in any one issuer in excess of the limits set out below:
 - (a) Not more than 10% of the Target Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity;
 - (b) Not more than 20% of the Target Fund's net assets may be invested in deposits made with the same entity;
 - (c) By way of exception, the 10% limit stated in the first paragraph of this section may be increased to:
 - a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a member state of the EU, by its local authorities, by an other state or by public international bodies to which one or more member states of the EU belong;
 - a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in a member state of

the EU and is subject by law to special public supervision designed to protect bond holders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When the Target Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Target Fund.

- (d) The total value of the transferable securities or money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments referred to in the two indents of section 4.9(5)(c) above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in section 4.9(5)(a) to (d) above, the Target Fund may not combine:

- investments in transferable securities or money market instruments issued by a single entity; and/or
- deposits made with a single entity; and/or
- exposures arising from OTC derivative transactions undertaken with a single entity, in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

The limits provided for in section 4.9(5)(a) to (d) above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with section 4.9(5)(a) to (d) shall under no circumstances exceed in total 35% of the net assets of the relevant Target Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/ EEC or in accordance with recognized international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in section 4.9(5)(a) to (d) above.

The Target Fund may not invest cumulatively more than 20% of its net assets in transferable securities or money market instruments of the same group

subject to restrictions in section 4.9(5)(a) and the three indents under section 4.9(5)(d) above.

Without prejudice to the limits laid down in section 4.9(7) below, the limit of 10% laid down in section 4.9(5)(a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of the Target Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- it is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

By way of derogation, the Target Fund is authorised to invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a member state of the EU, its local authorities, by another member state of the OECD, the G20 (international forum for the governments and central bank governors from 20 major economies), by Singapore and by Hong Kong or public international bodies of which one or more member states of the EU are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of the Target Fund.

6. The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.

7. The Company may not:

- Acquire more than 10% of the shares with non-voting rights of one and the same issuer.
- Acquire more than 10% of the debt securities of one and the same issuer.
- Acquire more than 25% of the units of one and the same undertaking for collective investment.
- Acquire more than 10% of the money market instruments of any single issuer.

The limits stipulated in section 4.9(7)(b), (c) and (d) above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the

money market instruments, or the net amount of securities in issue cannot be calculated.

8. The limits stipulated in section 4.9(5) and section 4.9(7) above do not apply to:

- (a) Transferable securities and money market instruments issued or guaranteed by a member state of the EU or its local authorities;
- (b) Transferable securities and money market instruments issued or guaranteed by an other state;
- (c) Transferable securities and money market instruments issued by public international institutions to which one or more member states of the EU are members;
- (d) Transferable securities held by the Target Fund in the capital of a company incorporated in an other state investing its assets mainly in the securities of issuing bodies having their registered offices in that state, where under the legislation of that state such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that state. This derogation, however, shall apply only if in its investment policy the company from the other state complies with the limits laid down in articles 43, 46 and 48 (1) and (2) of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended. Where the limits set in articles 43 and 46 of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended, are exceeded, article 49 shall apply, with the necessary amendments;
- (e) Transferable securities held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit holders' request exclusively on its or their behalf.

9. The Company may always, in the interest of the shareholders, exercise the subscription rights attached to securities, which form part of its assets.

When the maximum percentages stated in section 4.9(2) to 4.9(7) above are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a primary objective, sales transactions to remedy the situation, taking due account of the interests of its shareholders.

10. The Target Fund may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. The Target Fund will not purchase securities while borrowings are outstanding except to fulfil prior commitments and/or to exercise subscription rights. However, the Company may acquire for the account of the Target Fund, foreign currency, by way of back-to-back loan.

11. The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of

transferable securities, money market instruments or other financial investments referred to in section 4.9(1)(f), (h) and (i) above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

12. The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in section 4.9(1)(f), (h) and (i) above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.

13. The Target Fund may not directly acquire commodities or precious metals or certificates representative thereof, provided that transactions in foreign currencies, financial instruments, indices or transferable securities as well as futures and forward contracts, options and swaps thereon are not considered to be transactions in commodities for the purposes of this restriction. This does not prevent the Target Fund from gaining indirect exposure to precious metals or commodities by investing into units / shares of eligible collective investment schemes, exchange traded funds, derivatives whose underlying assets consist of eligible transferable securities or commodity indices, or other eligible transferable securities that are backed by precious metals or commodities or financial instruments whose performance is linked to commodities. The Target Fund may only gain indirect exposure to commodities or precious metals in accordance with the stated investment objective and policies of the relevant Target Fund.

14. The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

4.10 Transparency of Securities Financing Transactions and of Reuse (SFTR)

The Target Fund may enter into securities financing transactions (SFTs) within the meaning under the SFTR.

The SFTs that may be entered into by the Target Fund is described below, including the maximum and expected exposures as a percentage of the relevant Target Fund's net asset value.

Repurchase Transactions and Reverse Repurchase Transactions

Under these types of transactions, a party buys or sells securities to a counterparty, against payment, and has either the right or the obligation to sell back or buy back (respectively) the securities at a later date and a specific (and typically higher) price. For the seller this is a 'repurchase transaction'; for the buyer it is a 'reverse repurchase transaction'.

The Target Fund will not enter into repurchase transactions (as a seller). The Target Fund will not enter into reverse repurchase transactions (as a buyer) other than those that may be entered into by the securities lending agent on behalf of the Target Fund as further described in the prospectus of the Target Fund.

Securities Lending

The Target Fund may, for the purposes of efficient portfolio management and to generate income, enter into securities lending transactions on a continuous basis.

Under such arrangements, the Target Fund's securities are transferred temporarily to approved borrowers in exchange for collateral. Securities lending may involve additional risks for the Company. Under such arrangements, the Target Fund will have a credit risk exposure to the counterparties to any securities lending. The extent of this credit risk can be reduced by receipt of adequate collateral.

Assets that may be subject to securities lending transactions include shares, stocks, debentures, bonds, notes or other like obligations, whether issued in certificated or uncertificated form, and any certificates, receipts, warrants or other instruments representing rights to receive, purchase or subscribe for the same that are commonly traded or dealt in on securities exchanges or financial markets.

The securities lending agent is given discretion to act as agent on behalf of the relevant Target Fund in respect of entering into securities lending. Furthermore, the securities lending agent will ensure that sufficient value and quality of collateral is received before or simultaneously with the movement of loaned securities. This will then be held throughout the duration of the loan transaction and only returned once the lent asset has been received or returned to the relevant Target Fund. The securities lending agent will also monitor and maintain all operational aspects of the assets while they are on loan.

Securities lending generates additional revenue for the benefit of the Target Fund. 92% of such revenue will be for the benefit of the relevant Target Fund, with a maximum of 8% being retained by the securities lending agent to cover the direct and indirect costs of running the lending programme and providing the requisite operational and collateral infrastructure, plus the compliance and risk oversight. The securities lending agent is not related to the Investment Manager.

The securities lending agent charges a fee of up to 0.05% of the reinvested cash collateral for its cash collateral management services. This fee is deducted from the cash collateral reinvestment return before any securities lending revenue is then apportioned between the relevant Target Fund and the securities lending agent. After such deduction, 92% of the reinvestment return will be for the benefit of the relevant Target Fund, with a maximum of 8% being retained by the securities lending agent.

Further details will be contained in the Company's annual reports.

The Target Fund does not engage in securities borrowing.

Total Return Swaps and the Rationale of their Use

The Target Fund may from time to time invest in total return swaps, where stated in the relevant Target Fund's investment objective and policy. A total return swap is a contract between two counterparties which involves swapping cash flows. One counterparty agrees to pay to the other an amount which represents the total return on an underlying asset, index or basket of assets and in return it receives from that other party a specified fixed and/or floating cash flow related to the performance of the underlying asset, index or basket of assets. The Target Fund may enter into a total return swap as either a total return receiver or payer. Total return swaps may be entered into for investment or hedging purposes.

The Target Fund may use total return swaps to gain access to the returns of (including but not limited to) (i) certain equities, bonds or other instruments that provide equity or bond related returns, (ii) indices, (iii) and to a limited extent, other eligible assets. Where the Target Fund uses total return swaps for investment purposes, the underlying assets consists of instruments permitted in accordance with the Target Fund's investment objective and policy.

Any returns or losses generated by the total return swaps will be attributed to the relevant Target Fund.

It should be noted that, whenever the Target Fund uses total return swaps the relevant counterparty or counterparties shall not assume any discretion over the composition or management of the Target Fund's investment portfolio. For the duration of any derivative contract, the counterparty to such contract will not assume any discretion over the underlying reference asset of the derivative contract. The approval of the counterparty is not required in relation to the Target Fund's investment portfolio transactions. Please see section entitled "Counterparty Selection" in the prospectus of the Target Fund for details in relation to counterparty selection.

4.11 EU Sustainable Finance Disclosures

The investments underlying the Target Fund do not take into account the EU criteria for environmentally sustainable economic activities, although the Management Company and the Investment Manager have agreed a decision making process that will apply to investment decisions relating to the Target Fund.

The manner in which sustainability risks are integrated into the investment decisions of the Investment Manager

A sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment. To the extent that ESG factors (including the six environmental objectives prescribed by the taxonomy regulation: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems) represent material risks and/or opportunities to maximising long-term risk-adjusted returns,

they will be considered as part of the Investment Manager's investment decision making.

When considering an investment for the Target Fund, the Investment Manager may analyse a range of factors or utilise tools as deemed relevant by the Investment Manager, such as:

- A. An issuer's alignment with international commitments, for example, the Paris agreement adopted under the United Nations framework convention on climate change and the UN 2030 agenda for sustainable development which recognise the significant changes required across the corporate and public sectors. The efforts of governments, central banks, regulators and various private sector industry initiatives to promote this shift, including incentivising investment in sustainable companies, alongside growing customer and societal demand for sustainable business may lead to enhanced long-term returns for companies that are better aligned with the ESG factors than their peers; and the Investment Manager's investment approach recognises this.
- B. The Investment Manager employs fundamental security analysis while taking a long-term view and seeks to identify companies differentiated by their sustainable competitive advantage, strong earnings potential and shareholder-friendly management teams. As part of its investment process, the Investment Manager aims to understand the principal drivers of company performance and the associated risks.
- C. In addition to proprietary analysis, external research and data on company environmental performance and controversial business activities is used to assist the Investment Manager in assessing adverse impacts and may filter into investment decisions.
- D. Through management engagement, the Investment Manager may seek to explore improvements in reporting, environmental performance and strategic positioning in relation to key sustainability trends such as the transition to a circular economy. While management engagement is the preferred tool for examining improved ESG performance, divestment is also an option.

The Investment Manager may challenge an investee company's commitment to improve on ESG factors in management engagements, where appropriate and considered to be effective. As part of this, an important responsibility of the Investment Manager as a long-term investor is to encourage new and existing companies to make lasting investments in reducing waste, improving efficiency and environmental technology aimed at driving future sustainable returns.

The likely impacts of sustainability risks on the returns of the Target Fund

While the analysis of ESG factors is an integral component across the Investment Manager's investment capabilities and one of a number of inputs to the selection of investments and portfolio construction, the investment process of the Investment Manager is primarily designed to maximise long-term risk-adjusted returns for investors. Therefore, in managing the Target Fund, the Investment Manager does

not maximise portfolio alignment with sustainability risks as a separate goal in its own right nor does it precisely attribute the impact of ESG factors on returns for the Target Fund.

Adverse sustainability impacts

The Management Company does not currently consider the principal adverse impacts of investment decisions on sustainability factors in accordance with the specific regime outlined in the disclosure regulation (the PAI regime). Taking into account the size, nature and scale of the Management Company's activities and the types of products the Management Company currently makes available, the Management Company has decided not to comply with the PAI regime at this time.

4.12 Risk Management Process

The Management Company employs a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio, and a process for accurate and independent assessment of the value of OTC derivative instruments. It shall communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of financial derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in financial derivative instruments.

The Management Company will ensure that the Target Fund's global exposure shall not exceed the total net value of the Target Fund. The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The Target Fund may invest within the limits laid down in the section entitled "Investment Restrictions", in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down under section 4.9(5)(a) to (d) of the "Investment Restrictions" section.

The underlying assets of index based financial derivative instruments are not combined to the investment limits laid down under section 4.9(5)(a) to (d) of the "Investment Restrictions" section.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.

4.13 Fees Charged by the Target Fund

Sales Charge	Up to 5% of the total amount invested.
Redemption Charge	Not applicable.
Management Fee	1.20% p.a. of the net asset value of the Target Fund.

Trading Fee	Up to 1% of the gross amount being redeemed on the redemption of the share class which is redeemed up to ninety (90) calendar days after such shares have been purchased.
Performance Fee	10% of relevant amount.
Other Expenses	Other expenses may also be charged by the Target Fund (as described in Additional Fees and Expenses in the Fees, Charges and Expenses section of the prospectus of the Target Fund).

For detailed information of the Target Fund as may be updated and amended from time to time, please refer to the Target Fund's prospectus available on www.janushenderson.com.

5 RISK FACTORS

All investments carry some degree of risk. Therefore, before making an investment decision, you may consider the different types of risk that may affect the Fund or you individually.

General risks associated with investing in a wholesale fund	
Market Risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's net asset value.
Inflation Risk	This is the risk that Sophisticated Investors' investment in the fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce Sophisticated Investors' purchasing power even though the value of the investment in monetary terms has increased.
Manager's Risk	This risk refers to the day-to-day management of the fund by 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.
Non-Compliance Risk	<p>This is the risk of the manager or the trustee not complying with their respective internal policies, the deed and its supplemental deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the fund when the manager or the trustee takes action to rectify the non-compliance. For example, non-compliance could occur due to factors such as human error or shortfalls in operational and administrative processes, or external factors such as market movements.</p> <p>This risk may be mitigated by having sufficient internal controls in place to ensure compliance with all applicable requirements at all times.</p>
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 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

General risks associated with investing in a wholesale fund

	<p>value per unit at the point of purchase towards settling the loan/financing.</p> <p><i>Note: The Manager does not provide financing for the purchase of units of the Fund. However, if an investor obtains financing from other providers, this is the risk that the investor should be aware of.</i></p>
Country Risk	<p>Investments of the fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the fund invests in. For example, the deteriorating economic condition of the 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 or prices of units to fall.</p>

Specific risks associated with the investment portfolio of the Fund

Risk of a Passive Strategy	<p>As the Fund adopts a passive strategy of investing a minimum of 85% of its NAV into the Target Fund at all times, this strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's net asset value declines. This is because the Fund is closely mirroring the performance of the Target Fund and will not be adopting any temporary defensive strategies in response to such declines. All investment decisions are left with the fund manager of the Target Fund.</p>
Risk of not meeting the Fund's Investment Objective	<p>This is the risk that the Fund may deviate from the intended investment objective, the Manager may liquidate the investments in the Target Fund and hold 100% of the Fund's NAV in cash, in order to protect the Unit Holders' interest, under circumstances including but not limited to the following:</p> <ul style="list-style-type: none">a. there is an adverse change to the regulatory and political regime in which the Target Fund operates;b. there is a material change to the investment objective of the Target Fund; andc. there is an unfavourable change to the feature of the Target Fund (e.g. fees, distribution policy) <p>Subsequently, the Manager, in consultation with the Trustee will call for a Unit Holder's meeting to decide on whether to terminate the Fund or replace the Target Fund with a new target fund.</p>

Specific risks associated with the investment portfolio of the Fund	
	<i>Note: A replacement of the Target Fund or termination of the Fund would require Unit Holder's approval.</i>
Currency Risk	<p>As the Fund offers multiple currency Classes, certain Class(es) would be exposed to currency risk. This is the risk associated with investments in certain Class(es) of the Fund which is denominated in currency different from the base currency of the Fund. When the base currency of the Fund depreciates against the denomination currency of certain Class(es), the Class(es) will suffer currency losses. This is in addition to any gains or losses derived from the Fund's investment in the Target Fund.</p> <p>The Manager may at its discretion hedge the currency exposure of any of the Class(es) against the base currency of the Fund to mitigate currency risk for the benefit of the Class(es).</p> <p>However, it should be noted that the Fund's investment in the Target Fund may still be exposed to currency gains or losses resulting from fluctuations in foreign exchange rates between the base currency of the Target Fund and the other currencies which the Target Fund may be exposed to.</p>
Income Distribution Risk	It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, insufficient realised returns to enable income distribution. As per the SC Guidelines, distribution of income should only be made from realised gains or realised income.
Liquidity Risk	The Fund will be investing a minimum of 85% of its asset in the Target Fund. There may be exceptional circumstances, which could cause delays in the redemption of shares of the Target Fund and units of the Fund. In the event of exceptional circumstances such as suspension of calculation of net asset value of the Target Fund, no shares of the Target Fund will be redeemed.

Note: The abovementioned risks which Sophisticated Investors should consider before investing into the Fund should not be considered to be an exhaustive list. Sophisticated Investors should be aware that investments in the Fund may be exposed to other risks of an exceptional nature from time to time.

Specific risks associated with the Target Fund	
General Investment Risk	Past performance may not be a reliable guide to future performance. The value of shares, and the return derived

Specific risks associated with the Target Fund

from them, can fluctuate and can go down as well as up. No assurance can be given that the Target Fund will achieve its investment objective. An investor who realises their investment after a short period may, in addition, not realise the amount that they originally invested because of the initial charge applicable on the issue of certain share classes as set out in the section “Key Features of the Company” of the prospectus of the Target Fund. In certain circumstances shareholders’ rights to redeem shares may be deferred or suspended. Please refer to section “Possible Deferral or Suspension of Redemptions” of the prospectus of the Target Fund).

Investments on an international basis involve certain risks, including:

- The value of an investment in the Target Fund may be affected by fluctuations in the value of the currency of denomination of the relevant Target Fund’s shares against the value of the currency of denomination of that Target Fund’s underlying investments. It may also be affected by any changes in exchange control regulations, government policies, tax laws, natural disasters, political, economic or monetary policies and other applicable laws and regulations of the countries in which the Target Fund may invest. Adverse fluctuations in currency exchange rates can result in a decrease in return and in a loss of capital.
- Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to some countries in which the Target Fund may invest may differ from those applicable in Luxembourg in respect of the nature, quality and timeliness of the information disclosed to investors and, accordingly, investment possibilities may be difficult to assess properly.

Investors should note that in certain market conditions, any security could become hard to value or sell at a desired time and price, which increases the risk of investment losses. In addition, certain securities may, by their nature, be hard to value or sell at a desired time and price, especially in any quantity. This includes securities that are labelled as illiquid, as well as a security of any type that represents a small issue, trades infrequently, or is traded on markets that are comparatively small or that have long settlement times. It may therefore not be possible or economically feasible to initiate a transaction or liquidate a position at an advantageous price.

Specific risks associated with the Target Fund	
Geopolitical Risk	<p>Geopolitical risk may arise as a result of political changes or instability in a country. Any change in the laws, regulations, government policies, political or economic climate of that country may cause increased volatility, liquidity, price and foreign exchange risk associated with investments within the country or region where the geopolitical situation arises. The impact of geopolitical risk is considered to be long-term, as the risk rises over time, given the greater potential for events and changes over time. The effect of any future political change is difficult to predict.</p>
Pandemic Risk	<p>A pandemic is defined as a health epidemic / outbreak of contagious disease occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting vast numbers of the global population. Pandemics potentially represent a significant shock to the global financial markets, where the financial impact is multifaceted, ambiguous and could lead to economic recession. For example, outbreaks may result in restrictions on travel and public transport and prolonged closures of workplaces which may have a material adverse effect on the regional or national economies which have imposed such restrictions and which, in turn, may have a wider impact on the global economy. Accordingly, a significant outbreak of a health epidemic / pandemic or contagious disease could result in a widespread health crisis and restrict the level of business activity in affected areas, which may in turn give rise to significant costs to the Target Fund and adversely affect the Target Fund's business and financial results.</p> <p>Pandemics may result in severe repercussions for the global economy, such as increased volatility, significant spikes and sharp falls in asset prices, market disruption, increased geopolitical risk, resource constraints, and illiquidity. It is also impossible to predict with certainty what additional interim or permanent governmental policies or restrictions may be imposed on the markets and/or the effect of such policies or restrictions on the ability of the Target Fund to implement its investment objective / investment policy. As such, the Target Fund may incur major losses as a result.</p>
Brexit Risk	<p>The UK formally left the EU on 31 January 2020 and entered into a transition period which lasted until 31 December 2020. The extent of the impact will depend in part on the nature of the arrangements that are being put in place between the UK and the EU following the Brexit deal and the extent to which the UK continues to apply laws that are based on EU legislation.</p>

Specific risks associated with the Target Fund	
	<p>The longer term process to implement the political, economic and legal framework between the UK and the EU is likely to lead to continuing uncertainty and periods of exacerbated volatility in both the UK and in wider European markets.</p> <p>Currency volatility resulting from this uncertainty may mean that the returns of the relevant Target Fund and their investments are adversely affected by market movements, potential decline in the value of the British Pound and/or Euro, and any downgrading of United Kingdom sovereign credit rating. This may also make it more difficult, or more expensive, for the relevant Target Fund to execute prudent currency hedging policies.</p> <p>This mid to long-term uncertainty may have an adverse effect on the economy generally and on the ability of relevant Target Fund and its investments to execute its respective strategies and to receive attractive returns, and may also result in increased costs to the relevant Target Fund.</p>
Eurozone Risk (i.e. countries having adopted the Euro as their national currency in the member state of the European Monetary Union)	<p>Investors should note that the Target Fund investing in companies in the Eurozone may carry more risk in light of fiscal conditions and concerns over sovereign risk. Potential scenarios could include, but not limited to, the downgrading of the credit rating of a European country, the default or bankruptcy of one or more sovereigns within the Eurozone, or the departure of some, or all, relevant EU member states from the Eurozone, or any combination of the above or other economic or political events. These may lead to the partial or full break-up of the Eurozone, with the result that the Euro may no longer be a valid trading currency. These uncertainties may cause increased volatility, liquidity, price and foreign exchange risk associated with investments within the Eurozone countries and may adversely impact the performance and value of the relevant Target Fund.</p>
Securities Lending	<p>Securities lending is a form of efficient portfolio management that is intended to enhance the returns for the Target Fund in a risk controlled manner. The lender will receive a fee from the borrowing counterparty and, although giving-up voting rights on lent positions, retains the right to dividends.</p> <p>The Target Fund may engage in securities lending transactions on a continuous basis. Under such arrangements, the Target Fund will have a credit risk exposure to the counterparties to any securities lending. The extent of this credit risk can be reduced, by receipt of adequate collateral of a sufficiently high quality.</p>

Specific risks associated with the Target Fund	
	<p>In the event of a counterparty default or operational difficulty, securities that are loaned out may not be returned or returned in a timely manner. Should the borrower of securities fail to return the securities lent by the Target Fund, there is a risk that the collateral received on such transactions may have a market value lower than that of the securities lent, whether due to inaccurate pricing of the collateral, adverse market movements in the value of the collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Delays in the return of securities on loan might restrict the Target Fund's ability to complete the sale of securities or to meet redemption requests. A default by the counterparty combined with a fall in the market value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Target Fund.</p> <p>The fee arrangements in relation to securities lending can give rise to conflicts of interest where the risks are borne by the lender, but the fees are shared by the lender and its agent and where the agent may compromise on the quality of the collateral and the counterparty. Please see the "Conflicts of Interest" section in the prospectus of the Target Fund for further details on conflicts.</p>
Risks Associated with Reinvestment of Cash Collateral	<p>In case of collateral received in cash, this may be reinvested, under specific conditions. In case of reinvestment of cash collateral, such reinvestment may (a) introduce market exposures inconsistent with the objective of the Target Fund, or (b) yield a sum less than the amount of collateral to be returned.</p>
Risks Associated with Reverse Repurchase Transactions entered into by the Securities Lending Agent on behalf of the Target Fund	<p>Reverse repurchase transactions is a form of efficient portfolio management that is intended to enhance the returns for a fund in a risk controlled manner.</p> <p>The counterparty of the reverse repurchase transaction may fail to meet its obligations which could result in losses to the Target Fund. A default by the counterparty combined with a fall in the market value of the collateral below that of the value of the cash lent may result in a reduction in the value of the Target Fund and may restrict the Target Fund's ability to fund security purchases or to meet redemption requests.</p>
Counterparty Risk to the Depository	<p>The assets of the Target Fund are entrusted to the depository for safekeeping. In accordance with the UCITS Directive, in safekeeping the assets of the Target Fund, the depository shall: (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the</p>

Specific risks associated with the Target Fund

depository's books and all financial instruments that can be physically delivered to the depository; and (b) for other assets, verify the ownership of such assets and maintain a record accordingly. The assets of the Target Fund should be identified in the depository's books as belonging to the Target Fund.

Securities held by the depository should be segregated from other securities / assets of the depository in accordance with the applicable laws and regulations, which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the depository. The investors are therefore exposed to the risk of the depository not being able to fully meet its obligation to reconstitute all of the assets of the Company in the case of bankruptcy of the depository. In addition, the Target Fund's cash held with the depository may not be segregated from the depository's own cash / cash under custody for other clients of the depository, and the Target Fund may therefore rank as an unsecured creditor in relation thereto in the case of bankruptcy of the depository.

The depository may not hold all the assets of the Target Fund itself but may use a network of sub-custodians which are not always part of the same group of companies as the depository. Investors may be exposed to the risk of bankruptcy of the sub-custodians in circumstances in which the depository may have no liability.

The Target Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Target Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances in which the depository may have no liability.

Equities Risk

The Target Fund invests primarily in equity securities. The possibility exists that these securities will decline in value over short or even extended periods of time as well as rise. Equities can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.

The Target Fund may, on an ancillary basis, invest in equity warrants and shareholders should be aware that the holding of warrants may result in increased volatility of the relevant Target Fund's net asset value per share.

Specific risks associated with the Target Fund	
Investment in Smaller Companies	<p>Securities of smaller companies may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources. Trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.</p>
Investment in Derivatives	<p>A derivative is a financial instrument which provides a return linked to any of the transferable securities that the Target Fund is permitted to invest in. Whilst the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Target Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, following the Target Fund's investment objective increasing the risk of investment losses. If so provided in their investment policy, the Target Fund may engage various strategies in view of reducing certain of their risks and for attempting to enhance return. These strategies may include the use of exchange traded or OTC derivatives instruments such as forward contracts, futures, options, warrants, and swaps. Such strategies may be unsuccessful and incur losses for the Target Fund, due to market conditions. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in the Target Fund.</p> <p><i>Market risk</i></p> <p>Investors should be aware that certain underlying assets of the derivative can be subject to significant volatility and can lose value rapidly, particularly in extreme market conditions. The value of a particular derivative may change in a way which may be detrimental to the Target Fund's interests. As a result, as well as holding assets that may rise or fall with market values, it will also hold derivatives that may rise as the market value falls and fall as the market value rises.</p> <p><i>Control and monitoring</i></p> <p>Derivative products are highly specialised instruments that require investment techniques and risk analysis which are different from those associated with equity and fixed income</p>

Specific risks associated with the Target Fund

securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Target Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell at a desired time and price, especially in any quantity, which increases the risk of investment losses. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC derivatives if it is allowed to liquidate such transactions, at any time, at fair value).

Counterparty risk

The Target Fund may enter into transactions in OTC markets, which will expose the Target Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Target Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However, this risk is limited in view of the investment restrictions laid down in section "Financial Techniques and Instruments" of the prospectus of the Target Fund.

Other risks

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC derivatives, are complex and

Specific risks associated with the Target Fund

often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Target Fund. However, this risk is limited as the valuation method used to value OTC derivatives must be verifiable by an independent auditor.

Risk Management Strategy

Risk management of the Fund forms an integral part of the investment process. The Fund's portfolio is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the Manager. Assessment of risk is an important part of the asset allocation process. The investment team of the Manager has the discretion to select instruments/securities from the authorised investment list.

6 FEES, CHARGES AND EXPENSES

Unless stated otherwise, all fees, charges and/or expenses disclosed in the Information Memorandum are exclusive by way of example and not limitation; goods and services tax, value added tax, consumption tax, levies, duties and other taxes as may be imposed by the Government of Malaysia from time to time (collectively known as “Taxes”). If these fees, charges and/or expenses are subject to any Taxes, such Taxes shall be borne and payable by the Unit Holders and/or the Fund (as the case may be) at the prevailing rate, including any increase or decrease to the rate, in addition to the fees, charges and/or expenses stated herein.

6.1 Charges

This table describes the charges that you may **directly** incur when you buy or redeem units of the Fund (*rounded to 2 decimal points*):

Entry Charge	Distribution Channel	Entry Charge
	Direct Sales	Up to 5.00% of the NAV per unit of the Class(es).
	IUTA	Up to 5.00% of the NAV per unit of the Class(es).
<p><i>Notes:</i> There will be no entry charge payable by AmBank Group staff. Sophisticated Investors are advised that they may negotiate for lower entry charge prior to the conclusion of sales. The Manager reserves the right to waive or reduce the entry charge from time to time at its absolute discretion.</p>		
Exit Penalty	There will be no exit penalty for this Fund.	
Other Charges	Other direct charges that you may incur are as follows:	
	<p>Transfer fee Nil.</p> <p>Bank charges or fees Bank charges or fees, if any, will be borne by you.</p> <p>Switching fee <u>Switching between funds managed by the Manager</u> Unit Holders are only allowed to switch to other funds where the currency denomination is the same as the Class of the Fund switched out. For switches between any of the funds</p>	

managed by the Manager, Sophisticated Investors will be charged on the differences of entry charge between funds switched, which is up to a maximum of 6.00% of NAV per unit of the fund switched into. No entry charge will be imposed if the fund to be switched into has a lower entry charge.

Switching between Class(es) of the Fund

Unit Holders are not allowed to switch between Class(es).

6.2 Ongoing Fees and Expenses

Due to the multiple Classes in the Fund, the fees and expenses for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means the multi-class ratio (“MCR”) is calculated by taking the “Opening Value of a Class” for a particular day and dividing it with the “Opening Value of the Fund” for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

As an illustration, assuming there is an indirect fee chargeable to the Fund of USD100 and the size of the USD Class is 40%, RM-Hedged Class is 30%, AUD Class is 15% and SGD Class is 15% of the Fund, the ratio of the apportionment based on the percentage will be 40:30:15:15 (USD:RM-Hedged:AUD:SGD) i.e. 40% being borne by USD Class, 30% being borne by RM-Hedged Class, 15% being borne by AUD Class and SGD Class respectively.

“Opening Value of the Fund” refers to the NAV of the Fund before income and expenses.

“Opening Value of a Class” refers to the NAV of a Class before income and expenses.

The fees and expenses that you may **indirectly** incur are as follows.

(a) Annual Management Fee

An annual management fee of up to 1.80% p.a. of the Fund’s NAV is charged and then apportioned to each Class based on the MCR. The management fee is calculated on a daily basis and will be paid monthly to us. From the illustration below, it shows that there is no double charging of management fee.

An illustration of the calculation and apportionment of the daily management fee is as follows:

Assuming a total fund size of USD100 million and the Target Fund’s management fee is 1.20% p.a. and investments have been made in RM-Hedged Class and USD Class, then the daily accrued management fee for the day would be:

	<u>USD</u>
Investments	85,000,000.00
Others (Liquid assets)	15,000,000.00
NAV (before fees)	<u>100,000,000.00</u>

Management fee for the day:

[(Investments + Liquid assets) x 1.80%] ÷ Number of days in a year

1. Charged by the Target Fund:
= (USD85,000,000.00 x 1.20%) ÷ 365 2,794.52

2. Charged by the Fund:
 - a) Investments
= (USD85,000,000.00 x 0.60%) ÷ 365 1,397.26

 - b) Liquid assets
= (USD15,000,000.00 x 1.80%) ÷ 365 739.73

 - c) = 1,397.26 + 739.73 2,136.99

Class-level apportionment (assumed ratio: USD:RM-Hedged, 60:40)

USD Class	1,282.19
RM-Hedged Class	854.80
Total	2,136.99

(b) Annual Trustee Fee

The Trustee is entitled to an annual trustee fee for acting as trustee for the Fund. This fee is calculated daily and paid monthly. The trustee fee is up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee and charges, where applicable). An illustration of the trustee fee per day is as follows:

Assuming the NAV of the Fund is USD100 million and the trustee fee is 0.04% p.a. of the NAV of the Fund, then the daily accrued trustee fee would be:

	<u>USD</u>
Trustee's fee for the day charged to the Fund:	
(NAV of the Fund x Trustee fee) ÷ Number of days in a year	
= (USD100,000,000.00 x 0.04%) ÷ 365	109.59

(c) Fund Expenses

The Manager and the Trustee may be reimbursed out of the Fund for any cost reasonably incurred in the administration of the Fund. The Fund's expenses currently include but are not limited to audit fees, tax agent's fees, printing and postages of annual and quarterly reports, bank charges, investment committee fee for independent members, lodgement fees for Fund's reports, foreign custodians' charges (if any) in respect of any foreign investments of the Fund, fees paid to brokers or dealers (if any) and other expenses as permitted by the Deed.

THERE ARE FEES AND CHARGES INVOLVED AND SOPHISTICATED INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.

7 TRANSACTION INFORMATION

7.1 Valuation of Assets

In undertaking any of its investments, the Manager will ensure that all the assets of the Fund are valued at fair value in compliance with the SC guidelines and relevant laws at all times. Investments of the Fund are valued in accordance to the following:

- Collective investment schemes
The value of any investment in unlisted collective investment schemes shall be determined by reference to the last published repurchase price.
- Deposits
The value of any deposits placed with financial institutions shall be determined on each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period.
- Derivatives
The valuation is based on marked to market prices. The methods or bases of valuation will have to be verified by the Auditor of the Fund and approved by the Trustee.

7.2 Pricing and Valuation Points

The Fund adopts a single pricing policy i.e. subscription and redemption of units will be carried out at the NAV per unit. The valuation point of the Fund will be on daily basis (e.g. each business day).

The Fund also adopts forward pricing which means price for units will be calculated at the next valuation point after the complete documentation is received by the Manager.

Valuation point refers to such time(s) on a Business Day as may be decided by the Manager wherein the NAV per unit of the relevant Class(es) is calculated. Since the Fund may invest in foreign markets, the valuation of the Class(es) will be carried out on the next Business Day (T+1) by 5.00 p.m. This is to cater for the currency translation of the Target Fund to the Class(es)'s base currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at 4.00 pm (UK time) which is equivalent to 11.00 pm or 12.00 am midnight (Malaysian time) on the same day, or such other time as stipulated in the Investment Management Standards issued by the Federation of the Investment Managers Malaysia (FIMM).

Sophisticated Investor will buy units at the NAV per unit of the relevant Class as at the next valuation point after an instruction for purchase is received plus applicable entry charge of the Class; and redemption will be calculated based on the NAV per unit of the relevant Class as at the next valuation point after an instruction for redemption is received.

Incorrect Pricing

In the event of any incorrect pricing of units of the Class(es), the Manager shall take immediate remedial action to rectify the incorrect pricing. Where the incorrect pricing:

- (i) is equal or more than one per centum (1.00%) of the NAV per unit; and
- (ii) the total impact on an individual account is less than RM 10.00 or its foreign currency equivalent in absolute amount.

then the Manager shall reimburse the relevant Class and/or the affected Unit Holder in the following manner:

- (a) where the error is as a result of over valuation (i.e. the price quoted is higher than the actual price), the Manager shall reimburse:
 - (i) the relevant Class (for the difference between the redemption amount paid out by the relevant Class and the amount per the amended valuation); and/or
 - (ii) the Unit Holders (for the difference between the value of subscription amount paid by the Unit Holder and the amount per the amended valuation).
- (b) where the error is as a result of under valuation (i.e. the price quoted is lower than the actual price), the Manager shall reimburse:
 - (i) the relevant Class (for the difference between the value of subscription amount paid by the Unit Holder and the amount per the amended valuation); and/or
 - (ii) the Unit Holders (for the difference between the redemption amount paid out by the relevant Class and the amount per the amended valuation).

Subject to any regulatory requirements, the Manager shall have the right to amend, vary or revise the above said limits or threshold from time to time.

Policy on rounding adjustment

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

NAV per unit of the Class(es)

Due to the multiple Classes in the Fund, the valuation of the Fund will be done in the Fund's base currency i.e. USD. As such, all assets and/or cash that are not denominated in USD will be converted to USD for valuation purposes. The foreign exchange rate used for this purpose shall be based on the bid exchange rate quoted by Bloomberg or Refinitiv at 4.00 pm (UK time) which is equivalent to 11.00 pm or 12.00 am midnight (Malaysian time) on the same day, or such other time as stipulated in the Investment Management Standards issued by the FIMM.

Illustration:

The following is a hypothetical example of the computation of the NAV per unit in Class currency at each valuation point based on the Multi Class Fund (MCF) Ratio with the assumption that the investment has been made in RM-Hedged Class and USD Class:

“Opening Value of the Fund” refers to the NAV of the Fund before income and expenses.

“Opening Value of a Class” refers to the NAV of a Class before income and expenses.

		Fund (USD) Total	RM-Hedged Class	USD Class
Day 1 – by 4.00pm				
Sales amount received	A		RM20,000,000.00	USD10,000,000.00
NAV per unit	B		RM1.0200	USD1.0000
Units in Circulation	C=A÷B		19,607,843.14	10,000,000.00
Foreign exchange (“FX”) translation on Day 1 (FX as per Valuation date – using FIMM FX guidelines)	D		0.30	1.00
Value of the Fund (USD)	E=AxD	USD16,000,000.00	USD6,000,000.00	USD10,000,000.00
Day 2				
Opening Value of the Fund (USD)	E	USD16,000,000.00	USD6,000,000.00	USD10,000,000.00
Multi Class Fund (MCF) Ratio [^]	F	100%	37.5%	62.5%
Add: Income (USD) (Proportionate based on MCF Ratio [^])	G	USD15,000.00	USD5,625.00	USD9,375.00
Less: Administration expenses (USD) (Proportionate based on MCF Ratio [^])	H	(USD1,000.00)	(USD375.00)	(USD625.00)
NAV before management fee and trustee fee for the day	I=E+G-H	USD16,014,000.00	USD6,005,250.00	USD10,008,750.00
- investment in Target Fund (85% of NAV)	J=I x 85%	USD13,611,900.00		
- investment in other liquid assets (15% of NAV)	K=I x 15%	USD2,402,100.00		

		Fund (USD) Total	RM-Hedged Class	USD Class
Class expenses				
Management fee (% p.a.)				
- charged on investment in Target Fund	L	0.60%		
- charged on other liquid assets	M	1.80%		
Management fee for the day (USD) (Proportionate based on MCF Ratio [^])	$N = \frac{(J \times L) + (K \times M)}{365}$	(342.22)	(128.33)	(213.89)
Trustee fee (% p.a.)	P	0.04%		
Trustee fee for the day (USD) (Proportionate based on MCF Ratio [^])	$Q = \frac{(I \times P)}{365 \times F}$	(17.55)	(6.58)	(10.97)
NAV	S=I-N-Q	USD16,013,640.23	USD6,005,115.09	USD10,008,525.14
Units in Circulation	C		19,607,843.14	10,000,000.00
NAV per unit in Base Currency (USD)	T=S÷C		USD0.3063	USD1.0009
FX translation on Day 2 (FX as per Valuation date – as per FIMM FX guidelines)	U		0.32	1.00
NAV per unit in Class currency	T÷U		RM0.9572	USD1.0009
Sales/(Redemption) amount received for Day 2	V		RM2,000,000.00	(USD500,000.00)
FX translation on Day 2 (FX as per Valuation date – as per FIMM FX guidelines)	W		0.32	1.00
Value of the sales/redemption (USD)	X = VxW	USD140,000.00	USD640,000.00	(USD500,000.00)
Value of the Fund (USD)	Y=S+X	USD16,153,640.23	USD6,645,115.09	USD9,508,525.14
Day 3				
Opening Value of the Fund (USD)	Y	USD16,153,640.23	USD6,645,115.09	USD9,508,525.14

Note: ^ Multi Class Fund (MCF) Ratio is apportioned based on the size of the Class relative to the whole Fund. This means the MCF Ratio is calculated by taking the Opening Value of a Class divided by the Opening Value of the Fund. This apportionment is expressed as a ratio and calculated as a percentage.

Making an investment

Assuming that a Sophisticated Investor wants to invest USD10,000 in the USD Class of the Fund and the NAV per unit is USD1.0000 and entry charge is 5.00% of the NAV per unit of the USD Class. The Sophisticated Investor will need to pay the amount as illustrated below to the Manager:

Items	USD/Units	Explanation
(i) Amount to be invested (investment amount)	USD10,000	
(ii) Units issued to Sophisticated Investor	10,000 units	USD10,000/ USD1.0000 per unit
(iii) Entry charge incurred by Sophisticated Investor	500	10,000 units x USD1.0000 x 5.00%
(iv) Amount payable by Sophisticated Investor	USD10,500	USD10,000 + USD500

Redeeming an investment

Assuming that a Sophisticated Investor wishes to redeem 10,000 units from the USD Class of the Fund and the NAV per unit of the USD Class is USD1.0005 with no exit penalty. Hence, the total amount payable to the Sophisticated Investor is USD10,005 as illustrated below:

Items	USD/Units	Explanation
(i) Units redeemed	10,000 units	
(ii) Gross amount payable to Sophisticated Investor	USD10,005	10,000 units x USD1.0005
(iii) Exit penalty incurred by Sophisticated Investor	0	No exit penalty
(iv) Amount payable to Sophisticated Investor	USD10,005	USD10,005 - 0

7.3 Making an Investment

Minimum Initial Investment	RM Class: RM5,000 RM-Hedged Class: RM5,000 USD Class: USD1,000 <i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager's discretion to accept.</i>
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Minimum Additional Investment	<p>RM Class: RM1,000 RM-Hedged Class: RM1,000 USD Class: USD1,000</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager's discretion to accept.</i></p>
Step 1 Eligibility	<p>Sophisticated Investors, with 18 years of age and above for individual who are not US Persons.</p> <p>Notes:</p> <ol style="list-style-type: none"> (1) <i>The Manager has the right to reject any application by a US Person. However, if you are investing through our appointed distributor who operates under a nominee system of ownership, kindly consult the respective distributor accordingly.</i> (2) <i>If a Unit Holder is a US Person or subsequently becomes a US Person and such fact comes to the attention of the Manager:</i> <ol style="list-style-type: none"> a) <i>The Manager is entitled to act in accordance with FATCA, relevant laws, rules, regulations, notes and circulars issued by the relevant authorities from time to time including but not limited to withholding such amount of the income derived from the units held by such US Person (if any); and</i> b) <i>The Manager shall by a notice in writing to that US Person require him/her to either redeem all the units of the Fund or transfer all the units of the Fund to a non-US Person within thirty (30) days from the date of the notice. Upon expiry of thirty (30) days from the date of such notice, the Manager reserves the right to compulsorily redeem all the units held by such US Person.</i>
Step 2 Forms To Be Completed and Documents Required	<p><u>For initial investment:</u></p> <ol style="list-style-type: none"> (1) A full set of account opening form; (2) Proof of payment; (3) Suitability assessment form; (4) Personal Data Protection Act consent form (if applicable); (5) FATCA and CRS documentation: <ol style="list-style-type: none"> a) Self-certification by individual / entity; b) W-8BEN / W-8BEN-E Form (if applicable); and c) W-9 Form (if applicable); and (6) Additional documents requested by the Manager (if applicable).

Individual investor/jointholder

For a single applicant, photocopy of National Registration Identity Card (NRIC) for Malaysian or passport for foreigner. For joint applicant, photocopy of NRIC for Malaysian or passport for foreigner of first named joint applicant and the subsequent named joint applicant.

Non-individual/corporate investors

- (1) Copy of NRIC/passport of all authorised signatory(ies);
- (2) Copy of NRIC/passport of directors/shareholders/partners;
- (3) A certified true copy of the Memorandum and Articles of Association, business registration documents, certificate of registration or its equivalent;
- (4) A certified true copy of Form 24 and 49 or its equivalent;
- (5) An original/extract copy of a board resolution approving investments in the Fund or its equivalent;
- (6) List of authorised personnel to effect any instructions pertaining to the Fund if the list of authorised personnel is not mentioned in the board resolution or its equivalent;
- (7) A copy of the latest audited financial statement of accounts;
- (8) Any other approvals required from relevant authorities; and
- (9) Any other documents requested by the Manager.

For additional investment:

- (1) Transaction form or letter of instruction (for non-individual or corporate investors only); and
- (2) Proof of payment.

**Step 3
Manner of
Payment and
Delivery**

Upon clearance based on our “Know-Your-Customer” (KYC) policy, you can deposit payment into our account upon being advised by us. Your application will be accepted and shall be processed based on the net amount received. If you deposit payment into our account without notifying us, we reserve the right to reject your application and hold such amount until claimed.

Payments can be made by depositing payment into our account using either cheque, bank draft or telegraphic transfer payable to:

“AmFunds Management Berhad – Trust A/C”

For individual investors: You are advised to write your name, NRIC/passport number and contact number at the back of the cheque or bank draft.

For corporate investors: You are advised to write your company name, registration no. and contact number at the back of the cheque or bank draft.

You can submit the application with complete documentation (including the proof of payment) and payment to us or submit the same to any of our appointed distributors. If we do not receive complete documentation with the payment we reserve the right to reject the application. If you deposit payment into our account and do not notify or provide us with the complete documentation, we shall reject your application and hold such amount until claimed. Sales of units will be processed upon receipt of complete documentation and proof of payment.

We reserve the right to vary the manner of payment from time to time, and shall be communicated to you.

*Note: Where payment is by cheque, the cheque must be issued by the Sophisticated Investor. In the case of bank draft, a copy of the application for the bank draft as approved by the relevant bank must be submitted with the bank draft. **Any payment from third party other than the Sophisticated Investor will be rejected.***

**Processing an Application/
Cut-off Time**

- If an application with complete documentation is accepted by the Manager or our appointed distributors **before 4.00 p.m.** on a Business Day, it will be processed at the closing NAV per unit of the same Business Day.
- If an application with complete documentation is accepted by the Manager or our appointed distributors **after 4.00 p.m.** on a Business Day or on a non-Business Day, it will be processed at the closing NAV per unit of the next Business Day.

Notes:

- *The Manager reserves the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents or proof of payment. Incomplete applications will not be processed until all the necessary information has been received.*
- *You should note that different distributors may have different cut off times in respect of receiving application request. You are advised to contact the relevant distributors to obtain further information and should check*

	<i>with the relevant distributors on their cut off time in respect of receiving application request.</i>
Cooling-off Right	Not applicable for this Fund.
Confirmation of an Application	You shall be issued a transaction advice within two (2) weeks of processing your application. No certificates are issued. Instead your details are entered into the register of Unit Holders, which is kept at our head office and can be inspected during business hours.
Miscellaneous Application Information	You will be responsible for all losses and expenses of the Fund in the event of any failure to make payments according to the procedures outlined in this Information Memorandum. In addition, a RM20 charge will be imposed if a cheque does not clear. Such losses and expenses shall be deducted by the Manager from your account with us. We reserve the right to reject any application. We also reserve the right to change or discontinue any of our application procedures.

SOPHISTICATED INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

7.4 Making Redemptions

Minimum Redemption / Switching	<p>All Classes: 1,000 units</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager's discretion to accept.</i></p>
Minimum Holding / Balance	<p>All Classes: 1,000 units</p> <p><i>Note: The Manager reserves the right to change the stipulated amount from time to time. You may request for a lower amount subject to the Manager's discretion to accept.</i></p>
Forms To Be Completed	<p>(1) Transaction form signed by individual unit holder(s)/ authorised signatory(ies); or</p> <p>(2) Letter of instruction (for non-individual or corporate investors only).</p>
Submission of Redemption Request / Cut-off Time	<p>Redemption request can be made on any Business Day by completing the transaction form or letter of instructions.</p> <ul style="list-style-type: none"> • If a redemption request with complete documentation is accepted by the Manager or our appointed distributors before 4.00 p.m. on a Business Day, it will be processed at the closing NAV per unit of the same Business Day. • If a redemption request with complete documentation is accepted by the Manager or our appointed distributors

	<p>after 4.00 p.m. on a Business Day or on a non-Business Day, it will be processed at the closing NAV per unit of the next Business Day.</p> <p><i>Notes:</i></p> <ul style="list-style-type: none"> • <i>The Manager reserves the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents. Incomplete applications will not be processed until all the necessary information has been received.</i> • <i>You should note that different distributors may have different cut off times in respect of receiving redemption request. You are advised to contact the relevant distributors to obtain further information and should check with the relevant distributors on their cut off time in respect of receiving redemption request.</i>
Payment of Redemption Proceeds	Within fourteen (14) calendar days of receiving the redemption request with complete documentation.
Manner of Payment	<p>Redemption proceeds will be made in the currencies which the units are denominated will be paid to a bank account (active account) held in your own name or the first named Unit Holder (for joint account) either by telegraphic transfer, cheque or bank draft.</p> <p><i>Note: We reserve the right to vary the manner of payment from time to time, and shall be communicated to you.</i></p>
Miscellaneous Redemption Information	We reserve the right to defer the calculation of redemption price with the consent of the Trustee (or as permitted by the SC) after receiving the redemption request if in our judgment, an earlier payment would adversely affect the Fund.

No redemption will be paid in cash under any circumstances.

7.5 Distribution Payment

Mode of Income Distribution	<p>Given the Fund's investment objective, the Classes of the Fund is not expected to pay any distribution. Distributions, if any, are at the Manager's discretion.</p> <p><u>RM and RM-Hedged Classes</u></p> <p>Distribution, if any, will be deposited into your bank account held in your name or the first named Unit Holder (for joint account) or to pay such income distribution by way of a bank draft under any circumstances where the income distribution cannot be transferred.</p>
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If you do not state your option in the account opening form or transaction form, and if income distribution is paid, such income will be automatically reinvested in the forms of units.

Other Classes except for RM and RM-Hedged Classes

Distribution, if any, will be automatically reinvested into your account with us at no cost, based on the NAV per unit of the relevant Class at the end of Business Day of the income distribution date.

Notes: Income distribution amount (if any) for each of the Classes could be different and is subject to the sole discretion of the Manager. For RM and RM-Hedged Classes only, if income distribution earned does not exceed RM500, it will be automatically reinvested.

7.6 Unclaimed Moneys

Any moneys payable to you which remains unclaimed (hereinafter referred to as unclaimed amount) for the last twelve (12) months or such period as may be prescribed under the Unclaimed Moneys Act 1965 from the date of payment 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 Moneys.

7.7 Other Relevant Information When Making an Investment

Switching Facility

Unit Holders are only allowed to switch to other funds where the currency denomination is the same as the Class of the Fund switched out. For switches between any of the funds managed by the Manager, Unit Holders will be charged on the differences of the entry charge between funds switched, which is up to a maximum of 6% of NAV per unit of the fund switched into. No entry charge will be imposed if the fund to be switched into has a lower entry charge.

Unit Holders are not allowed to switch between Class(es).

Please note that the price of the Fund to be switched out and the price of another Fund to be switched into may be of different days.

Transfer Facility

Transfer facility is not available for this Fund.

Temporary Suspension of Determination of NAV and of the Issue and Redemption of Units

The Manager may suspend the determination of the NAV of the Fund, the issue of units and the redemption of units in the following circumstances:

- (a) during any period when the Malaysian market on which a material part of the investments of the Fund is closed, or during which dealings are substantially suspended or restricted;
- (b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal of investments of the Fund is not possible;
- (c) during any breakdown in the means of communication normally employed in determining the price of the Fund's investments on any market;
- (d) when for any other reason the prices of any investments owned by the Fund cannot promptly or accurately be ascertained;
- (e) during any period when remittance of monies which will or may be involved in the realization of or in the payment for any of the Fund's investments cannot, in the opinion of the Manager, be carried out at normal rates of exchange;
- (f) in the event of the publication of a notice convening a Unit Holders meeting; or
- (g) if in our judgement, an earlier payment of redemption proceeds would adversely affect the Fund.

Unit Holders who have requested for subscription and/or switching and/or redemption of their units will be notified in writing of any such suspension of the right to subscribe, to switch or to require redemption of units and will be promptly notified upon termination of such suspension. Any suspension shall be in accordance with the Deed.

Customer Identification Program

Pursuant to the relevant laws of Malaysia on money laundering, we have an obligation to prevent the use of the Fund for money laundering purposes. As such, we and/or our appointed distributors have put in place a "Know Your Customer" ("KYC") policy where procedures are in place to identify and verify the investor's identification through documents such as identity card, passport, constituent documents or any other official documents.

We and/or our appointed distributors reserve the right to request such information, either at the time an application is made or thereafter, as is necessary to verify the identity of an investor (or each of the investors in the case of joint investors) and/or to periodically update our records. We and/or our appointed distributors require you to provide us with your information and information of beneficial owner such as name, date of birth, national registration card number, residential and business address, (and mailing address if different), name of beneficial owner, address of beneficial owner, national registration card number of beneficial owner, date of birth of beneficial owner or other information and official identification.

For corporate clients, we and/or our appointed distributors require you to provide us the name of the company, principal place of business, source of income/asset, identification documents of the directors/shareholders/partners, board resolution pertaining to the investment and the person authorized to operate the account, all of which as per requirements under regulation when you open or re-open an account.

We and/or our appointed distributors also reserve the right to request additional information including the source of the funds, source of wealth, net worth, annual income and identity of any beneficial owners as may be required to support the verification information and to allow us to complete adequate due diligence. In the event of delay or failure by the investor to produce any information required for verification purpose, we and/or our appointed distributors may refuse to accept an application request. In relation to a subscription application, any monies received will be returned without interest/profit to the account from which the monies were originally debited, and in relation to redemption application, no units will be redeemed to the investor. We and/or our appointed distributors also reserve the right to place restrictions on transactions or redemptions on your account until your identity is verified.

In the event of any breaches to the applicable laws on money laundering, we have a duty to notify the relevant authority.

Anti-Money Laundering (“AML”) / KYC Obligation on distributor

If you have invested in the Fund via a distributor, there may be additional information that the distributor may need to provide to us, which may include the release of your particulars and details of ultimate beneficiaries / ultimate beneficial owners investing in the Fund to us. Without such information being provided, we may be required to reject your subscription or redemption request until such information is provided by the distributor to us.

Cross Trade

The Manager may conduct cross trades between funds and private mandates it currently manages provided that all criteria imposed by the regulators are met.

Notwithstanding, cross trades between the personal account of an employee of the Manager and the Fund’s account and between the Manager’s proprietary trading accounts and the Fund’s account are strictly prohibited. The execution of cross trade will be reported to the investment committee and disclosed in the Fund’s report accordingly.

Rebates and Soft Commission

It is our policy to channel all rebates, if any, received from brokers or dealers to the Fund. However, soft commissions for goods and services which are of demonstrable benefit to Unit Holders and in the form of research and advisory services that assist in the decision making process relating to the Fund’s investments as allowed under regulatory requirements and incidental to investment management of the Fund and

the dealing with the broker or dealer is executed on terms which are the most favourable for the Fund are retained by us.

Borrowing/Financing

The Fund is prohibited from borrowing other assets (including borrowing of securities within the meaning of *Securities Borrowing and Lending Guidelines*) in connection with its activities. However, the Fund may borrow cash for the purpose of meeting repurchase requests for units of the Fund and for short-term bridging requirements. Such borrowings are subject to the following:

- (a) the Fund's cash borrowing is only on a temporary basis and that borrowings are not persistent;
- (b) the borrowing period should not exceed one month;
- (c) the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- (d) the Fund only borrows from financial institutions.

8 THE MANAGEMENT COMPANY

8.1 Corporate Information of the Manager

AFM was incorporated on 9 July 1986 and is a wholly owned by AmInvestment Bank Berhad with effective from 21 July 2016. As at LPD, AFM has more than thirty (30) years of experience in the unit trust industry.

AFM is the holder of a Capital Markets and Services Licence for the regulated activities of fund management, dealing in securities restricted to unit trusts and dealing in private retirement scheme issued under the Act.

8.2 Roles, Duties and Responsibilities of the Manager

The Manager is responsible for setting the investment policies and objective for the Fund. The Manager is also responsible for the promotion and administration of the Fund which include but not limited to issuing units, preparing and issuing information memorandum. AFM is responsible to manage, invest, realize, reinvest or howsoever deal with the Fund in accordance with the investment objective and guidelines, including investment limits and restrictions of the Fund.

8.3 Designated Fund Manager

Wong Yew Joe

Wong Yew Joe is the designated person responsible for the fund management function of the Fund. He is the Chief Investment Officer of AFM overseeing investments in the firm. He has more than twenty (20) years of experience in financial services and funds management. Over this tenure, his roles covered investment analysis, trading and portfolio management. He also played a key role in product development, business development and managing client relationships.

Yew Joe first joined the Funds Management Division in 2006 as a fund manager. His last post was the Head of Fixed Income and oversaw investments in Islamic fixed income instruments and other related instruments. He holds a Bachelor of Commerce (Accounting and Finance) from the University of Southern Queensland, Australia. He also holds a Capital Markets Services Representative's License for the regulated activity of fund management.

8.4 Material Litigation

As at the LPD, the Manager is not engaged in any 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 or financial position of the Manager and of its delegates.

Note: Please refer to our website (www.aminvest.com) for further information on the Manager which may be updated from time to time.

9 THE TRUSTEE

9.1 About Deutsche Trustees Malaysia Berhad

Deutsche Trustees Malaysia Berhad (“DTMB”), Registration No. 200701005591 (763590-H) was incorporated in Malaysia on 22 February 2007 and commenced business in May 2007. DTMB is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

DTMB is a member of Deutsche Bank Group (“Deutsche Bank”). Deutsche Bank provides commercial and investment banking, retail banking, transaction banking and asset and wealth management products and services to corporations, governments, institutional investors, small and medium-sized businesses, and private individuals.

9.2 Experience in Trustee Business

DTMB is part of Deutsche Bank’s Securities Services, which provides trust, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 200 collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB’s trustee services are supported by Deutsche Bank (Malaysia) Berhad (“DBMB”), a subsidiary of Deutsche Bank, financially and for various functions, including but not limited to financial control and internal audit.

9.3 Roles, Duties and Responsibilities of the Trustee

DTMB’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the relevant provisions of the Deed, the CMSA 2007 and all relevant laws.

9.4 Trustee’s Disclosure of Material Litigation

As at LPD, the Trustee has not (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business / financial position of the Trustee.

9.5 Trustee’s Delegate

The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access

to a growing domestic custody network that covers over thirty (30) markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB's roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

9.6 Disclosure on Related-Party Transactions / Conflict of Interests

As the Trustee for the Fund and the Manager's delegate for the fund accounting and valuation services (where applicable), there may be related party transactions involving or in connection with the Fund in the following events:

- (1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. collective investment schemes, money market placement, etc.);
- (2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the SC Guidelines and other applicable laws;
- (3) Where the Manager appoints the Trustee to perform its back office functions (e.g. fund accounting and valuation); and
- (4) Where the Trustee has delegated its custodian functions for the Fund to DBMB.

The Trustee will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best available for or to the Fund and are on an arm's length basis as if between independent parties.

While the Trustee has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB's commitment to act in the best interests of the Unit Holders of the Fund do not preclude the possibility of related party transactions or conflicts.

10 SALIENT TERMS OF THE DEED

Please note that if an investor invests through a distributor via a nominee system of ownership, the investor will not be deemed a Unit Holder under the Deed.

10.1 Rights and Liabilities of Unit Holders

A Sophisticated Investor is deemed to be a Unit Holder when units are issued upon the Manager accepting completed documentation with payment.

Each unit held in the Fund entitles a Unit Holder to an equal and proportionate beneficial interest in the Fund. However, a Unit Holder does not own or have a right to any particular asset held by the Fund and cannot participate in management decisions except in very limited circumstances as set out in the Deed.

As a Unit Holder, you have the right to:

- (a) Receive income distribution (if any);
- (b) Have your units redeemed;
- (c) Transfer your units, subject to Manager's discretion;
- (d) Participate in termination or winding up of the Fund;
- (e) Call, attend and vote at meetings of unit holders (the rules governing the holding of meetings are set out in the law and the Deed);
- (f) Receive statement of investments, annual and quarterly reports of the Fund; and
- (g) To exercise such other rights and privileges as provided for in the Deed.

The law and the Deed limit a Unit Holder's liability to the value of their investments in the Fund. Accordingly, if the Fund's liabilities exceed its assets, no Unit Holder by reason alone of being a Unit Holder, will be personally liable to indemnify the Trustee or the Manager or any of their respective creditors.

10.2 Fees and Charges Permitted by the Deed

The following are the maximum fees and charges as provided in the Deed:

Entry Charge	Up to 10.00% of the NAV per unit of the Class(es)
Exit penalty	Up to 10.00% of the NAV per unit of the Class(es)
Annual Management Fee	Up to 5.00% p.a. of the NAV of the Class(es)
Annual Trustee Fee	Up to 0.04% p.a. of the NAV of the Fund (excluding foreign custodian fees and charges, where applicable)

The increase in the fees and charges can only be made in accordance with the Deed and the relevant laws. Any increase in the fees and/or the charges above the level disclosed in the Information Memorandum may be made provided that the maximum level stated in the Deed shall not be breached. Any increase in the fees or charges above the maximum level disclosed in the Deed shall require Unit Holders' approval at a duly convened Unit Holders' meeting and subsequently a supplemental deed and supplemental information memorandum will be issued.

In the event of any increase in the fees and/or the charges above the level disclosed in the Information Memorandum and within the level disclosed in the Deed, a supplemental information memorandum will be issued.

10.3 Permitted Expenses Payable out of the Fund

The expenses (or parts thereof) which are directly related and necessary for the day to day operation and administration of the Fund are payable out of the Fund's assets. As provided in the Deed, these would include (but are not limited to) the following:

- (a) commissions/fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) costs, fees and expenses properly incurred by the Auditor and tax agent of the Fund;
- (d) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- (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 Fund;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any valuer, adviser (including but not limited to legal advisors/lawyers) or contractor for the benefit of the Fund;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (k) costs, fees and expenses incurred in the termination of the Fund 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 Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

- (m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;
- (n) costs, fees and expenses deemed by the Manager 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;
- (o) costs, fees and expenses incurred in relation to printing and postage of annual and quarterly reports;
- (p) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians in respect of the foreign investments of the Fund (if any); and
- (q) any tax and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (a) to (p) above.

10.4 Retirement, Removal and Replacement of the Trustee

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, the Trustee may retire upon the expiration of twelve (12) months' notice in writing to the Manager of its desire so to do, or such other period as the Manager and the Trustee may agree upon.

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 Deed.

10.5 Retirement, Removal and Replacement of the Manager

The Manager may be removed by the Trustee where:

- (a) 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 best interests of Unit Holders for the Trustee to do so after the Trustee has given notice to the Manager 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;
- (b) 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
- (c) the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed to the property and is not removed or withdrawn within thirty (30) days from appointment 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 have the power to retire in favour 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 to do so or such other period as the Manager and the Trustee may agree subject to the conditions stated in the Deed.

10.6 Termination of the Fund

Termination of Trust by the Manager

The Manager may determine the trust hereby created and wind up the Fund in accordance with the relevant laws. Notwithstanding the aforesaid, if the Fund is left with no Unit Holders, the Manager shall be entitled to terminate the Fund.

Upon the termination of the trust by the Manager, the Trustee shall as soon as practicable, give to each Unit Holder of the Fund being wound up notice of such termination; the Manager shall notify the existing Unit Holders in writing of the following options:

- (a) to receive the net cash proceeds derived from the sale of all the investment and assets of the Fund less any payment for liabilities of the Fund and any cash produce available for distribution in proportion to the number of Units held by them respectively;
- (b) to switch to any other wholesale fund managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
- (c) to choose any other alternative as may be proposed by the Manager.

Termination of Trust by the Trustee

In any of the following events:

- (a) 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;
- (b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law;

the Trustee shall summon a meeting of Unit Holders in accordance with the provisions of the Deed for the purpose of seeking directions from the Unit Holders.

If at any such meeting a Special Resolution to terminate the trust in respect to the Fund and to wind-up the Fund is passed by the Unit Holders, the Trustee shall apply to the court for an order confirming such Special Resolution.

Upon such application by the Trustee, the court may, if it considers it to be in the interests of the Unit Holders, confirm the Special Resolution and make such orders as it thinks necessary or expedient for the termination of the trust in respect of the Fund and the effective winding-up of the Fund.

The termination of the trust and the winding up of the Fund shall not affect the continuity of any other trusts and wholesale funds created and established hereunder.

10.7 Termination of a Class of Units

If the Fund has more than one class of Units, the Manager may terminate a particular class of Units in accordance with the relevant laws. The Manager may only terminate a particular class of Units if the termination of that class of Units does not prejudice the interests of Unit Holders of any other class of Units. For the avoidance of doubt, the termination of a class of Units shall not affect the continuity of any other class of Units of the Fund.

If at a meeting of Unit Holders to terminate a class of Units, a Special Resolution to terminate the class Units is passed by the Unit Holders of that class:

- (a) the Trustee and the Manager shall notify the relevant authorities in writing of the passing of the Special Resolution; and
- (b) the Trustee or the Manager shall as soon as practicable inform all Unit Holders of the Fund of the termination of that class of Units;

The Trustee shall then arrange for a final review and audit of the final accounts of the Fund attributable to that class of Units by the Auditor. Upon the completion of the termination of that class of Units, the Trustee and the Manager shall notify the relevant authorities of the completion of the termination of that class of Units.

10.8 Unit Holders' Meeting

Quorum required for a Unit Holders' meeting

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that 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 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 of the Fund or the applicable class of Units, as the case may be, at the time of the meeting.

Virtual Unit Holders' meeting

Subject to any applicable laws, the Manager and/or the Trustee shall have the power

to convene a virtual meeting of Unit Holders by video conference, web-based communication, electronic or such other communication facilities or technologies available from time to time, subject to the fulfilment of the following conditions:

- (a) the Manager and/or the Trustee shall:
 - (i) ensure that there is reliable infrastructure to enable the conduct of a virtual meeting including enabling the Unit Holders to exercise their rights to speak and vote at the virtual meeting;
 - (ii) provide guidance to the Unit Holders on the requirements and method of participating in the virtual meeting using the selected platform;
 - (iii) identify a broadcast venue as the place of meeting and to state the online platform that will be used for the virtual meeting in the written notice to the Unit Holders;
 - (iv) ensure only Unit Holders are allowed to participate in the virtual meeting; and
 - (v) observe the applicable directive, safety and precautionary requirements prescribed by the relevant authorities;
- (b) the broadcast venue shall be a physical venue in Malaysia where the chairman of the meeting shall be physically present;
- (c) participation by a Unit Holder in a Unit Holders' meeting by any of the communication facilities referred to in this section shall be deemed as present at the said Unit Holders' meeting and shall be counted towards the quorum notwithstanding the fact that the Unit Holder is not physically present at the main venue of where the Unit Holders' meeting is to be held; and
- (d) the provisions of the Deed shall apply mutatis mutandis to a virtual meeting of Unit Holders.

Unless otherwise prescribed by the relevant laws, a Unit Holders' meeting summoned pursuant to this section shall not be deemed to have proceeded for such period or periods where any of the communication facilities referred to in this section have been disconnected. The chairman of the meeting shall have the discretion to adjourn the meeting which had been disconnected and which cannot be reconnected within a reasonable time, to another date and time to be agreed by the Unit Holders present at the meeting.

10.9 Meeting Directed by the Unit Holders

The Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) Unit Holders or one-tenth (1/10) of all the Unit Holders of the Fund or of that class of Units, as the case may be, summon a meeting of the Unit Holders of the Fund or of a particular Class of the Fund by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders, at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager to the jointholder's last known address;
- (b) 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

national daily newspaper and in one other newspaper approved by the relevant authorities; and

- (c) 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 direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

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

provided always that the Manager shall not be obliged to summon any such meeting unless direction has been received from not less than fifty (50) Unit Holders or one-tenth (1/10) of all the Unit Holders of the Fund.

10.10 Meeting Summoned by the Manager or the Trustee

The Manager or the Trustee may summon a meeting of Unit Holders for any purpose whatsoever by:

- (a) giving at least fourteen (14) days' written notice to Unit Holders; and
- (b) specifying in the notice, the place and time of the meeting and the terms of the resolutions to be proposed.

11 RELATED PARTY TRANSACTIONS OR CONFLICT OF INTEREST

All transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm's length transaction between independent parties. The Fund may have dealings with parties related to the Manager. The related parties defined are AmIslamic Funds Management Sdn Bhd ("AIFM"), AmInvestment Bank Berhad, AmInvestment Group Berhad, AmBank (M) Berhad and AmBank Islamic Berhad.

Trading in securities by an employee is allowed, provided that the policies and procedures in respect of the personal account dealing are observed and adhered to. The directors, investment committee members and employees are required to disclose their portfolio holdings and dealing transactions as required under the Personal Account Dealing Policy and the Management of Conflict of Interest Policy. Further, the abovementioned shall make disclosure of their holding of directorship and interest in any company.

The directors of AFM may have direct or indirect interest through their directorship in parties related to AFM. Following are the details of the directors:

- Jeyaratnam A/L Tamotharam Pillai is the independent non-executive director of AmInvestment Bank Berhad.
- Ng Chih Kaye is the independent non-executive director of AmBank (M) Berhad.
- Goh Wee Peng is the non-independent director of AIFM.

For further details of the directors' profiles, please refer our website (www.aminvest.com).

To the best of Trustee's knowledge, there has been no event of conflict of interest or related party transaction which exists between the Trustee and the Manager or any potential occurrence of it.

12 ADDITIONAL INFORMATION

12.1 Keeping You Informed

When you invest

A transaction advice slip/tax invoice will be sent to you.

Statement of investment

We will send you a half-yearly statement. It will state the balance of units held by you together with all transactions made since the last statement.

Reports

We will send you:

- The annual report within two (2) months of the Fund's financial year end; and
- Quarterly reports within two (2) months of the end of the period covered.

Tax voucher

We will send you tax vouchers (if any) which will set out the information that is needed to complete your tax return form.

Internet

We publish updated information on our website www.aminvest.com.

Please take note that if you have invested through our appointed distributor via a nominee system of ownership, please obtain the above-mentioned information from that distributor.

12.2 Keeping Us Informed

Changing your account details

You will be required to inform us or your personal adviser from our appointed distributor in writing on any changes of your account details. Account details will amongst other things, include the following:

- your address;
- bank account details;
- signing instructions; and
- how income distributions are to be paid (if any).

Kindly ensure that you keep us or your personal adviser from our appointed distributor updated on any changes to your account details. This will enable us to keep you informed of the latest development of your investments and to ensure any payment of income distribution (if any) is paid successfully to your account or such cheque/ bank draft reaches you successfully at your updated address. Failure to inform us of any changes to your account details may result in us being unable to contact you and failure to make any income distribution payment to you, such income distribution will become unclaimed moneys and be treated as unclaimed moneys under Section 7.6.

Investor feedback and complaints

We encourage feedback from you in order for us to upgrade our services to meet your needs. Additionally, if you have any complaints, you may direct your complaints to your personal adviser from our appointed distributor. You may also direct your feedback or complaints to us by contacting our customer service representative at (03) 2032 2888 or email enquiries@aminvest.com. If you wish to write to us, please address your letter to:

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur

13 DIRECTORY

Head Office AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: (03) 2032 2888 Fax: (03) 2031 5210
Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad
P.O. Box 13611, 50816 Kuala Lumpur

For enquiries about this Fund and any other funds offered by AmFunds Management Berhad, please call (03) 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday-Thursday), 8.45 a.m. to 5.00 p.m. (Friday)

