

PROSPECTUS

BIMB-Arabesque Global Shariah-ESG AI Technology Fund (BGSEAIT)

MANAGER : BIMB INVESTMENT MANAGEMENT BERHAD 199301021508 (276246-X)
TRUSTEE : CIMB Islamic Trustee Berhad 198801000556 (167913-M)]

This Prospectus is dated 29 November 2021

The date of constitution of BIMB-Arabesque Global Shariah-ESG AI Technology Fund is 29 June 2021

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 17.

BIMB-ARABESQUE GLOBAL SHARIAH-ESG AI TECHNOLOGY FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT SRI FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.

BIMB-ARABESQUE GLOBAL SHARIAH-ESG AI TECHNOLOGY FUND INTEGRATES ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CONSIDERATIONS IN ITS CAPITAL ALLOCATION PROCESS, AND EMPLOYS NEGATIVE SCREENING FOR SHARIAH-COMPLIANCE AND ALIGNMENT WITH UNITED NATIONS GLOBAL COMPACT (UNGC) PRINCIPLES, IN ITS UNIVERSE CONSTRUCTION PROCESS.

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

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

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

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

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

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

BIMB-ARABESQUE GLOBAL SHARIAH-ESG AI TECHNOLOGY FUND HAS BEEN CERTIFIED AS SHARIAH-COMPLIANT BY THE SHARIAH ADVISERS APPOINTED FOR THE FUND.

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

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or U.S. Person(s), except in transaction which does not violate the securities laws of the United States of America. Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Fund.

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1. GLOSSARY

The following words or abbreviations shall have the following meanings in this Prospectus unless otherwise stated:

AAOIFI	Accounting and Auditing Organization for Islamic Financial Institutions.
Assets of the Fund	The Fund's holdings, which may include Islamic fixed deposits, Islamic money market instruments and other Shariah-compliant permitted instruments.
Base Currency	US Dollars or USD.
BIMB Investment or the Manager	BIMB Investment Management Berhad [199301021508 (276246-X)].
BNM	Bank Negara Malaysia.
Bursa Malaysia	The stock exchange managed and operated by Bursa Malaysia Securities Berhad including such other name as it may be changed from time to time.
Business Day	A day on which Bursa Malaysia is open for trading in securities. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as in the event of market disruption.
CIS	Collective investment scheme(s).
Class(es) of Units	<p>Any class of Units representing similar interests in the Assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the same Fund and "Class" means any one class of Unit(s).</p> <p>Classes that will be offered for subscription by the Fund are as follows:</p> <ul style="list-style-type: none">• RM Class• RM Hedged Class• USD Class
CMSA	Capital Markets and Services Act 2007 as originally enacted and amended or modified from time to time.
Deed	The deed dated 29 June 2021 in respect of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee.
Eligible Market	<p>Means a market that:</p> <ul style="list-style-type: none">(a) is regulated by a regulatory authority;(b) operates regularly;(c) is open to the public; and(d) has adequate liquidity for the purposes of the Fund.
ESG	Environmental Social and Governance.
FIMM	Federation of Investment Managers Malaysia.
Financial Institution(s)	<p>Means:</p> <ul style="list-style-type: none">(a) if the institution is in Malaysia-<ul style="list-style-type: none">(i) licensed bank;(ii) licensed investment bank; or(iii) licensed Islamic bank; and(b) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	The price of a Unit that is the NAV per Unit calculated at the next valuation point after an instruction or request is received by the Manager.
Fund	BIMB-Arabesque Global Shariah-ESG AI Technology Fund.
Guidelines	Guidelines on Unit Trust Funds issued by the SC, as amended from time to time.

Initial Offer Period	In respect of a Class of Units, means the period described as such for that Class of Units in this Prospectus or supplemental or replacement prospectus (as the case may be); during this period, Units are created, cancelled, sold and redeemed at the Initial Offer Price.
Initial Offer Price	The price of a Unit offered to investors during the Initial Offer Period.
Prospectus	This offer document in respect of this Fund.
IOSCO	International Organization of Securities Commissions.
IUTA	Institutional Unit Trust Scheme Adviser which is a corporation registered with the FIMM and authorised to market and distribute unit trust schemes of another party.
Latest Practicable Date or LPD	30 June 2021
medium to long term	A period of three (3) years or more.
Net Asset Value or NAV	The NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point. Where the Fund has more than one Class of Units, there shall be a NAV of the Fund attributable to each Class of Units.
Net Asset Value (NAV) per Unit	The NAV attributable to a Class of Units of the Fund divided by the total number of Units in circulation for that Class, at the valuation point.
RM or Ringgit Malaysia or MYR	The lawful currency of Malaysia.
RM Class	A class of Units of the Fund which is denominated in Ringgit Malaysia. This class is for Malaysian and foreign investors, excluding US person.
RM Hedged Class	A class of Units of the Fund which is denominated in Ringgit Malaysia which seeks to reduce the effect of currency fluctuations between the currency of the class of Units and the Base Currency. This class is for Malaysian and foreign investors, excluding US person.
SAC	The Shariah Advisory Council of the SC.
SC or Securities Commission	Securities Commission Malaysia.
Shariah Advisers	The Shariah Advisers appointed by the Manager to advice on all aspects of the Fund in accordance with Shariah principles.
Shariah	Islamic law, originating from the <i>Qur'an</i> (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (<i>pbuh</i>) and <i>ijtihad</i> of <i>ulamak</i> (personal effort by qualified Shariah scholars to determine the true rulling of the divine law on matters whose revelations are not explicit).
Special Resolution	A resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed and carried by a majority of not less than three-fourths of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths of the Unit Holders present and voting at the meeting in person or by proxy" means three-fourths of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
SRI	Means sustainable and responsible investment.
Trustee	CIMB Islamic Trustee Berhad [198801000556 (167913-M)].
UNGC	United Nation Global Compact.
Unit or Units	An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and

	means a unit issued for each Class of Units.
Unit Holder(s)	The person(s) registered as holder(s) of a unit or units of the Fund including person(s) jointly registered and whose name appears in the register of Unit Holders.
USD	The official currency of the United States of America.
USD Class	A class of Units of the Fund which is denominated in USD. This class is for Malaysian and foreign investors, excluding US person.
US (United States) Person	A citizen or resident of the United States of America, a partnership organized or existing under the laws of any state, territory or possession of the United States of America, or a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which from sources outside the United States of America is not includable in gross income for purpose of computing United States income tax payable by it.
Warrants	Means warrants that are capable of being converted into new shares.
WFE	World Federation of Exchange.

2. CORPORATE DIRECTORY

<p>MANAGER</p> <p>BIMB Investment Management Berhad [199301021508 (276246-X)]</p> <p>Registered Office</p> <p>Level 32, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur.</p> <p>Business Office</p> <p>Level 19, Menara Bank Islam, No. 22, Jalan Perak, 50450 Kuala Lumpur.</p> <p>Tel: +603-2161 2524 / 03-2161 2924 Fax: +603-2161 2464 Toll-free number: 1800-88-1196</p> <p>Website: www.bimbinvestment.com.my Email: marketing.bimbinvest@bankislam.com.my</p> <p>SHARIAH ADVISERS</p> <p>Dr. Ahmad Shahbari @ Sobri bin Salamon (Chairman)</p> <p>J9 Felda Kampung Awah 28030 Temerloh Pahang</p> <p>Associate Prof. Dr. Asmak binti Ab. Rahman (Committee Member)</p> <p>Department of Syariah & Economics Academy of Islamic Studies University of Malaya 50603 Kuala Lumpur</p> <p>Dr. Shamsiah binti Mohamad (Committee Member)</p> <p>5, Jalan Zuhrah U5/161 Taman Subang Murni Bandar Pinggiran Subang 40150 Shah Alam Selangor</p>	<p>TRUSTEE</p> <p>CIMB Islamic Trustee Berhad [198801000556 (167913-M)]</p> <p>Registered Office</p> <p>Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.</p> <p>Tel: +603-2261 8888 Fax: +603-2261 0099 Web: www.cimb.com</p> <p>Business Office</p> <p>Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470 Kuala Lumpur.</p> <p>Tel: +603-2261 8888 Fax: +603-2261 9889 Web: www.cimb.com</p>
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3. ABOUT BIMB-ARABESQUE GLOBAL SHARIAH-ESG AI TECHNOLOGY FUND

3.1 Fund Profile

Fund Category	Shariah-Compliant Equity		
Fund Type	Growth		
Risk Profile	High		
Base Currency	USD		
Financial Year End	31 May		
Classes of Units	<ul style="list-style-type: none">• RM Class• USD Class• RM Hedged Class		
Initial Offer Price	RM Class	USD Class	RM Hedged Class
	RM0.25	USD0.25	RM0.25
Initial Offer Period	<p>The initial offer period for the Fund shall be up to 21 calendar days from the date of this Prospectus.</p> <p>The Initial Offer Period may be shortened by the Manager in the event the Manager determines that it is in the best interest of the Unit Holders.</p>		

3.2 Investor's Profile

The Fund is primarily suitable for investors:

- who are seeking capital appreciation over medium to long term period;
- who are seeking exposure in investment in technology stocks;
- with high risk tolerance; and
- with medium to long term investment horizon.

3.3 Investment Objective

The Fund aims to provide investment return to investors through investment in Shariah-compliant global equity with a focus on technology sector.

Any material changes to the Fund's investment objective would require Unit Holders' approval.

3.4 Investment Policy and Strategy

The Fund will invest in a minimum of 70% and up to 98% in listed equities and Shariah-compliant equity-related securities in Malaysia and foreign companies where the regulatory authorities are the ordinary or associate members of the IOSCO and the exchange is a member or affiliate member of WFE.

As the Fund aims to provide investment return to investors through investment in Shariah-compliant global equity with a focus on technology sector, please refer to Section 3.4.1 of this Prospectus for the construction of the investment universe of the Fund.

The Fund invests through a rules-based investment process into listed companies that are compliant with the principles of the UNGC and Shariah-compliant according to the SAC and/or the AAOIFI Shariah Standards.

The Fund may also invest in Islamic CIS with equities underlying which are compliant with the principles of the UNGC or ESG that is in line with the Fund's investment objective. The Fund's investment will be evaluated on a quarterly basis to ensure that the investments are in line with the principles of the UNGC and ESG and the overall impact of the investments is consistent with any other sustainability considerations. In the event the Islamic CIS in which the Fund invests shows persistent deterioration in its capacity or desire to meet the principles of UNGC or ESG, the Manager will dispose the holdings in the Islamic CIS.

The Fund is not actively managed as it employs quantitative approach whereby the portfolio of the Fund will be rebalanced/traded monthly for the Malaysian and foreign securities of the Fund. Quantitative approach refers to the stock selection process which is fully artificial intelligence (AI) based without human intervention. The investment universe of the Fund will be reassessed quarterly (please see section 3.4.1 below for further details).

The Manager engages Arabesque AI Limited, an investment advisory and research company which provides bespoke proposed investment solutions to the Manager using the latest in AI research and technology. Please refer to Section 10 of this Prospectus for further details on Arabesque AI Limited.

Note: For avoidance of doubt, the term "AI" refers to the investment process of the Fund. It does not mean that the Fund focuses on AI technology stocks.

Temporary Defensive Mechanism

The Manager may take temporary defensive positions that may be inconsistent with the Fund's principal strategy in attempting to respond to adverse market conditions to protect the Unit Holder's interest. During the temporary defensive position, the Fund may hold higher liquid asset.

3.4.1 Construction of the Investment Universe

The investment universe contains Shariah-compliant equities and Shariah-Compliant equity-related securities (equity securities) with focus on technology related sectors such as technology services, electronics technology and health care technology worldwide that have passed a systematic selection process. This process combines Arabesque S-Ray®, Arabesque's proprietary assessment of non-financial risk factors such as ESG issues as well as alignment with the principles of the UNGC, with financial and business activity screening.

The investment universe will be reassessed quarterly based on the screening listed below.

- *Liquidity Screening:*
 - a. Securities that do not satisfy minimum liquidity criteria are excluded from the investment universe.
 - b. Foreign securities need to have a minimum market capitalization of USD 500 million, a 1-month average daily trading volume of at least USD 3 million and a free float of 10% or higher.
 - c. Malaysian securities need to have a minimum 6-month average daily trading volume of RM400,000.

- *S-Ray Screening:*

S-Ray® is a proprietary tool of Arabesque S-Ray that measures the sustainability of global equities worldwide. S-Ray® evaluates all global stocks which have successfully passed the liquidity screening based on the:

- **GC score:** The GC score constitutes an assessment of each company based on the four core principles of the United Nations Global Compact (UNGC). Companies that are in breach of the UNGC are removed from the investment universe.
- **ESG score:** The ESG score analyses corporate performance based on sector-specific financially material environmental, social and governance (ESG) criteria. Companies whose ESG score ranks at the bottom of their sector are excluded from the investment universe.

- *Shariah Screening:*

All global stocks which have successfully passed the S-Ray® screening are assessed to eliminate stocks which do not comply with AAOIFI Shariah Standards. This is achieved by performing further business involvement and financial screens:

- Business involvement screens:** Stocks with business involvement in Shariah non-compliant banking, financial services, real estate, insurance, mortgage and lease, alcohol, tobacco or pork products, entertainment (hotels, casino/gambling, pornography/adult entertainment, cinema and music), arms manufacturing (weapons and defence) and trading and hedging of gold and silver are excluded from the Investment Universe.
- Financial screens:** The strategy may not invest in companies with a non-permissible income over 5% of total income, an interest-bearing investments by market capitalization ratio greater than 30%, an interest-bearing debt by market capitalization ratio greater than 30% and a liquidity ratio greater than 67%.

The Fund is prohibited to invest in preference shares.

As the screening is artificial intelligence driven, any companies that fail the liquidity, S-Ray and Shariah screenings will be automatically removed from the investment universe during its quarterly reassessment. Through the screening, the Fund's investments will be reassessed on a quarterly basis to ensure that the investments are in line with the principles of the UNGC and ESG and the overall impact of the investments is consistent with any other sustainability considerations.

If the Fund's investments become inconsistent with its investment policy and strategies, the Manager shall dispose the investment(s) at the next investment universe reassessment (i.e. quarterly).

3.4.2 Permitted Investments

The Fund may invest in the following:

- Shariah-compliant securities and Shariah-compliant equity-related securities listed or traded on foreign markets where the regulatory authority is an ordinary or associate member of the IOSCO and the exchange is a member or affiliate member of the WFE;
- Shariah-compliant securities of companies listed on Bursa Malaysia;

- c. Islamic negotiable instruments of deposits, accepted bills-i, Malaysian currency deposits with Islamic Financial Institutions including investment certificates, commodity murabahah deposit and/or other Islamic deposit instruments as may be permitted by the SC;
- d. Shares/units in Islamic CIS of an Eligible Market;
- e. Warrants that derived from corporate action entitlements which the Shariah-compliant securities are held by the Fund and traded in or under the rules of an Eligible Market;
- f. Islamic derivatives (for hedging purposes only); and
- g. Other Shariah-compliant investments traded in or under the rules of an Eligible Market as permitted by the SC from time to time.

3.4.3 Investment Limit

- **Spread of Investments on Single Issuer**

- a. The value of the Fund's investment in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- b. The value of the Fund's investments in Shariah-compliant transferable securities and the Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV; and
- c. The aggregate value of the Fund's investments in Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits issued by or placed with (as the case may be) any single issuer/financial institution must not exceed 25% of the Fund's NAV.

- **Exposure**

The value of the Fund's investments in unlisted Shariah-compliant securities must not exceed 10% of the Fund's NAV or any other limit set by the SC. However, this exposure limit does not apply to Shariah-compliant equities that are not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer.

- **Spread of Investment on Groups of Companies**

The value of the Fund's investments in Shariah-compliant transferable securities and the Islamic money market instruments issued by any group of companies shall not exceed 20% of the Fund's NAV.

- **Concentration of Investments**

- a. The Fund's investments in Shariah-compliant transferable securities must not exceed 10% of the Shariah-compliant securities issued by any single issuer; and

- b. The Fund's investment in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limitation will not apply to Islamic money market instruments that do not have a pre-determined issue size.

- **Islamic Derivatives**

- a. The Fund's exposure from an Islamic derivatives position must not exceed the NAV of the Fund at all times. For investment in Islamic derivatives, the exposure to the underlying assets of that Islamic derivative must not exceed the investment spread limits stipulated herein and the value of the Fund's over-the-counter Islamic derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
- b. The usage of Islamic derivatives is permitted only for the purpose of hedging.

- **Islamic CIS**

- a. The value of the Fund's investments in units/shares of any Islamic CIS must not exceed 20% of the Fund's NAV; and
- b. The Fund's investment in Islamic CIS must not exceed 25% of the units/shares in any one Islamic CIS.

- **Islamic Deposits**

- a. The value of the Fund's placement in Islamic deposits with any single Financial Institution must not exceed 20% of the Fund's NAV or any other limit set by the SC.

A 5% allowance in excess of any limit or restriction imposed is permitted where the limit or restriction is breached through an appreciation or depreciation of the Fund's NAV (whether as a result of an appreciation or depreciation in value of the Fund's assets or as a result of repurchase of Units or payment made out of the Fund).

The Manager shall not make any further acquisition to which the relevant limit is breached, and the Manager shall, within reasonable period of not more than three (3) months the date of the breach, take all necessary steps and actions to rectify the breach.

3.5 Policy on Active and Frequency of Trading of Securities

The Fund is not actively managed as it employs quantitative approach which will be rebalanced/traded monthly for the Malaysian and foreign securities of the Fund.

3.6 Asset Allocation

70% to 98% of Fund's NAV	Shariah-compliant equities, Shariah-compliant equity-related securities and Islamic CIS.
2% to 30% of the Fund's NAV	Islamic money market instruments and Islamic deposits.

3.7 Risk Management

The Manager has in place proper risk management structures including:

- i. strict adherence to the Fund's investment objective, policies and strategies as stated in this Prospectus and Deed. The Trustee will provide oversight function to the Manager in relation to the Fund's investment objective, policies and strategies as stated in this Prospectus and Deed;
- ii. reviewing the Fund's investment and reporting compliance matters to the investment committee and to the management. The Manager's compliance unit will review the Fund's investment and report compliance matters to the investment committee members and escalate to the management and Shariah Advisers, where applicable, including notifying the board of directors;
- iii. practicing prudent liquidity management in a timely and cost effective manner; and
- iv. reduce/mitigate the risk associated with the Fund by imposing internal controls, compliance monitoring, and by virtue of its experience, skills and diligence.

3.8 Benchmark

MSCI ACWI Information Technology Index

The basis for selecting the above benchmark is to reflect the Fund's asset allocation and investment objective.

Source: www.msci.com/indexes

Please note that the risk profile of the Fund may be higher than the risk profile of the benchmark.

3.9 Valuation of Assets

The valuation bases for the permitted investments of the Fund are as follows:

- a. For listed Shariah-compliant securities, which are quoted on an approved exchange, shall be valued daily by reference to last done market price quoted by the stock exchange. However, in the event if:
 - I. the market price quoted does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions; or
 - II. no market price is available, including in the event of a suspension in the quotation of the Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,then the listed Shariah-compliant securities shall be valued at fair value, as determined in good faith

by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

- b. For Islamic money market instruments, valuation shall be done on daily basis by reference to the principal value of such investments and the accrued income for the relevant periods.
- c. The value of any Islamic deposits placed with Financial Institutions shall be determined each day by reference to the nominal value of the Islamic deposit and the accrued income thereon for the relevant period.
- d. The value of unlisted Islamic CIS will be valued based on the last published repurchase price.

3.10 Valuation Point for the Fund

Valuation of the Fund is carried out at the end of each Business Day. As Forward Pricing method is used for this Fund, any request received on or before cut-off time i.e.: 4.00p.m. (Malaysia time) on any Business Day, will be processed based on the NAV per Unit at the end of that Business Day which will be computed on T+1.

For any request received after the cut-off time i.e.: 4.00p.m. (Malaysia time) on any Business Day, the request will be processed based on the NAV per Unit at the end of the next Business Day which will be computed on T+2.

All foreign assets will be translated into the Base Currency and any currency translation involved for NAV computation will be based on bid exchange rate quoted by Bloomberg/Reuters at 4.00 p.m. (United Kingdom time) which is equivalent to 11 p.m. or 12 a.m. midnight (Malaysia time) on the same day, or such time stipulated in the investment management standards issued by FIMM.

3.11 Distribution Policy and Mode of Distribution

Distribution of income (if any) is incidental. Distributions, if any, are at the discretion of the Manager and will vary from time to time depending on the availability of realised income for distribution and performance of the Fund.

Unit Holders should note that distribution payments, if any, will be paid out in the currencies in which the Classes are denominated.

Unit Holders may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form.

If no option is made on the mode of distribution in the application form by the Unit Holders, the income distribution will be automatically reinvested into additional Units in the Fund.

The distribution reinvestment plan ensures that your income distributions are automatically reinvested to purchase additional Units in the same Fund. Distribution reinvestment will be at NAV per Unit (Ex Distribution), computed at the close of the Business Day of the distribution declaration date. No sales charge will be imposed on reinvestments of distribution proceeds.

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

3.12 Policy on Gearing and Minimum Liquid Assets Requirements

The Fund is not permitted to obtain Islamic financing or borrow other assets (including the financing of Shariah-compliant securities within the meaning of the Securities Borrowing and Lending Guidelines) in connection with its activities. However, the Fund may obtain Islamic financing for the purpose of meeting redemption requests for Units and for short term bridging requirement are subject to the following:-

- i. The Fund's financing is only on a temporary basis and that financings are not persistent;
- ii. The financing period shall not exceed one (1) month;
- iii. The aggregate financings of the Fund shall not exceed 10% of the Fund's NAV at the time the financing is incurred; and
- iv. The Fund may only obtain financing from Financial Institutions.

3.13 Classes of the Fund

The Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the Assets of the Fund. Investors should note that the Fund is allowed to establish new Class(es) from time to time without the prior consent from the Unit holders. Unit Holders will be notified on the issuance of any new classes of Units through letters and a supplemental prospectus and/or via our website at <http://www.bimbinvestment.com.my>.

Unit Holders of each Class have the same rights and obligations. Each Class may be different in terms of currency denomination and hence, will have its respective NAV per Unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, Unit Holders should note that the Assets of the Fund are pooled for investment purpose.

4. RISK FACTORS

4.1 General Risk of Investing in the Fund

- **Market Risk**

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

- **Financing Risk**

This risk occurs when investors take a financing to finance their investment. The inherent risk of investing with financed money includes the inability for investors to service the financing payments. In the event Units are used as collateral, an investor may be required to top-up the collateral if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower value towards settling the financing.

Investors should assess the inherent risk with financing which should include the following:

- a. the ability to service the financing payments and effect of increase in profit rates on financing payments; and
- b. the ability to provide additional collateral should unit trust prices fall below a certain level.

The Manager discourages the practice of financing in the purchase of unit trust funds.

- **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.

To mitigate the risk, the Manager practices the following:

- a. Strict adherence to the Fund's investment objective, policies and strategies as stated in this Prospectus and Deed.
- b. Internal controls, compliance monitoring is in place to mitigate the risk. Periodical compliance reporting to the management committee, investment committee, Shariah Advisers, audit and risk committee and the board of directors.
- c. Regular review on its internal policies, system capabilities and maintain strict segregation of duties in mitigating this risk.

- **Operational Risk**

This risk refers to the possibility of monetary loss or inconvenience due to the breakdown of the Manager's internal control and policies due to human error, system failure or fraud among Manager's employees. The Manager will regularly review its internal policies, systems capabilities and maintain strict segregation of duties in mitigating these risks.

- **Shariah Non-Compliance Risk**

This risk refers to the risk that the Fund not conforming to Shariah guidelines. The Shariah Advisers would

be responsible for ensuring that the Fund is managed and administered in accordance with Shariah guidelines. An investment of the Fund may be reclassified from Shariah-compliant to Shariah non-compliant, any losses due to this reclassification will be borne by the Fund while any gain received arising from disposal of the Shariah non-compliance investment shall be channelled to charity as advised by the Shariah Advisers.

- **Liquidity Risk**

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

4.2 Key Risk of Investing in the Fund

- **Stock Specific Risk**

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

- **Country Risk**

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

This risk can be mitigated by security and market analysis conducted by the Manager. Proper asset allocation, portfolio diversification and liquidity management are among the methods that will be adopted by the Manager to manage this risk. The Fund will also comply with the permitted investments and the investment restrictions and limits of the Fund to mitigate this risk.

- **Currency Risk**

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

Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

- a. Currency risk at the Fund's portfolio level. The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the Base Currency; and
- b. Currency risk at the Class level. The impact of the exchange rate movement between the Base Currency and the currency of the respective Classes may result in a depreciation of the investor's holdings as expressed in the Base Currency.

The Manager may employ hedging strategies which would minimise the impact of the exchange rate movement, however the Fund would not benefit from any potential upside if currencies move in the opposite direction of the hedging strategy.

- **Hedging Risk**

The Manager may use Islamic derivatives to hedge the Fund's portfolio from certain anticipated losses such as those resulting from unfavourable exchange rate. Once hedged, the Fund cannot take full advantage of favourable exchange rate. If the exposure which the Fund is hedging against results in a gain, the act of hedging would have typically reduced the potential of favourable exchange rate. On the other hand, if the exposure which the Fund is hedging against results in a loss, the act of hedging would have reduced the loss, if successfully hedged.

- **Political Risk**

Political instability that arises from disruption of economic activity and social unrest may directly or indirectly impact the Fund's investment in a particular country. A change in government or government policies with regards to its capital market regulations may affect a Fund's financial position, possibly causing a Fund to liquidate its position at a less ideal price or below investment cost. Government policies may not have the same approach in perpetuity.

The Manager conducts market analysis to mitigate this risk. Proper asset allocation, portfolio diversification and liquidity management are among the methods that will be adopted by the Manager to manage this risk.

- **Regulatory Risk**

The Fund's investments are exposed to laws and regulations in the respective countries they invested in. Regulatory changes in these countries may pose a risk to the Fund as it may materially impact the Fund's investments. The Manager will continuously keep abreast with the regulatory developments in each respective country in mitigating such risk.

- **Profit Rate Risk**

Changes in the level of general profit rates may cause prices of Islamic money market instrument to change inversely. The Manager manages profit rate risk of Islamic money market instruments by considering their sensitivity to profit rate changes as measured by its duration.

For investments into Islamic deposits, the fluctuations in profit rates will not affect the placement of Islamic deposits but will result in the opportunity loss by the Fund if the placement of Islamic deposits is made at lower profit rates.

- **Counterparty Risk**

This risk refers to any Financial Institutions that the Fund may deal with, under certain circumstances, fail to perform their obligations when due. This will result in the Fund to experience significant loss.

- **Shariah-Compliance Equity-related Securities Risk**

The Fund may hold Shariah-compliant warrants derived from corporate action and the value of Shariah-compliant warrants is influenced by the current market price of the underlying security, the exercise price of the Shariah-compliant warrant, the time to expiration of the Shariah-compliant warrant and the estimate of the future volatility of the underlying securities price over the life of the Shariah-compliant warrant. Particularly, risk factor related to Shariah-Compliant warrants encompass value decay over time as the

Shariah-compliant warrant approaches its due date especially in the event that the Shariah-compliant warrants are held and not exercised.

The Manager will employ a thorough security analysis to decide trading action on any Shariah-compliant warrants held. Proper asset allocation, portfolio diversification and liquidity management are among the methods that will be adopted by the Manager to manage this risk.

- **Credit and default risk**

This risk arises when the issuer of Islamic money market instrument is unable to service any periodic obligations, e.g. profit payments and/or pay the principal amount when due. In such cases, investors will suffer significant losses. This risk can be mitigated by credit analysis conducted by the Manager to determine the issuer's ability to service promised payments.

- **Related Party Transaction Risk**

The Fund may invest in Islamic CIS managed by the Manager and may also have dealings with parties related to the Manager. This may lead to conflicts of interest as favourable treatment may be extended to the related parties. However, the Manager's policy governs that all transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favorable to the Fund than an arms-length transaction between independent parties.

- **Islamic CIS Risk**

Any adverse movement on the Islamic CIS which the Fund is investing in will impact the NAV of the Fund. For example, the Islamic CIS may underperform its benchmarks due to poor market conditions and as a result, the NAV of the Fund will be adversely affected. The Manager conducts security analysis to mitigate this risk. Proper asset allocation, portfolio diversification and liquidity management are among the methods that will be adopted by the Manager to manage this risk.

- **Over-the-Counter (OTC) Counterparty Risk**

OTC counterparty risk is the risk associated with the other party to an OTC derivative transaction not meeting its obligations. If the counterparty to the OTC derivative transaction is unable to meet or otherwise defaults on its obligations (for example, due to bankruptcy or other financial difficulties), the Fund may be exposed to significant losses greater than the cost of the derivatives. The risk of default of a counterparty is directly linked to the creditworthiness of that counterparty. Should there be a downgrade in the credit rating of the OTC derivatives' counterparty, the Manager will evaluate the situation and reassess the creditworthiness of the counterparty. We will take the necessary steps in the best interest of the Fund.

- **Technology Related Security Risk**

The performance of technology related securities is susceptible to various market factors, which includes but not limited to economic condition, development of technology, and/or political or regulatory occurrences that affects the technology business operations and taxation. As such, the NAV of the Fund may be adversely affected should there be a negative development in the factor mentioned above. Nevertheless, the Fund will invest diversely across the countries.

- **Non-compliance with SRI Funds Guidelines Risk**

This is the risk that the Manager may not correctly apply the relevant criteria resulting out of the ESG analysis or that the Fund may have indirect exposure to investments which do not meet the relevant criteria (based on UNGC principles and ESG factors). This may result in potential losses to the Fund in the event that such investments are disposed at unfavourable prices due to the violation of the investment policy and

strategies of UNGC principles and ESG factors. If the Fund's investments become inconsistent with its investment policy and strategies of UNGC principles and ESG factors, the Manager shall deal with the investment(s) in accordance with Section 3.4 of this Prospectus.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. The various asset classes generally exhibit different levels of risk. The investment of the Fund carries risks and investors are recommended to read the whole Prospectus to assess the risks of the Fund.

Investors are reminded that the above list of risks may not be exhaustive and if necessary, investors should consult their adviser(s), e.g. bankers, lawyers, stockbrokers for a better understanding of the risks.

5. INTRODUCTION TO ISLAMIC FUND

5.1 How Does the Islamic Fund Work?

By investing in the Fund, the investors appoint the Manager to undertake the investment activities on their behalf under the Shariah contract of "*Wakalah Bi Al-Istithmar*" or "Agency for Investment". The Manager is appointed to undertake the investment activities on behalf of the investor for a fee ("*Ujrah*").

The Manager is responsible for the management and operations of the Fund, distribution of income and computation of unit prices. The Trustee is appointed to act as custodian for all Assets of the Fund and to ensure that the Manager adheres strictly to the provisions of the Deed. In other words, the Trustee acts as an independent party to safeguard the interest of investors. The Shariah Advisers advise and ensure that the Manager invests the Assets of the Fund in Shariah-compliant investments.

The Fund will be strictly monitored by the Shariah Advisers whose members are registered Shariah advisers with the SC. The Shariah Advisers' role is to provide advice and guidance to the Manager to ensure that all activities of the Fund comply with Shariah principles. The Shariah Advisers act independently from the manager and some of its roles are as follows:-

- I. To advise on all aspects of Islamic fund management business in accordance with Shariah principles;
- II. To provide Shariah expertise and guidance on all matters, particularly in documentation, structuring and investment instruments and ensure compliance with relevant SC regulations and/or standards, including resolutions issued by the SAC;
- III. To review compliance report of the manager or an investment transaction report to ensure that investment activities are Shariah-compliant; and
- IV. To provide a written opinion and/or periodic report to confirm and certify whether the Islamic fund management business has been managed and/or administered in accordance with Shariah principles.

5.2 Shariah Investment Process

At all times, as to the investment portfolio of the Fund, the Fund shall invest in instruments that are allowed under Shariah principles and shall not invest in instruments that are prohibited under Shariah principles, which have been determined in accordance with the rulings/parameters established by the Shariah Advisers.

The investment portfolio of the Fund will comprise of instruments which have been classified as Shariah-compliant by the SAC and/or the AAOIFI Shariah Standards and, where applicable the Shariah Advisory Council of the BNM. As for instruments which have not been classified as Shariah-compliant by the SAC and/or the AAOIFI Shariah Standards and, where applicable the Shariah Advisory Council of the BNM, the status of the instruments will be determined in accordance with the ruling issued by the Shariah Advisers.

5.2.1 Shariah-Compliant Equities and Shariah-Compliant Equity-Related Securities

For all securities listed in Malaysia, and securities not listed in Malaysia, it will be selected based on the SAC and/or the AAOIFI Shariah Standards.

5.2.2 Shariah Compliant Equity-Linked instrument

The equity-linked instruments must not be interest-bearing and will follow the underlying equity Shariah status.

5.2.3 Investment in Islamic CIS

The Fund will invest in Islamic CIS authorised by the SC.

5.2.4 Investment in Islamic Derivatives

The Fund will invest in Islamic derivatives such as currency forwards, swaps or any other categories of derivatives which are structured in a Shariah-compliant manner and permitted by the relevant authorities from time to time, when appropriate.

The Fund's participation in Islamic derivatives is to hedge the portfolio from exposure to foreign currency volatility.

5.2.5 Islamic Money Market Instruments

The Fund will only invest in the Islamic deposits and/or Islamic money market instruments which are classified as Shariah-compliant by the Shariah Advisory Council of BNM.

5.3 Disposal of Shariah Non-Compliant Securities in the Event of Reclassification of Shariah Status

This refers to those securities which were earlier classified as Shariah-compliant securities but due to certain reasons, such as changes in the companies' operations, are subsequently reclassified as Shariah non-compliant.

In this regard, if on the date the securities are being reclassified as Shariah non-compliant, the value of the securities held exceeds or equals to the investment cost, the Fund must liquidate such Shariah non-compliant securities held by it. Any dividends received up to the date the securities are being reclassified as Shariah non-compliant and any capital gains arising from the disposal of Shariah non-compliant securities on such date can be kept by the Fund. However, any dividends received and excess capital gains from the disposal of Shariah non-compliant securities after such date will be channelled to baitulmal and/or charitable bodies as advised by the Shariah Advisers. On the other hand, the Fund is allowed to hold its investment in the Shariah non-compliant securities if the market price of the said securities are below the investment costs. It is also permissible for the Fund to retain the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Fund must dispose of its holdings. In addition, during the holding period, the Fund is allowed to subscribe for:

- i. any issue of new securities by a company whose Shariah non-compliant securities are held by the Fund, for example rights issues, bonus issues, special issues and warrants that are capable of being converted into shares (excluding securities whose nature is Shariah non-compliant e.g. irredeemable convertible unsecured loan stock (ICULS)); and

- ii. securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund,

on condition that the Fund expedites the disposal of the Shariah non-compliant securities. For securities of other companies (as stated in (ii)), they must be Shariah-compliant securities.

5.4 Cleansing/ Purification Process for the Fund

In the unlikely event the Manager mistakenly invests in any Shariah non-compliant investments, the Manager will dispose of the Shariah non-compliant investments within a month of becoming aware of the breach. Any gain made in the form of capital gain or dividend received before or after the disposal will be channelled to *Baitulmal* and/or any other charitable bodies as advised by the Shariah Advisers. Any losses on the disposal will be borne by the Manager. The Fund has a right to retain only the investment cost.

Note: Investment cost may include brokerage cost or other related transaction cost.

5.5 Zakat for the Fund

The Fund does not pay zakat on behalf of Muslim individuals and Islamic legal entities who are investors of the Fund. Thus, investors are advised to pay zakat on their own.

6. FEES, CHARGES AND EXPENSES

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

6.1 Charges Directly Incurred

This table describes the charges that you may **directly** incur when you purchase or redeem Units.

Sales Charge	Up to 5.50% of the NAV per Unit of the Fund. The sales charge is applicable to all Classes of Units. The Manager may at its discretion charge a lower sale charge based on the size of investment and/or other criterion as may be determined from time to time. Please refer to Section 7.1.5 for illustration on computation of sales charge.				
Redemption Charge	The Manager will NOT impose any redemption charge on any redemption.				
Transfer Fee	Nil				
Switching Fee	<div>A switching fee may be imposed by the Manager as follows:<table><tr><td>a. 1st Time</td><td>Nil</td></tr><tr><td>b. 2nd Times onwards</td><td>RM 25 per transaction</td></tr></table> Switching is applicable to Classes of Units with the same type of unit class and same currency denomination within the funds managed by the Manager (e.g. RM Hedged class of the Fund to another RM Hedged class of another fund). Cross currency switching is not allowed. Please refer to Section 7.2 for details.</div>	a. 1st Time	Nil	b. 2nd Times onwards	RM 25 per transaction
a. 1st Time	Nil				
b. 2nd Times onwards	RM 25 per transaction				

****Note: The above fees and charges are exclusive of taxes and/or duties imposed by law or required to be paid in connection with the products or services provided by the Manager and/or the Trustee.***

6.2 Fees Indirectly Incurred

The following are fees that investors may indirectly incur when you invest in the Fund.

6.2.1 Annual Management Fee

Annual Management Fee	Up to 1.80% per annum of the NAV of the Fund.
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The management fee is calculated and accrued on a daily basis, payable monthly to the Manager.

Note:

*The amount of management fee is applicable to all Classes of Units based on the multi-class ratio. For illustration, please refer to a table disclosed in **Section 7.1**.*

6.2.2 Annual Trustee Fee

Trustee Fee	0.035% per annum of the NAV of the Fund subject to a minimum fee of RM12,000 per annum or its equivalent in the Base Currency (excluding foreign custodian fees and charges).
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In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties.

The trustee fee is accrued daily and payable monthly.

*Note: The amount of trustee fee is applicable to all Classes of Units based on the multi-class ratio. For illustration, please refer to a table disclosed in **Section 7.1**.*

6.2.3 Administrative Fees

These include (but are not limited to) the following:

- i. fees, charges, costs and expenses relation to the preparation, printing, posting, registration and lodgment of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law;
- ii. commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- iii. where the custodial function is delegated by the Trustee, charges and fees paid to foreign sub-custodians taking into custody of any foreign assets of the Fund;
- iv. taxes and other duties charged on the Fund by the government and other authorities;
- v. costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- vi. fees incurred for the valuation of any Shariah-compliant investment of the Fund by independent valuers for the benefit of the Fund (if any);
- vii. 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;
- viii. 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;
- ix. costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any Assets of the Fund;

- x. costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed Shariah-compliant investment of the Fund;
- xi. costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- xii. 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;
- xiii. costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any Assets 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);
- xiv. remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;
- xv. 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;
- xvi. costs and expenses incurred in relation to the distribution of income (if any); and
- xvii. any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under paragraphs i to xvi above.

*Note: Any administrative expenses are applicable to all Classes of Units based on the multi-class ratio. For illustration, please refer to a table disclosed in **Section 7.1**.*

6.2.4 Other Fee

Any applicable bank charges for transmitting (via telegraphic transfer) the cash income distribution from the Fund's distribution's account to Unit Holder's bank account (if any) incurred as a result of purchasing or withdrawal of Units will be borne by the Unit Holder.

6.3 Policy on Rebates and Soft Commission

Any rebate or soft commission shall be directed to the Fund concerned. The Manager, the Trustee or any delegate thereof may retain goods and services ("soft commissions") from any broker, only if the goods and services are of demonstrable benefit to the Unit Holders in the form of research and advisory services that assist in the decision-making process relating to the Fund's investments.

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

! The fees, charges and expenses quoted in this Prospectus are exclusive of taxes and/or duties

imposed by law or required to be paid in connection with the products or services provided by the Manager and/or the Trustee.

- !** *The fees and charges are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.*
- !** *Unit prices and distributions payable, if any, may go down as well as up. Investors should read and understand the contents of this Prospectus and, if necessary, should consult their adviser(s).*

7. TRANSACTION INFORMATION

7.1 Determination of Prices

7.1.1 Computation of NAV and NAV per Unit

The base currency of the Fund is USD.

Units are offered in USD Class, RM Class and RM Hedged Class, but the underlying assets of each Unit of the different Classes of Units will have the same value as they have the same investment portfolio of securities and share the same investment objective.

Under this section, please note the following definition:

Multi class ratio or "MCR" is apportioned based on the size of the Class relative to the Fund. This means the MCR is calculated by taking the value of a Class before income and expenses for a particular day and dividing it with the value of the Fund before income and expenses for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

Example:

$\frac{\text{NAV of the Class}}{\text{Total NAV before income \& expenses for the Day}} \times 100$

RM Class	USD Class	RM Hedged Class
USD2,460.02 x 100	USD10,000.00 x 100	USD2,460.02 x 100
USD14,920.04	USD14,920.04	USD14,920.04
= 16.49%	= 67.02%	= 16.49%

For illustration purposes, following are examples of the computation of NAV and NAV per unit for a particular day:-

	Fund (USD)	RM Class (USD)	USD Class (USD)	RM Hedged Class (USD)
Initial Offer Price		RM0.25	USD0.25	RM0.25
Assumption of exchange rate		4.0650	1.0000	4.0650
Initial investment		RM10,000	USD10,000	RM10,000
Opening NAV	14,920.04	2,460.02	10,000.00	2,460.02
Add: Creation	-	-	-	-
	14,920.04	2,460.02	10,000.00	2,460.02
Opening UIC (Units)		40,000.00	40,000.00	40,000.00
Multi-class ratio	100.00%	16.49%	67.02%	16.49%
Add: Income	3,000.00	494.64	2,010.72	494.64
Less: Fund expenses	(1,500.00)	(247.32)	(1,005.36)	(247.32)
NAV of the Fund	16,420.04	2,707.34	11,005.36	2,707.34
(before deduction of management fee and trustee fee)				
Less:				
Management fee (1.80%)	(0.81)	(0.13)	(0.55)	(0.13)
Trustee fee (0.035%)	(0.01)	-	(0.01)	-
NAV of the Fund	16,419.22	2,707.21	11,004.80	2,707.21
Closing UIC (Units)		40,000.00	40,000.00	40,000.00
NAV per unit * (in USD)		0.0677	0.2751	0.0677
NAV per unit * (in respective classes currency)		0.2751	0.2751	0.2751

7.1.2 Policy on Rounding Adjustment

The NAV per Unit of the Fund is rounded to four (4) decimal places. When you invest in the Fund, the investment amount payable by you will be rounded to two (2) decimals places. The Manager will allocate Units in your account in two (2) decimal places. Your redemption value will also be in two (2) decimal points.

7.1.3 Pricing of Units

The redemption and sale transactions will be executed on a Forward Pricing basis. Under the Forward Pricing basis:

- the sale of Units by the Manager to an investor will be executed at the NAV per Unit at the next valuation point after the purchase request from the investor is received by the Manager; and
- the redemption of Units by Manager from an investor will be executed at the NAV per Unit at the next valuation point after the redemption request from the investor is received by Manager.

For the Fund, all transactions of Units by an investor on a Business Day will be based on the NAV at the next valuation point i.e. 4.00p.m.

A transaction of Units of the Fund by an investor is considered as carried out on a particular Business Day only if the payment together with completed application form and relevant supporting documents are received by the Manager not later than 4.00p.m. (or such other time as the Manager may deem fit in its discretion) on that same Business Day. In the event the same is only received by Manager after 4.00p.m. (or such other time as the Manager may deem fit in its discretion), the transaction is considered as carried out on the following Business Day. Any payment made on a non-Business Day shall be treated as payment made in the following Business Day.

7.1.4 Manager's Single Pricing Regime

Units sold during Initial Offer Period will be based on Initial Offer Price. After the Initial Offer Period ends, all applications will be based on NAV per Unit offered by the respective Class of Units.

7.1.5 Purchase of Units

- Units are offered in currencies as per the following Class of Units. As the base currency of the Fund is in USD, all purchases of Units received other than USD will be converted to USD for investment purposes. The minimum initial and subsequent entry are as follows:

Class of Units	RM Class	USD Class	RM Hedged Class
Minimum Initial Investment	RM500	USD500	RM500
Minimum Additional Investment	RM100	USD100	RM100

Note: The Manager may waive or lower the minimum amount stipulated above at its sole and absolute discretion.

- Investors may submit the purchase application by completing application forms, which are available at the office of BIMB Investment, at our authorised unit trust consultant (UTC), any sales offices as listed in **Section 18 "Directory of Sales Offices"**, or offices of our authorised distributors. Investors may also obtain the application form and other related forms from our website at www.bimbinvestment.com.my.
- Application for Units must be received by us before the cut-off time of 4.00p.m. on any Business Day. Any purchase application received after 4.00 p.m. on any Business Day will be treated as an application made on the next Business Day.
- Investors are required to provide us with the following completed forms and documents. We reserve the right to request for additional documentations when deem necessary before we process the purchase application.

Individual Investors	Corporate Investor
<ul style="list-style-type: none"> • Master Application Form. • Certified true copy of identity card, birth certificate (if joint applicant is a minor) or passport. • Details of a foreign currency account for investments in currencies other than RM. • Proof of payment such as letter of bank / fund transfer or bank-in slip • For investment through distribution channels, kindly refer to the respective distribution channel for registration and payment procedures. 	<ul style="list-style-type: none"> • Master Application Form. • A certified true copy of <ul style="list-style-type: none"> ✓ the business registration certificate, memorandum & articles of association or constitution, ✓ form 49 or notice under section 58 of the Companies Act 2016, ✓ form 24 or return of the allotment under section 78 of the Companies Act 2016, ✓ form 44 or notice under section 46 of the Companies Act 2016, ✓ board resolution approving the investment in the Fund, ✓ list of authorised signatories and their specimen signatures; and. ✓ in the case of foreign companies, trusts, cooperatives and foundations, please contact the Manager or the relevant distribution channel for information on additional documents needed (if any). • Details of a foreign currency account for investments in currencies other than RM. • Proof of payment such as letter of bank / fund transfer or bank-in slip • For investment through distribution channels, kindly refer to the respective distribution channel for registration and payment procedures.

! You are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

- Payment for purchase of Units can be made via:
 - a. Online through interbank GIRO (IBG) or Telegraphic Transfer to the respective class of Units accounts. Details of the accounts can be obtained from www.bimbinvestment.com.my
 - b. Regular investment via banks through direct debit facilities (Terms and conditions apply).

Investors are required to complete the necessary application form and other related documents required by the Manager. A bank validated fund transfer form must be presented to the Manager as evidence of payment.

Any certified document required must be at least certified by authorised unit trust consultant, authorised IUTAs and/or marketing staff of BIMB Investment.

- Below is the illustration for Units allotted to the Unit Holders for a purchase of Units

		Investor A	Investor B	Investor C
		RM Class	USD Class	RM Hedged Class
Amount Invested	=	RM10,000.00	USD10,000.00	RM10,000.00
NAV per Unit	=	RM0.2751	USD0.2751	RM0.2751
Sales Charge rate	=	5.5%	5.5%	5.5%
Investment Amount		RM10,000.00	USD10,000.00	RM10,000.00
	=	[(1.0000 + sales charge rate)]	[(1.0000 + sales charge rate)]	[(1.0000 + sales charge rate)]
Net Investment	=	RM10,000.00 (1.0000 + 5.5%)	USD10,000.00 (1.0000 + 5.5%)	RM10,000.00 (1.0000 + 5.5%)
		RM10,000.00	USD10,000.00	RM10,000.00
		1.055	1.055	1.055
		= RM9,478.67	= USD9,478.67	= RM9,478.67
Sales Charge amount	=	RM521.33	USD521.33	RM521.33
Units allotted to Investor	=	RM9,478.67/NAV per Unit RM9,478.67/RM0.2751 = 34,455.36 Units	USD9,478.67/NAV per Unit USD9,478.67/USD0.2751 = 34,455.36 Units	RM9,478.67/NAV per Unit RM9,478.67/RM0.2751 = 34,455.36 Units

! INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS. PURCHASE OF UNITS WILL BE PROCESSED UPON CLEARANCE OF AMOUNT INVESTED AND COMPLETE DOCUMENTATION RECEIVED BY THE MANAGER.

! THE MANAGER MAY AT ITS ABSOLUTE DISCRETION DEFER ANY APPLICATION IF SUCH APPLICATION IS INCOMPLETE.

7.1.6 Redemption of Units

- Unit Holders may redeem their investments in the Fund on any Business Day by completing the redemption form or such other manners as we may accept and returning it to us on any Business Day. The redemption form is available at our head office and also offices of the authorised distributors.
- Minimum Units Redeem**

Class of Units	RM Class	USD Class	RM Hedged Class
Minimum Units Redeem	100 units	100 units	100 units

Note: The Manager may waive or lower the minimum amount stipulated above at its sole and absolute discretion.

- **Cut-off time**

Redemption request must reach the Manager before the cut-off time of 4.00p.m. on any Business Day (or "T" Day). The Manager will process the redemption request based on the NAV per Unit of the Fund for that Business Day. Any redemption request received by the Manager at or after 4.00p.m., the Manager will process the redemption request based on the NAV per Unit computed on the immediate following Business Day.

- **Period of Payment of Redemption Proceeds**

Unit Holders will be paid within ten (10) days after the redemption application is received and processed by the Manager.

- **Redemption Options**

Unit Holders may opt for redemption amount to be paid either in the Base Currency (USD) or dealing currency (RM). For request to be paid in other than RM, Unit Holders must have the respective Foreign Current Account ("FCA") by default, the redemption amount will be paid in the currency according to the Class of Units of the Fund where the Unit Holders have invested in.

- **Foreign Currency Account (FCA)**

For investment relating to foreign currencies, investors are required to have a foreign currency account with any registered financial institutions. Any payment due to you will be made via telegraphic transfer to your FCA.

- **Mode of Payment**

The redemption payment can only be made via online bank transfer.

- You may give us instructions in writing to transfer your redemption amount to your nominated bank account held in your own name or the first named Unit Holder (principal Unit Holder) if it is a joint account.
- All bank charges for the transfer will be borne by the Unit Holder. The charges will be deducted/debited from the redemption amount.
- Under normal circumstances, a bank transfer will take less than two (2) days to reach your nominated bank account. The Manager will not be responsible for any delay in the bank transfer.
- For redemption amount other than RM, the redemption payment will be paid via telegraphic transfer to the Unit Holder's FCA current/savings account.
- You are also required to comply with requirements of the Islamic Financial Services Act 2013.
- No redemptions will be paid in cash under any circumstances.

Note: The Manager in consultation with the Trustee reserves the right to defer any redemption requests if such request would adversely affect the interest of existing Unit Holders.

Other information

The following illustrations demonstrate the two (2) computation methods of redemption of Units:

Computation no.1 = Redemption request by giving absolute value instruction:

		RM Class	USD Class	RM Hedged Class
Redemption amount request	=	RM1,000.00	USD1,000.00	RM1,000.00
Redemption charge	=	Nil	Nil	Nil
NAV per Unit	=	RM0.2751	USD0.2751	RM0.2751
Total redemption of Units by Unit Holder	=	3,635.04 units	3,635.04 units	3,635.04 units

Computation no.2 = Redemption request by giving total number of Units instruction:

		RM Class	USD Class	RM Hedged Class
Redemption Units request	=	3,635.04 units	3,635.04 units	3,635.04 units
Redemption charge	=	Nil	Nil	Nil
NAV per Unit	=	RM0.2751	USD0.2751	RM0.2751
Total redemption amount payable to Unit Holder	=	Units repurchase X NAV per Unit	Units repurchase X NAV per Unit	Units repurchase X NAV per Unit
		3,635.04 Units X RM0.2751	3,635.04 Units X USD0.2751	3,635.04 Units X RM0.2751
	=	RM1,000.00	USD1,000.00	RM1,000.00

7.2 Switching of Units

Switching is available for switching from a Class of Units to other fund (of its classes) managed by the Manager, provided that the currency denomination is the same and subject to the Manager's discretion.

Cross currency switching is not allowed. Investor may redeem from each Class of Units and apply for a purchase of Units to another Class of Units.

The minimum switching amount is 500 Units and amount switched must meet the minimum initial investment amount of the intended Class or a particular fund (or its classes) that the Unit holder intends to switch into. However, if the switching request leaves a Unit Holder with less than 100 units (minimum holdings), the Manager will automatically switch the balance of the Units held in the Unit Holder's account.

Unit Holders please take note that the Manager reserves the right to reject any switching requests if the Manager is in the view that the switching transaction is contrary with the best interest of the Fund or the existing Unit Holders of a particular Class.

Investor must complete a switching transaction form and submit it to the Manager at or before the cut-off time of 4.00 p.m. on a Business Day (or "T Day") together with the relevant supporting documents, if any.

The switching transaction is subject to the conditions set out below:

Please refer to the table below for an illustration on how the switching facility works. The original fund refers to the fund the Unit holder original purchased while the intended fund refers to the fund that the units to switch into,

Original Fund	Intended Fund	Condition of Switching
No sales Charge	No sales charge	The switch will be based on the NAV per unit of the intended fund
No sales charge	With sales charge	Investor is required to pay the sales charge imposed by the intended fund
With sales Charge	With Higher sales charge	Investor is required to pay the differential sales charge between the original fund and intended fund on the amount switched
With sales Charge	With Lower sales charge	The switch will be based on the NAV per unit of the intended fund

• **Switching Fee**

The switching fee may be imposed as follows:

- a. First time: Nil
- b. 2nd time and onwards: RM25 per transaction (Switching fee is exempted for investor who have a total investment of RM100,000 and above with the Manager).

7.3 Cooling-off Transaction

Cooling-off right refers to the right of a Unit Holder to obtain a refund of his/her investment if he/she so requests within the cooling-off period- within six (6) Business Days from the date of receipt of application to purchase Units by the Manager.

Investors have the right to reverse his investment decisions that could have unduly influenced by any external elements or factors.

The cooling-off right is applicable to individual investor, other than those listed below, who is investing for the first time in any unit trust funds managed by the Manager.

- i) staff of the Manager;
- ii) person registered with a body approved by the SC to deal in unit trusts.

The refund to the Unit Holder applies for every unit held by the Unit Holder shall be the sum of:

- a) the price of the units on the day the Units were purchased; and
- b) the sales charge originally imposed on the day the Units were purchased.

The Manager shall refund to Unit Holder within ten (10) days from the date of receipt of the cooling-off application from the Unit Holder is received by the Manager.

7.4 Minimum Holdings

Class of Units	RM Class	USD Class	RM Hedged Class
Minimum Units Held	100 units	100 units	100 units

Note: The Manager may waive or lower the minimum amount stipulated above at its sole and absolute discretion.

7.5 Transfer of Units

Units in the Fund are transferable fully or partially. There is no minimum amount of units required to apply for transfer except that the units transferred must meet the minimum holdings requirement. Transfer of Units for Class of Units other than Ringgit Malaysia (RM) can only be performed subject to the availability of Foreign Currency Account (FCA) of the transferee.

A copy of the "Transfer Form" can be obtained from our head office and also offices of the authorised distributors.

The Manager may, at its absolute discretion, allow or reject Unit Holder's request for transfer of Units subject to such terms and conditions a may be stipulated by the Manager from time to time.

7.6 Incorrect Pricing

If there is an error in the pricing of the NAV per Unit of the Fund, the Manager will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursements of money as follows if the error is at or above the significant threshold of 0.5% of the NAV per Unit attributable to a Class of Units:

- i. if there is an over valuation and pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
- ii. if there is an over valuation and pricing in relation to the redemption of Units, the Manager shall reimburse the Fund;
- iii. if there is an under valuation and pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and
- iv. if there is an under valuation and pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

The Manager retains the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit attributable to a Class of Units or where the total impact on an individual account is less than RM10.00 or an equivalent denomination in the currency that a particular Class of Units is denominated, if applicable. This is because the reprocessing cost may be greater than the amount of the adjustment.

7.7 Distribution Channel

Units can be purchased and redeemed during normal business hours at the business office of BIMB Investment, at the nearest Bank Islam Malaysia Berhad branches or any of our authorized IUTAs and/or unit trust consultants. Please refer to **Section 18: "Directory of Sales Offices"**.

For further information, please call our help-desk at a Toll-Free- number: 1-800-88-1196 at any time during our office hours: Mondays to Fridays from 9.00 a.m. to 5.00 p.m. or email your enquiries to marketing.bimbinvest@bankislam.com.my or visit our website at www.bimbinvestment.com.my.

7.8 Unclaimed Monies Policy

Redemption proceeds payable to Unit Holders who have requested for full or partial redemption of their investments in the Fund that remain unclaimed after twelve (12) months shall be lodged with the Registrar of Unclaimed Moneys in accordance with the provisions of the Unclaimed Moneys Act, 1965 (as may be amended from time to time).

7.9 Customer Identification Program

Pursuant to the relevant laws of Malaysia on money laundering, the Manager have an obligation to prevent the use of the Fund for money laundering purposes. As such, the Manager and/or its authorised 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.

The Manager and/or its authorised 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. You are required 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, you are required 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.

The Manager and/or its 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 authorised 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. The Manager and/or its authorised 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, the Manager and its appointed distributors have a duty to notify the relevant authority of the said breaches.

7.10 Anti-Money Laundering (“AML”)/KYC Obligation on Our Authorised Distributor

If you have invested in the Fund via an authorised distributor, there may be additional information that the authorised 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 reserve the discretion to reject your subscription or redemption request until such information is provided by the authorised distributor to the Manager.

8. CLIENT COMMUNICATION

8.1. Customer Service

Unit Holders can seek assistance from our customer service personnel on queries relating to the Fund at our toll-free number 1-800-88-1196 during business hours, Monday to Friday from 9.00a.m. to 5.00p.m. Enquiries can also be made at the nearest Bank Islam Malaysia Berhad branches or from our authorised IUTAs/unit trust consultants.

8.2. Daily Unit Price

Unit Holders may obtain the daily Unit price from our website at www.bimbinvestment.com.my.

8.3. Statement of Investment and Financial Reports

The Manager will issue the following documents to Unit Holders relating to their Units in the Fund:

Statements to Confirm and Record Transaction	The Manager will send computer-generated statements to Unit Holders on every transaction made confirming their transactions relating to the Fund.
Interim and Annual Statement of Investment	Unit Holders will receive interim and annual statements of the Fund's investment, which provide Unit Holders with the latest update of their investment account.
Interim and Annual Reports	<p>The Manager will provide the Unit Holders with the interim and annual reports of the Fund within two (2) months after the end of financial period of the Fund.</p> <p>The Manager practices digital fund reporting hence the Fund's interim/annual report is made available on our website. Investors may view, store and download from our website www.bimbinvestment.com.my.</p> <p>The Fund's interim/annual report is available upon request.</p>

9. THE MANAGEMENT COMPANY

9.1 Corporate Profile of the Manager

BIMB Investment is a wholly-owned subsidiary of Bank Islam Malaysia Berhad. BIMB Investment, a licensed Islamic fund management company, was incorporated on 14 September 1993 and commenced its operations on 20 June 1994.

9.2 Organisational Structure of the Manager

The main roles and responsibilities of the Manager are managing the investment portfolio of the Fund, arranging sales and redemption of Units, keeping proper records of the Fund and Unit Holders, issuing reports on the Fund's performance to Unit Holders, arranging distribution of income and/or Units to Unit Holders and marketing the Units of the Fund to investors.

The overall responsibility for the operation of BIMB Investment is vested with the chief executive officer who is accountable to the board of directors. While the board of directors primarily decides on policy matters, the investment committee assumes responsibility for assuming and monitoring the Fund's investment strategies. In ensuring the decisions of the board of directors and investment committee adhere strictly to the requirements of Shariah, all investment and activities of the Fund will be supervised by the Shariah Advisers. The board of directors meets at least six (6) times a year to provide advice on matters relating to the Manager's operation and Fund's policies.

9.3 Board of Directors

Name	Position
Mohamed Ridza bin Mohamed Abdulla	Non-Executive Independent Director
Dato' Ghazali bin Awang	Non-Executive Independent Director
Datin Maznah binti Mahbob	Non-Executive Independent Director
Dr. Mohd Hatta bin Dagap	Non-Executive Independent Director
Azizan bin Abd Aziz	Non-Executive Non-Independent Director
Najmuddin bin Mohd Lutfi	Chief Executive Officer

9.4 Investment Committee

The roles and primary functions of the investment committee are as follows:

- i. to approve the formulation of portfolio strategy;
- ii. to discuss, review and approve the investment strategy for the ensuing period;
- iii. to approve funding of investment activities for the ensuing period;
- iv. to review performance and portfolio composition and to make necessary recommendation therefrom;
- v. to review and assess the previous recommendation strategy;

- vi. to recommend to the board of directors on the payment of distribution to the Unit Holders and to report to the board of directors on the performance of the Fund and to take instructions thereon.

The investment committee meets at least six (6) times a year or as and when required by the Manager.

9.5 Shariah Advisers

The process of product development and compliance is strictly overseen by the Shariah Advisers, which are made up of three (3) Muslim scholars registered with the SC. The Shariah Advisers have been established to provide advice and guidance to ensure that the Fund's activities comply with rules and principles of Shariah.

The Shariah Advisers operate independently from the investment committee and meets once every quarter with the Manager to address advisory matters pertaining to the Fund. The Shariah Advisers also reviews the Assets of the Fund on a monthly basis to ensure compliance with Shariah principles or any other relevant principle at all times. Its role is to provide its expertise and guidance as well as:

- i. To advise on all aspects of Islamic fund management business in accordance with Shariah principles;
- ii. To provide Shariah expertise and guidance on all matters, particularly on documentation, structuring and investment instruments, and ensure compliance with relevant SC regulations and/or standards, including resolutions issued by the SAC, Shariah principles or any other relevant principle at all times;
- iii. To review compliance report of the Manager or an investment transaction report to ensure that investment activities are Shariah compliant; and
- iv. To provide a written opinion and/or periodic report to confirm and certify whether the Islamic fund management business has been managed and/or administered in accordance with Shariah principles.

Name	DR. AHMAD SHAHBARI @ SOBRI BIN SALAMON
Position	Chairman
Experience	He was the Executive Director of Pusrawi Corporation Sdn Bhd. He has served as a lecturer in the Shariah Department, Faculty of Islamic Studies, Universiti Kebangsaan Malaysia and the Department of Law, International Islamic University. He has been in the BIMB Investment's Shariah adviser since 20 June 1994. He is a registered Shariah adviser (individual) with Securities Commission Malaysia.
Qualifications	<ul style="list-style-type: none"> PhD. Modern Middle Eastern History, New York University. BA Shariah, Al-Azhar University

Name	ASSOCIATE PROF. DR. ASMAK BINTI AB. RAHMAN
Position	Committee Member
Experience	Presently an Associate Professor in the Department of Shariah and Economics,

	Academy of Islamic Studies, University of Malaya. She has written and presented numerous papers in the area of Islamic Studies, specifically Takaful. She is registered Shariah adviser (individual) with the SC.
Qualifications	<ul style="list-style-type: none"> • PhD. of Shariah, University of Malaya • Master of Shariah, University of Malaya • Bachelor of Shariah, University of Malaya

Name	DR. SHAMSIAH BINTI MOHAMAD
Position	Committee Member
Experience	<p>Dr. Shamsiah is a member of the Shariah Supervisory Council of Bank Islam Malaysia Berhad, and she is a registered Shariah adviser (individual) with the Securities Commission.</p> <p>She served as the Senior Researcher for International Shariah Research Academy for Islamic Finance (ISRA) from May 2013 to April 2019. She also served as lecturer at Department of Fiqh and Usul at Academy of Islamic Studies at University of Malaya from 1999 until 2013. She is currently holding a post as a member of Shariah Advisory Council of Securities Commission Malaysia, and as a member Shariah Committee for several institutions; among others Bursa Malaysia, Association of Islamic Banking Institutions Malaysia (AIBIM), Lembaga Zakat Selangor, and Pertubuhan Peladang Kebangsaan.</p> <p>Prior to that, she served as a Shariah advisor for several financial institutions and organizations. She has been appointed as the Shariah Adviser Member of BIMB Investment on 4 May 2020.</p>
Qualifications	<ul style="list-style-type: none"> • PhD. in Foundation of Jurisprudence (Fiqh and Usul Fiqh), University of Jordan • Master of Shariah, University of Malaya • Bachelor of Shariah, University of Malaya

9.6 Investment Team

The investment team meets twice a month to discuss investment related matters.

Name	ABD RAZAK SALIMIN (Designated Fund Manager)
Position	Head of Investment
Experience	He joined BIMB Investment Management Berhad in May 2019 and was formerly an equity fund manager with Permodalan Nasional Berhad. He has more than ten years experiences in investment management and research. He is responsible for leading and managing the Investment Department, overseeing domestic and global equities, sukuk and Islamic money market investments.
Qualifications	<ul style="list-style-type: none"> • Chartered Financial Analyst (CFA) • Financial Risk Manager (FRM)

	<ul style="list-style-type: none"> • Bachelor of Mathematics, Operational Research, Statistics and Economics (MORSE), University of Warwick, United Kingdom • Holder of SC's Capital Markets Services Representative's License (CMSRL).
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Name	THONG YONG LING, STANLEY
Position	Senior Manager
Experience	He joined BIMB Investment as a fund manager in 2012. He has more than 10 years of working experience in equity research and investment. He was previously attached with UOB-OSK Asset Management Berhad and Hong Leong Assurance Berhad. As a fund manager at UOB-OSK Asset Management, he was in charge of managing various unit trust and investment link insurance funds for clients.
Qualifications	<ul style="list-style-type: none"> • Master of Commerce, Macquarie University, Australia • Bachelor of Business Administration, National Cheng Chi University, Taiwan • Holder of SC's Capital Markets Services Representative's License (CMSRL)

Name	AHMAD RIZAL UJANG
Position	Manager
Experience	He joined BIMB Investment in January 2017 and previously worked in BIMB Investment from 2011 to 2014. He has more than 10 years of working experience in money market and fixed income investment. He was previously attached to i-VCAP Management Sdn Bhd, MNRB Holdings Berhad and Syarikat Takaful Malaysia Berhad.
Qualifications	<ul style="list-style-type: none"> • Master of Finance, Curtin University of Technology, Australia • Holder of SC's Capital Markets Services Representative's License (CMSRL)

Please refer to BIMB Investment's website at www.bimbinvestment.com.my for the information on BIMB Investment, Investment Committee and Shariah Advisers.

9.7 Material Litigation and Arbitration

The Manager is not engaged in any material litigation and arbitration as plaintiff or defendant, and the Manager is not aware of any proceedings, pending or threatened or of any other facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

9.8 Exemptions or Variations

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

10. INVESTMENT RESEARCH PROVIDER – ARABESQUE AI LIMITED

Arabesque AI Limited (“Arabesque AI”) is an investment advisory and research company which provides bespoke proposed investment solutions to its clients using the latest in Artificial Intelligence research and technology. Arabesque AI is majority-owned by the Arabesque Group, a global group of companies with offices in the United States of America, United Kingdom, Germany, Japan and Singapore.

Arabesque’s AI investment research process uses alpha signal generated using its proprietary AI Engine and model portfolio construction via its in-house portfolio optimisation and risk modelling system. Its AI Engine uses a wide range of machine learning algorithms, such as Deep Learning models, to analyse and identify investment opportunities in the equity markets. Its portfolio and risk optimisation framework translates these investment opportunities into a model target portfolio optimised for the strategy’s performance, risk and sustainability objectives.

Arabesque AI provides investment research services to the Manager in the form of model target portfolios. Ultimate discretionary decision making including but not limited to day-to-day investment decisions rests with the Manager and hence Arabesque AI does not play an active role in or provide services directly to the Fund itself.

Arabesque AI is an Appointed Representative of Arabesque Asset Management Limited which is authorised and regulated by the Financial Conduct Authority (FCA) in the United Kingdom.

11. THE TRUSTEE – CIMB ISLAMIC TRUSTEE BERHAD

Corporate Information

CIMB Islamic Trustee Berhad was incorporated on 19 January 1988 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the CMSA.

Experience as Trustee to Unit Trust Funds

CIMB Islamic Trustee Berhad has been involved in unit trust industry as trustee since 1990. It acts as trustee to various unit trust funds, real estate investment trust fund, wholesale funds, private retirement schemes and exchange-traded funds.

Duties and Responsibilities of the Trustee

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

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, Guidelines and acceptable business practice within the unit trust industry;
- (c) As soon as practicable, notify the Securities Commission of any irregularity or breach of the provisions of the Deed, Guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unitholders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed of the Fund, Prospectus, the Guidelines and securities law; and
- (f) Require that the accounts be audited at least annually.

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

Material Litigation and Arbitration

As at the LPD, CIMB Islamic Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee or any of its delegates.

Trustee's Delegate

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

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

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

12. SALIENT TERMS OF DEED

12.1 Unit Holder's Rights

- i. Unit Holder shall have the right to receive distributions of income (if any), participate in any increase in the value of the Units and such other rights and privileges as provided in the Deed.
- ii. No Unit Holder shall be entitled to require the transfer to him of any of the Assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on his behalf of the rights of the Trustee as the registered owner of such assets.
- iii. Unit Holder shall have the right to call for Unit Holder's meeting and to vote for the removal of the Trustee or the Manager through a Special Resolution.
- iv. Unit Holder shall have the right to receive annual and interim reports.

12.2 Unit Holder's Liabilities

No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased. A Unit Holder shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the Assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

12.3 Maximum Fees and Charges Permitted by the Deed

The maximum rate of direct fees and charges permitted by the Deed are as follows:

Charges	% of the NAV per Unit
Sales charge	6.00%
Redemption charge	Nil

The maximum rate of indirect fees and charges permitted by the Deed are as follows:

Charges	% of the NAV per Unit
Annual Management Fee	2.00% per annum of the NAV of the Fund
Annual Trustee Fee	0.10% per annum subject to a minimum fee of RM12,000 per annum or its equivalent in the Base Currency (excluding foreign custodian fees and charges)

12.4 Procedures to Increase the Direct and Indirect Fees and Charges Disclosed in this Prospectus

• Sales Charge

The Manager may not charge a sales charge at a rate higher than that disclosed in this Prospectus unless:

- (a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- (b) a supplemental prospectus or replacement prospectus stating the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental prospectus or replacement prospectus.

• Redemption Charge

The Manager may not charge a redemption charge at a rate higher than that disclosed in this Prospectus unless:

- (a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- (b) a supplemental prospectus or replacement prospectus stating the higher charge is registered, lodged and issued; and
- (c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental prospectus or replacement prospectus.

• Annual Management Fee

The Manager may not charge an annual management fee at a rate higher than that disclosed in this Prospectus unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective, such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- (c) a supplemental prospectus or replacement prospectus stating the higher rate is registered, lodged and issued thereafter; and
- (d) such time as may be prescribed by any relevant law has elapsed since the date of the supplemental prospectus or replacement prospectus.

• Annual Trustee Fee

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Prospectus unless:

- (a) the Manager has come to an agreement with the Trustee on the higher rate;
- (b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective, such time as may be prescribed by any relevant law shall have elapsed

since the notice is sent;

- (c) a supplemental prospectus or replacement prospectus stating the higher rate is issued thereafter; and
- (d) such time as may be prescribed by any relevant law has elapsed since the date of the supplemental prospectus or replacement prospectus.

12.5 Procedures to Increase the Maximum Rate of the Direct and Indirect Fees and Charges in the Deed

The maximum sales charge, redemption charge, annual management fee or annual trustee fee set out in the Deed may not allowed to be increased unless a Unit Holders meeting has been held in accordance with the Deed. A supplemental deed proposing a modification to the Deed to increase such fees and charges is required to be submitted for registration with the SC accompanied by a resolution of not less than two-thirds (2/3) of all Unit Holders at the Unit Holders meeting sanctioning the proposed modification to the Deed.

12.6 Permitted Expenses Payable by the Fund

Only the expenses (or part thereof) which is directly related and necessary in operating and administering the Fund may be charged to the Fund. These would include (but are not limited) to the following:

- (a) commissions or fees paid to brokers or 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 of the Fund;
- (d) fees incurred for the valuation of any Shariah-compliant 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, takaful 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 Shariah-compliant investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any adviser 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 and expenses incurred in relation to the distribution of income (if any);
- (p) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- (q) fees, charges, costs and expenses relating to the preparation, printing, posting, registration and lodgment of documents and reports which the Manager and/or the Trustee may be obliged to prepare, print, post, register and/or lodge in relation to the Fund by virtue of any relevant law; and
- (r) any 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 (q) above.

12.7 Removal, Replacement and Retirement of the Manager and Trustee

- **Removal or Replacement of the Manager**

The Trustee shall take all reasonable steps to remove the Manager, if the Manager:-

- (a) has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given notice to 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; or
- (b) is in breach of any of its obligations or duties under the Deed or the relevant laws; or
- (c) has ceased to be eligible to be a management company under the relevant laws; or
- (d) has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose; or
- (e) has had a receiver appointed; or

- (f) has ceased to carry on business.

- **Retirement of the Manager**

The Manager shall have the power to retire in favour of some other corporation by giving to the Trustee three (3) months (or such other period as the Manager and the Trustee may agree upon) notice in writing of its desire so to do, provided such retirement is in accordance with the provisions of the Deed.

- **Removal or Replacement of the Trustee**

The Trustee may be removed and such corporation may be appointed as trustee of the Fund by Special Resolution of the Unit Holders at a duly convened meeting.

The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- (a) the Trustee has ceased to exist; or
- (b) the Trustee has not been validly appointed; or
- (c) the Trustee was not eligible to be appointed or to act as trustee under any relevant law; or
- (d) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law; or
- (e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment; or
- (f) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or
- (g) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law.

- **Retirement of the Trustee**

The Trustee may retire upon giving three (3) months (or such other period as the Manager and the Trustee may agree upon) notice in writing to the Manager of its desire so to do, provided such retirement is in accordance with the provisions of the Deed.

12.8 Termination of the Fund

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

- i. a Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund, following occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the Special Resolution, as required under Section 301(2) of the CMSA; and
- ii. a Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

12.9 Termination of a Class of Units

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 a particular Class Units is passed by the Unit Holders:

- i. the Trustee and the Manager shall notify the relevant authorities in writing of the passing of the Special Resolution;
- ii. 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 of the Fund. 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.

12.10 Meeting of Unit Holders

• Quorum required for a Unit Holders' Meeting

The quorum required for a meeting of 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 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 at the time of the meeting.

• Meeting convened by the Unit Holders

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 such a meeting unless a direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or all the Unit Holders of a particular Class of Units.

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

- (a) sending by post to each Unit Holder of the Fund or of that Class of Units at his 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 at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the relevant Unit Holders;
- (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 newspaper published daily and another 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.

- **Meeting convened by the Manager**

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

- (a) giving at least fourteen (14) days written notice of the meeting 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 at the meeting.

- **Meeting convened by the Trustee**

Where:

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

the Trustee shall summon a Unit Holders' meeting by:

- (a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of 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 at the jointholder's last known address; and

- (b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

The Trustee may also summon a Unit Holders' meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
 - (b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
 - (c) securing the agreement of the Unit Holders to release the Trustee from any liability;
 - (d) deciding on the next course of action after the Trustee has suspended the sale and redemption of Units; and
 - (e) deciding on the reasonableness of the annual management fee charged to the Fund.
- **Voting at a Unit Holders' Meeting**

Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll be demanded or if it be a question which under the Deed requires a Special Resolution a poll shall be taken. On a voting by show of hands every Unit Holder who is present in person or by proxy shall have one vote notwithstanding that a Unit Holder may hold Units in different Classes of Units in the Fund.

Upon a voting by poll, the votes by every Unit Holder present in person or by proxy shall be proportionate to the value of Units held by a Unit Holder.

! *Investors should read and understand the contents of this Prospectus and, if necessary, should consult their adviser(s).*

13. APPROVAL AND CONDITION

The SC has authorised the Fund. There are no other authorisations or approvals required, sought or pending from any relevant authorities in respect of the Fund.

14. CONFLICT OF INTEREST/RELATED PARTY TRANSACTIONS

Save as disclosed below, as at the LPD, there are no existing or potential related-party transactions involving the Fund, the Manager, the Trustee, promoters, vendors and/or persons connected to them.

Name of party	Name of related party and nature of relationship	Existing / potential related party transaction
The Manager	Bank Islam Malaysia Berhad. The Manager is a wholly owned subsidiary of Bank Islam Malaysia Berhad.	Distributor: Bank Islam Malaysia Berhad is one of the Manager's authorized distributors.
The Fund	Bank Islam Malaysia Berhad. The Manager is a wholly owned subsidiary of Bank Islam Malaysia Berhad.	Distributor: Bank Islam Malaysia Berhad is one of the Manager's authorized distributors.

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

The Manager has in place policies and procedures to regulate its employees' securities dealings. Periodic declaration of securities trading to the compliance officer of the Manager is required of all employees to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to the Manager and the customers of the Manager.

As at the LPD, none of the Manager's directors or substantial shareholders has any direct or indirect interest in other corporations carrying on a similar business as the Manager.

Any transaction conducted by the board member or any other representative must be done for the best interest of the Unit Holders. In the event that any of the directors or Investment Committee members are directly or indirectly involved in such transactions, he should abstain from being involved with any decision making process of the said transaction.

As the Trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:

- (i) Where the Fund invests in instruments offered by the related party of the Trustee (e.g. placement of monies, etc);
- (ii) Where the Fund is being distributed by the related party of the Trustee as IUTA;
- (iii) Where the Assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and

- (iv) Where the Fund obtains financing as permitted under the Guidelines, from the related party of the Trustee.

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

Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

None of the Manager's advisers have any existing or potential interest and conflict of interest in an advisory capacity in the Fund or the Manager.

15. TAX ADVISER'S LETTER

Private and Confidential

BIMB Investment Management Berhad
Level 19, Menara Bank Islam
No. 22, Jalan Perak
50450 Kuala Lumpur

Our Ref
TLK/YYW/PFN/Perm

Contact
Ext. 7217 / 7676

19 May 2021

Dear Sirs

Re: Taxation of the Fund and Unit Holders

This letter has been prepared for inclusion in this First Prospectus of BIMB-Arabesque Global Shariah-ESG AI Technology Fund ("the Fund").

Taxation of the Fund

Income Tax

The Fund is a unit trust for Malaysian tax purposes. The taxation of the Fund is therefore governed principally by Sections 61 and 63B of the Income Tax Act, 1967 ("the Act").

Subject to certain exemptions, the income of the Fund in respect of investment income derived from or accruing in Malaysia are liable to income tax at the rate of 24% effective Year of Assessment ("YA") 2016.

Gains from the realisation of investments by the Fund will not be subject to income tax in Malaysia. However, such gains may be subject to tax in the country from which it is derived.

Interests earned by the Fund from the following are exempt from tax:-

- any savings certificates issued by the Government; or
- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia; or
- a bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013^{N1}; or
- any development financial institution regulated under the Development Financial Institutions Act 2002^{N1}; or
- sukuk originating from Malaysia, other than convertible loan stocks, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission, or approved by the Labuan Financial Services Authority^{N2}.

^{N1} Effective from 1 January 2019, the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

^{N2} Effective from YA 2017, income tax exemption shall not apply to interest paid or credited to a company in the same group, licensed banks and prescribed development financial institutions.

The Fund may receive dividends, interest and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia by a resident unit trust is exempt from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

Discounts earned by the Fund from the following are also exempt from tax: -

- securities or bonds issued or guaranteed by the Government; or
- debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission; or
- Bon Simpanan Malaysia issued by the Central Bank of Malaysia.

Tax deductions in respect of the Fund's expenses such as manager's remuneration, expenses on maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage ("permitted expenses") are allowed based on a prescribed formula subject to a minimum of 10% and a maximum of 25% of the total permitted expenses.

Single tier Malaysian dividends received by the Fund are exempt from tax and expenses in relation to such dividend income are disregarded.

Real Property Gains Tax ("RPGT")

Gains on disposal of investments by the Fund will not be subject to income tax in Malaysia. However, such gains may be subject to RPGT in Malaysia, if the gains are derived from sale of Malaysian real properties and shares in Malaysian real property companies (as defined). Such gains would be subject to RPGT at the applicable rate depending on the holding period of the chargeable assets.

Sales Tax and Service Tax

The Goods and Services Tax ("GST") has been replaced by Sales Tax and Service Tax effective from 1 September 2018.

Under the Sales Tax Act 2018, Service Tax Act 2018 and subsidiary legislations, the sales tax rate for taxable goods is 5% or 10% while the service tax rate for taxable services is generally 6%. There are certain goods which are exempted from sales tax.

The issue, holding or redemption of any unit under a trust fund does not fall within the list of taxable services under the First Schedule of the Service Tax Regulations 2018 and hence, is not subject to service tax. The investment activities of the Fund such as buying and selling of securities and deposits in financial institutions are also not subject to service tax. As such, if the Fund is only deriving income from such activities, the Fund is not liable to be registered for service tax.

However, certain expenses incurred by the Fund such as legal fees, consultancy fees and management fees may be subject to service tax at 6%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007. The service tax incurred by the Fund is a cost to the Fund and is not recoverable, unlike the GST input tax which is claimable under the GST regime.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

Taxation of Unit Holders

Income Tax

Unit holders are taxed on an amount equivalent to their share of the total taxable income of the Fund, to the extent that this is distributed to them. The income distribution from the Fund may carry with it applicable tax credits proportionate to each unit holder's share of the total taxable income in respect of the tax paid by the Fund. Unit holders will be entitled to utilise the tax credit as a set off against the tax payable by them. Any excess over their tax liability will be refunded to the unit holders. No other withholding tax will be imposed on the income distribution of the Fund.

Corporate unit holders, resident or non-resident in Malaysia, would be taxed at the corporate tax rate of 24% (effective from YA 2016), on distributions of income from the Fund to the extent of an amount equivalent to their share of the total taxable income of the Fund. Corporate unit holders in Malaysia with paid-up capital in the form of ordinary shares of RM2.5 million and below will be subject to a tax rate of 17% on chargeable income of up to RM600,000, effective from YA 2020. This concessionary income tax rate is given only to corporate unit holders having gross business income for the relevant year of assessment of not more than RM50 million, in addition to the share capital requirement. For chargeable income in excess of RM600,000, the tax rate of 24% is still applicable.

However, the said tax rate of 17% on chargeable income of up to RM600,000 would not apply if more than 50% of the paid up capital in respect of ordinary shares of that corporate unit holder is directly or indirectly owned by a related company which has a paid up capital exceeding RM2.5 million in respect of ordinary shares, or vice versa, or more than 50% of the paid up capital in respect of ordinary shares of both companies are directly or indirectly owned by another company.

Individuals and other non-corporate unit holders who are resident in Malaysia will be subject to income tax at scale rates. The scale tax rates range from 0% to 30% with effect from YA 2020.

Individuals and other non-corporate unit holders who are not resident in Malaysia, for tax purposes, will be subject to Malaysian income tax at the rate of 30% with effect from YA 2020. Non-resident unit holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdiction.

The distribution of single-tier Malaysian dividends and tax exempt income by the Fund will not be subject to tax in the hands of the unit holders in Malaysia. Distribution of foreign income will also be exempt in the hands of the unit holders.

Units split by the Fund will be exempt from tax in Malaysia in the hands of the unit holders.

Any gains realised by the unit holders (other than financial institutions, insurance companies and those dealing in securities) from the transfer or redemption of the units are generally treated as capital gains which are not subject to income tax in Malaysia. However, certain unit holders may be subject to income tax in Malaysia on such gains, due to specific circumstances of the unit holders.

Service Tax

Only taxable services listed in the First Schedule of the Service Tax Regulations 2018 are subject to service tax, which exclude investment income or gains.

However, legal fees, consultancy fees and management fees may be subject to service tax at 6%. For management fees, this specifically excludes fees charged by any person who is licensed or registered with the Securities Commission for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007.

Based on the Finance Act 2018, the imposition and scope of service tax has been widened to include any imported taxable service. This is effective from 1 January 2019.

The tax position is based on our understanding and interpretation of the Malaysian tax legislations and proposals as they stand at present. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to consult their own professional advisers concerning their respective investments.

Yours faithfully

Tai Lai Kok
Executive Director

KPMG Tax Services Sdn Bhd

16. ADDITIONAL INFORMATION

THE DEED

Copies of the Deed may be obtained from us at RM20.00 each. Alternatively, the Deed may be viewed free of charge at our head office during normal business hours.

Details	Date
i. Deed	29 June 2021

CONSENT

The Trustee, Trustee's delegate (custodian function), investment research provider and Shariah Advisers have given their consent for the inclusion of their names and statements in the form and context in which they appear in this Prospectus and have not withdrawn such consent.

The tax adviser has given its consent for the inclusion of its name and tax adviser's letter in the form and context in which they appear in this Prospectus and have not withdrawn such consent.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Unit Holders may inspect without charge, at the registered office of the Manager or such other place as the SC may determine, the following documents or copies thereof, where applicable:

- a. the Deed and supplemental deeds, if any;
- b. this Prospectus and supplementary or replacement prospectus, if any;
- c. the latest annual and interim reports of the Fund;
- d. each material contract disclosed in this Prospectus (if any) and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contract;
- e. the audited financial statements of the Manager and the Fund for the current financial year (where applicable) and for the last three financial years or if less than three (3) years, from the date of incorporation or commencement;
- f. all reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus. Where a summary expert's report is included in this Prospectus, the corresponding full expert's report shall be made available for inspection;
- g. writ and relevant cause papers for all material litigation and arbitration disclosed in the Prospectus; and
- h. all consents given by experts disclosed in this Prospectus.

18. DIRECTORY OF SALES OFFICES

- **Branches of BIMB Investment Management Berhad**

<u>JOHOR BAHRU</u>	<u>KELANTAN</u>
No 33B, Jalan Indah 15/2 Taman Bukit Indah 79100 Nusajaya Johor. Tel : +607-239 5608 Fax : +607-239 5609	PT 433 & 434 Tingkat 2 Jalan Padang Garong 15000 Kota Bharu Kelantan. Tel : +609 740 6118 / +6012 908 7785

- Please refer to BIMB Investment's website at www.bimbinvestment.com.my for the list of licensed consultants.
- Please refer to BANK ISLAM MALAYSIA BERHAD website at www.bankislam.com.my for the list of its branches nationwide.

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BIMB INVESTMENT

A BANK ISLAM
SUBSIDIARY

BIMB Investment Management Berhad 199301021508 (276246-X)
Level 19, Menara Bank Islam, No 22, Jalan Perak 50450 Kuala Lumpur

Tel : 03-2161 2524 / 03-2161 2924
Fax : 03-2161 2464
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