



PERMODALAN BSN BERHAD
A Wholly-Owned Subsidiary of BSN

MASTER PROSPECTUS

This Master Prospectus is dated 18 September 2023

This Master Prospectus incorporates the following funds :-

**Amanah Saham Bank Simpanan Nasional
BSN Dana Al-Jadid
BSN Dana Dividen Al-Ifrah**

Date of constitution

**31 December 1994
18 June 2008
12 September 2012**

Manager :

**PERMODALAN BSN BERHAD
199401034061 (319744 - W)**

Trustee :

**AMANAHRAYA TRUSTEES BERHAD
200701008892 (766894 - T)**

THE FUNDS ARE NOT CAPITAL GUARANTEED FUNDS OR CAPITAL PROTECTED FUNDS.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 19.

RESPONSIBILITY STATEMENT

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

STATEMENTS OF DISCLAIMER

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

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

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

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

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

BSN Dana Al-Jadid and BSN Dana Dividen Al-Ifrāh have been certified as being Shariah-compliant by the Shariah Adviser appointed for these Funds.

This Master Prospectus is not intended to and will not be issued and distributed in any country or jurisdiction other than in Malaysia. The Manager reserves the right not to sell to any person other than a Malaysian resident or citizen, any Units of any Fund to which this Master Prospectus relates.

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DEFINITIONS

Act / CMSA	: means the Capital Markets and Services Act 2007 including all amendments thereto;
BSN	: means Bank Simpanan Nasional;
Bursa Malaysia	: means Bursa Malaysia Securities Berhad, the stock exchange managed or operated by Bursa Malaysia Berhad;
Business Day	: means a day (other than Saturday, Sunday or public holiday) on which Bursa Malaysia and/or bank in Kuala Lumpur is or are open for business or trading;
CIS	: means collective investment scheme;
Deeds	: means the principal deeds in respect of the Funds entered into between the Manager and the Trustee and any supplemental(s) thereto:- <ul style="list-style-type: none">(a) ASBSN is governed by a principal deed dated 31 December 1994, a first supplemental deed dated 10 July 1996, a second supplemental deed dated 9 February 1999, a third supplemental deed dated 14 November 2005, a fourth supplemental deed dated 30 October 2008 and a fifth supplemental deed dated 22 December 2022;(b) BSND AJ is governed by a principal deed dated 11 March 2008, a supplemental deed dated 23 May 2013 and a second supplemental deed dated 22 December 2022;(c) BSND DAI is governed by a principal deed dated 9 February 2012 and a first supplemental deed dated 22 December 2022;
Eligible Market	: means an exchange, government securities market or an over-the-counter (OTC) market that: <ul style="list-style-type: none">(a) is regulated by a regulatory authority of that jurisdiction;(b) is open to the public or to a substantial number of market participants; and(c) on which financial instruments are regularly traded.
Fair Value	: means, the price that the Funds would reasonably expect to receive upon the current sale of the investment.
financial institution	: <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;(b) if the institution is outside Malaysia, any institution that is licensed / registered / approved / authorized to provide financial services by the relevant banking regulator.
Forward Pricing	: means the price of a unit that is the NAV per unit calculated at the next valuation point after an instruction or request to subscribe or redeem is received.

Funds : means the following unit trust schemes covered by this Master Prospectus collectively known as the “Funds” and individually as the “Fund” :-

<u>Name of the Fund</u>	<u>Abbreviation</u>
Amanah Saham Bank Simpanan Nasional	ASBSN
BSN Dana Al-Jadid	BSNDAJ
BSN Dana Dividen Al-Ifrah	BSNDDAI

Investment Account (IA) : refers to an account which is based on Shariah contracts and applicable for investment purposes as assigned to it in the Islamic Financial Services Act 2013 and its' updates from time to time;

Guidelines : means the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia as may be amended from time to time;

GST : refers to the tax levied on goods and services pursuant to the Goods and Services Tax Act 2014 and its' updates from time to time;

Historical Price : means the price of a unit that is the NAV per unit calculated at the valuation point before an instruction or request to subscribe or redeem is received;

Islamic deposits : means a sum of money accepted or paid in accordance with Shariah –

- (a) on terms under which it will be repaid in full, with or without any gains, return or any other consideration in money or money's worth, either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and person accepting it; or
- (b) under an agreement, on terms whereby the proceeds under the arrangement to be paid to the person paying the sum of money shall not be less than such sum of money,

but excludes money paid *bona fide* –

- (i) by way of an advance or a part payment under a contract for the sale, hire or other provision of property or services, and is repayable only in the event that the property or services are not in fact sold, hired or otherwise provided;
- (ii) by way of security for the performance of a contract or by way of security in respect of any loss which may result from the non-performance of a contract;
- (iii) without limiting paragraph (ii), by way of security for the delivery up or return of any property, whether in a particular state of repair or otherwise; and

in such other circumstances, or to or by such other person, as set out in schedule 2 of the Islamic Financial Services Act 2013.

Investment Manager or investment managers	: refers to the Manager or PBSNB or any others external party being appointed to carry out the fund management functions from time to time.
Jointholder	: means a person who holds Units together with another person or persons and "Jointholders" means the persons who are holding the same Units;
Latest Practicable Date or LPD	: 31 December 2022, in which all information provided herein, shall remain current and relevant as at such date;
licensed bank	: has the same meaning as prescribed under the Financial Services Act 2013;
licensed investment bank	: has the same meaning as prescribed under the Financial Services Act 2013;
licensed Islamic bank	: means a bank licensed under the Islamic Financial Services Act 2013;
long-term	: means a period of more than 5 years;
Manager / PBSNB / we/us	: refers to Permodalan BSN Berhad (Company No. 199401034061 (319744-W)), the management company of the Funds;
Master Prospectus	: means the disclosure document issued by the Manager describing the details of the Funds.
medium-term	: means a period between 3 to 5 years;
Net Asset Value (NAV)	: means the value of all assets of the Fund less the value of all the liabilities of the Fund at the valuation point; solely for the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund should be inclusive of the management fee and the trustee fee for the relevant day;
NAV per Unit	: means the NAV of the Fund at a particular valuation point divided by the number of Units in circulation at the same valuation point;
Redemption Price	<p>: means in respect of BSND AJ and BSND DAI, the price payable to a Unit Holder pursuant to a redemption of a Unit and is the NAV per Unit as at the next valuation point (forward pricing) after the repurchase request is received by the Manager; for the avoidance of doubt, Redemption Price does not include any redemption charge which may be imposed.</p> <p>means in respect of ASBSN, the price payable to a Unit Holder pursuant to a redemption of a Unit and is the NAV per Unit as at the valuation point immediately before (historical pricing) the repurchase request is received by the Manager; for the avoidance of doubt, Redemption Price does not include any redemption charge which may be imposed;</p>
RM	: means Ringgit Malaysia, the official currency of Malaysia;
SACSC	: refers to the Shariah Advisory Council of the Securities Commission Malaysia;
securities lending	: means transactions whereby a fund lends its securities to a counterparty for an agreed rate;

securities equivalent to shares	: includes units or shares in business trusts, depository receipts, participatory notes, rights, warrants and any other rights, options or interests that can be converted into new shares.
Selling Price	<p>: means in respect of BSND AJ and BSND DAI, the price payable by an applicant for a Unit pursuant to a successful application for Units and is the NAV per Unit as at the next valuation point (forward pricing) after the request for investment is received by the Manager; for the avoidance of doubt, Selling Price does not include any sales charge which may be imposed.</p> <p>means in respect of ASBSN, the price payable by an applicant for a Unit pursuant to a successful application for Units and is the NAV per Unit as at the valuation point immediately before (historical pricing) the request for investment is received by the Manager; for the avoidance of doubt, Selling Price does not include any sales charge which may be imposed;</p>
Shariah	: means Islamic Law comprising the whole body of rulings pertaining to human conducts derived from sources of Shariah;
Shariah requirements	: is a phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element;
Sukuk	: means certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the Shariah Advisory Council of the Securities Commission;
short-term	: means a period of less than 2 years;
short term deposit	: means a deposit with a tenure of not more than 12 months;
Special Resolution	<p>: means in respect of BSND AJ and BSND DAI, a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed and carried by a majority in number representing at least three-fourths of the value of the Units held by the Unit Holders voting at the meeting in person or by proxy.</p> <p>means in respect of ASBSN, a resolution passed by a majority of not less than three-fourths of Unit Holders voting at a meeting of Unit Holders in person or by proxy.</p> <p>For the purpose of terminating the Fund, a special resolution is passed by a majority in number representing at least three-fourths of the value of the Units held by the Unit Holders voting at the meeting, in person or by proxy;</p>
Shariah Adviser	: refers to Tawafuq Consultancy Sdn. Bhd. (Company No. 201501036171 (1161491-M) ("Tawafuq"), the Shariah Adviser appointed for the Funds and included its permitted assigns and successors in title.
Tawafuq	: refers to the Shariah Adviser appointed for the BSND AJ and BSND DAI;

- Transferable Securities : refers to :-
 (a) shares or securities equivalent to shares;
 (b) bonds or other forms of securities debt; and
 (c) sukuk.
- but do not include money market instruments of any security where the title can be transferred only when the consent of a third party.
- Trustee/ART : refers to AmanahRaya Trustees Berhad (Company No.200701008892 (766894-T), the Trustee appointed for the Funds;
- Unit/Units : means 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 of the Fund;
- units in circulation : means Units created and fully paid for and which has not been cancelled and is the total number of Units issued at a particular valuation point; and
- Unit Holder/Unit Holders : means a person for the time being who is registered pursuant to the Deed as a holder of Units including persons jointly registered.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to person shall include corporations.

Any reference in this Master Prospectus to any enactment or guideline is a reference to the enactment or guideline as for the time being amended or re-enacted.

Any reference to a time of day in the Master Prospectus shall be referenced to Malaysian time, unless otherwise stated.

CORPORATE DIRECTORY

THE MANAGER

NAME : PERMODALAN BSN BERHAD
COMPANY NO. : 199401034061 (319744-W)
REGISTERED OFFICE & BUSINESS ADDRESS : Tingkat 2, Blok A,
Wisma Bank Simpanan Nasional,
117 Jalan Ampang,
50450 Kuala Lumpur
TELEPHONE NO. : 03-2634 2200
FAX NO. : 03-2177 1300
EMAIL ADDRESS : info@pbsn.com.my
WEBSITE : www.pbsn.com.my

THE TRUSTEE

NAME : AMANAHRAYA TRUSTEES BERHAD
COMPANY NO. : 200701008892 (766894-T)
REGISTERED OFFICE : Tingkat 11, Wisma AmanahRaya
No. 2 Jalan Ampang
50508 Kuala Lumpur
BUSINESS ADDRESS : Tingkat 14, Wisma AmanahRaya
No. 2 Jalan Ampang
50508 Kuala Lumpur
TELEPHONE NO. : 03-2036 5129
FAX NO. : 03-2072 0322
EMAIL ADDRESS : art@arb.com.my
WEBSITE : http://www.artrustees.my

THE SHARIAH ADVISER

NAME : TAWAFUQ CONSULTANCY SDN BHD
COMPANY NO. : 201501036171 (1161491-M)
REGISTERED OFFICE : No. 6-2F Pinggiran Mutiara Utama, Taman Mutiara Gombak 2, 53100
Kuala Lumpur,
Malaysia.
BUSINESS ADDRESS : Suite 10.01, Level 10, Menara Atlan,
161B, Jalan Ampang, Persiaran KLCC, 50450 Kuala Lumpur,
Malaysia
TELEPHONE NO. : 03-9212 0921
FAX NO. : 03-92120921
EMAIL ADDRESS : office@tawafuqconsultancy.com
WEBSITE : www.tawafuqconsultancy.com

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CHAPTER 1: DETAILED INFORMATION ON THE FUNDS

1.1 Fund Profile

(a) AMANAH SAHAM BANK SIMPANAN NASIONAL

Base Currency

Ringgit Malaysia ("RM")

Fund Category

Equity Fund

Investment Objective

The investment objectives of ASBSN are:

- (a) to seek medium to long term capital appreciation of the Units through investment in the equity markets; and
- (b) to seek income opportunities by investing in high income yielding securities and interest bearing instruments.

Any material change to the objective of the Fund would require the Unit Holders' approval.

Investment Policy, Strategy and Asset Allocation

The Fund invests primarily in securities listed on the Bursa Malaysia and money market instruments.

The Fund is an equity fund where major portion i.e 60% of the NAV and above of the investment scheme funds is invested in equities.

Formulation of the investment strategy will be based on the objectives of ASBSN after taking into consideration the regulatory constraints outlined in the Deed, the Guidelines drawn up by the SC and prevailing market conditions. The investment strategies, however, shall be regularly monitored and reviewed by the Manager to safeguard the interest of the Fund.

The Investment Manager intends to adopt an active and frequent trading strategy in meeting the Fund's investment objectives. The Investment Manager may take temporary defensive positions that may be inconsistent with the Fund's principle strategy in attempting to respond to adverse market conditions, economic, political or any other conditions. The asset allocation in the investment portfolio will be made in line with the Investment Manager's view of the prevailing market conditions. It will be done in such a way that during expected bullish market, there will be higher exposure in equity investments i.e 90% of NAV or higher. While during expected bearish market the Fund may increase its allocation to money market instruments, however, a major portion of the Fund will still remain invested in equities i.e. 60% of NAV at all times.

To manage and mitigate risk and to generate the returns to the Fund, the selection of securities for investment are made according to the following basic considerations:

	Bases	Factors
(a)	Qualitative aspects	Strong and creditable management.
(b)	Quantitative aspects	Consistent earning history and strong balance sheet.

	Bases	Factors
(c)	Technical aspects	Behaviour of the securities price on the stock exchange.

ASBSN Investor Profile

ASBSN is appropriate for investors who are comfortable with the degree of equity market volatility coupled with the associated risks of the Fund. ASBSN shall be suitable for investors who have the purchasing power and the willingness or the capability to hold units with the aim of gaining possible returns, both distribution and capital gain, in the medium to long-term period. It is of utmost importance that the investor's own investment preference matches with the nature and investment objectives of the Fund.

Why Invest in ASBSN

Affordable	An investor can start to invest with affordable initial capital outlay as the minimum initial investment is 100 units only. Thereafter, additional investment can be made at a minimum of 50 units per transaction.
Liquid	Redemption of units can be made in full or part, on any working day at the Manager's prevailing repurchase price.
Independent Trustee	All assets of ASBSN are entrusted to the Trustee.
Hassle-Free Investment	Investors are relieved from the hassle of record keeping in managing the trading of shares and performing investment research.
Reduced Risk	Compared to direct investment in the stock market, risk of substantial loss is reduced as investments are spread over a number of counters. This diversification is possible because of the availability of the combined financial resources of a large pool trust.
Return on Investment	Investment in ASBSN may provide the investors with medium to long-term opportunity for better returns in the form of distributions and capital appreciation compared to the returns earned from savings accounts and fixed deposit accounts.

Distribution Policy

Subject to the Manager's discretion, distributions of income (if any) to Unit Holders shall be paid out from the Fund's realised income. The distribution (if any) shall be made at least once in a financial year.

Performance Benchmark

The performance benchmark used by the Manager is the performance of the FBM KLCI. The performance of the Fund would be measured against the FBM KLCI generally in terms of the percentage change of the total net asset value of the Fund's underlying assets over a specific time period and compared with the percentage change in the value of the FBM KLCI over the same time period. Information on FBM KLCI can be obtained from Bursa Malaysia's website at www.bursamalaysia.com or major daily newspapers.

Note: The risk profile of the Fund is different from the risk profile of the benchmark.

Permitted Investments

ASBSN may invest in:

1. securities of Malaysian companies listed on the Bursa Malaysia;
2. securities that are not traded in or under the rules of an Eligible Market that have been approved by the SC for listing and quotation on the Bursa Malaysia, which are offered directly by the company approved for listing by way of private placement or on a tender basis;
3. Malaysian government securities, treasury bills, Bank Negara Malaysia certificates and government investment certificates;
4. Malaysian currency balances in hand, Malaysian currency deposits with commercial banks, finance companies, merchant banks and Islamic banks including negotiable certificates of deposits, and placement of money at call with financial institutions;
5. cagamas bonds, bankers' acceptance, unlisted loan stock and corporate bonds that are traded in the money market and private debt securities with favourable rating i.e at least BBB rating by the RAM Rating Services Berhad (RAM) and / or equivalent rating by the Malaysia Rating Corporation Berhad ("MARC"); and
6. any other kind of investment or investments from time to time as approved by the relevant authorities.

Investment Restrictions and Limits

The investment of ASBSN is subjected to the limits as specified in the Deed and the following limits as specified by the relevant authorities:

- (a) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV;
- (b) The aggregate value of the Fund's investments in transferable securities that are not traded or dealt in or under the rules of an eligible market, CIS that do not comply with paragraphs 6.11(a), (b) and (c) of the Guidelines and other securities must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single CIS, as the case may be;
- (c) The value of the Fund's investments in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in item (b) above issued by the same issuer must be included in the calculation;
- (d) The single issuer limit under item (c) above may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency;

- (e) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit in (g) may be raised, subject to group limit in item (j) not exceeding 35% of the Fund's NAV;
- (f) The value of the Fund's placement in deposits in any single institution must not exceed 20% of the fund's NAV. The single financial institution placement does not apply to placements of deposits arising from :
 - (i) subscription monies received prior to the commencement of investment by the Funds;
 - (ii) liquidation of investments prior to the termination or maturity of the Fund, where the placement of deposits with various financial institutions would not be in the best interests of unit holders; or;
 - (iii) Money held for the settlement of redemption or other payment obligations, where the placement of deposits with various financial institutions would not be in the best interests of unit holders;
- (g) The aggregate value of the Fund's investments in, or exposures to, a single issuer through transferable securities, money market instruments and deposits must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, The value of the Fund's investments in item (b) above issued by the same issuer must be included in the calculation;
- (h) The value of the Fund's investment in units or share of a CIS must not exceed 20% of the Fund's NAV, provided that the CIS complies with:-
 - (i) paragraph 6.11(a) of the Guidelines;
 - (ii) paragraph 6.11(b) of the Guidelines; or
 - (iii) paragraph 6.11(c), excluding a CIS that invests in real estate of the Guidelines.
- (i) The value of the Fund's investments in units or shares of a CIS that invests in real estate pursuant to paragraph 6.11(c) of the Guidelines must not exceed 15% of the Fund's NAV;
- (j) The value of the Fund's investments in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in item (b) above issued the issuers within the same group of companies must be included in the calculation;
- (k) The Fund's investment in shares or securities equivalent to shares or securities equivalent to shares must not exceed 10% of the shares or securities equivalent to shares, as the case may be, issued by a single issuer;
- (l) The Fund's investment in debt securities must not exceed 20% of the debt securities issued by a single issuer. The limit may be disregarded at the time of acquisition if at the time of acquisition, the gross amount of debt securities in issue cannot be determined;
- (m) The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. The limit does not apply to money market instruments that do not have a pre-determined issue size; and
- (n) The Fund's investment in CIS must not exceed 25% of the units or shares in the CIS.

The above restrictions and limits shall be complied with at all times based on the most up-to-date value of the Funds' investments. The Manager shall notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions as stated above with the steps taken to rectify and prevent such breach from recurring. In determining the compliance with limits or restrictions, any accrued entitlement on the securities or instruments held by the Funds may be excluded. The entitlement should not be exercised if the exercise results in breach of any limit or restriction.

Any breach as a result of any:–

- (a) appreciation or depreciation in value of the Funds' investments;
- (b) repurchase of units or payment made out of the Funds;
- (c) change in capital of a corporation in which the Funds have invested in; or
- (d) downgrade in or cessation of a credit rating.

need no to be reported to the SC but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines on Unit Trust Funds and its' updates from time to time.

However, the three (3) months period may be extended if it is in the best interest of unit holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee until resolution.

Such limits and restrictions, however, do not apply to securities or instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

(b) BSN DANA AL-JADID

Base Currency

Ringgit Malaysia ("RM")

Fund Category

Equity Fund (Shariah-compliant)

Investment Objective

The Fund aims to achieve capital appreciation and income distribution by investing in equity and equity-related securities that comply with Shariah requirements.

Any material change to the objective of the Fund would require the Unit Holders' approval.

Investment Policy, Strategy and Asset Allocation

The Fund's asset allocation strategies will be a minimum of 70% of its NAV in Shariah-compliant equities and Shariah-compliant equity-related securities and up to 30% of its NAV in sukuk and Islamic money market instruments. For temporary defensive positions, the Fund may lower the Shariah-compliant equities and Shariah-compliant equity-related securities exposure to below 70% of its NAV and will invest in a combination of sukuk and Islamic money market instruments if the outlook for the equity markets is deemed to be unfavourable.

The Investment Manager intend to adopt an active and frequent trading strategy in meeting the Funds' investment objectives. The Investment Manager may take temporary defensive positions that may be inconsistent with the Fund's principle strategy in attempting to respond to adverse market conditions, economic, political or any other conditions. During a prolonged stock market downturn, the Fund's ability to switch all assets into non-equity Shariah-compliant investments such as Islamic money market instruments and sukuk would limit the downside and provide the opportunity for re-entry at low levels. This dynamism saves the investors the additional sales charges and/or switching fee which may be incurred had they switched from equity funds into cash funds.

The Fund employs a combination of top-down and bottom-up style of management. Key macro factors are determined at the onset of the portfolio construction before asset allocation and bottom-

up Shariah-compliant equities and sukuk selections are made. Asset allocation is dynamic, with observations made monthly or when necessary.

The Shariah-compliant equity investment of the Fund will primarily focus on a dynamic mix of small-to large-cap Value and Growth Shariah-compliant stocks in the sectors with strong conviction. Generally, companies with established reputation, market leader, earnings growth and visibility as well as financial strengths over the medium to long term are selected. Additionally, laggards and undervalued Shariah compliant stocks with low PER and high EPS growth relative to sector, peers and market will also be identified for inclusion in the portfolio. In identifying such companies, the Fund relies on fundamental analysis, looking at Shariah-compliant stocks with the characteristics such as a comprehensive business model, sound management, strong cash generation or cash position, strong market positioning or growing market share, strong earnings growth or turnaround story, good financial track record, attractive valuations and catalyst for re-rating.

The non-equity portion of the Fund is invested in Islamic money market instruments and domestic sukuk such as sovereign sukuk and corporate sukuk. The Fund will focus on good quality investment grade sukuk i.e. minimum rating A by RAM Rating Services Berhad (RAM) or A+ by Malaysian Rating Corporation Berhad (MARC), relying, amongst others, on fundamental macroeconomic analysis, valuation analysis and credit analysis in identifying the Shariah-compliant securities. The investment process is one driven by the appreciation of fundamental value with focus on inflation-adjusted sukuk yields.

The Fund's investment may also include Shariah-compliant equity warrants traded in the local stock market which are Shariah-compliant. The strategy employed is similar to that of Shariah-compliant equity investment as described above.

The investment of the Fund may consist of unlisted Shariah-compliant securities and must be consistent with the objective of the Fund.

Distribution Policy

Subject to the availability of income, the Manager will distribute income once a year.

Performance Benchmark

FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA).

Information on FBMSHA can be obtained from Bursa Malaysia's website at www.bursamalaysia.com or major daily newspapers. Note: The risk profile of the Fund is different from the risk profile of the benchmark.

Permitted Investments

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

1. Shariah-compliant securities traded on eligible markets and approved stock exchanges;
2. Unlisted Shariah-compliant securities approved for listing which are offered directly to the Fund;
3. Sukuk generally in the form of corporate sukuk or Islamic commercial papers issued by privately held companies or public listed corporations that are traded in eligible/money markets;

4. Government investment issues (GII), Islamic accepted bills, Bank Negara monetary notes-*i*, cagamas sukuk and any other government approved/guaranteed Islamic issues;
5. Islamic deposits (Malaysian currency) with Islamic financial institutions including Islamic negotiable instruments (INIs) and placement of money at call with investment banks/financial institutions;
6. Islamic futures contracts and options traded in futures and options market of an exchange approved under the Act, and as approved by the SACSC and/or the Shariah Adviser, for hedging purposes only;
7. Any other form of investments/instruments that comply with Shariah requirements as may be permitted by the relevant authorities, from time to time.

Investment Restrictions and Limits

The Fund is subject to the following investment restrictions and limits in the course of execution of its investment policies and strategies. The Fund is restricted to investments:

- (a) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (b) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an eligible market, Islamic CIS that do not comply with paragraphs 6.11(a), (b) and (c) of the Guidelines and other Shariah-compliant securities must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single Islamic CIS, as the case may be;
- (c) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in item (b) above issued by the same issuer must be included in the calculation;
- (d) The single issuer limit under item (c) above may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency;
- (e) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit in item (g) may be raised, subject to group limit in item (j) not exceeding 35% of the Fund's NAV;
- (f) The value of the Fund's placement in Islamic deposits with any single institution must not exceed 20% of the fund's NAV. The single financial institution placement does not apply to placements of deposits arising from:
 - (i) subscription monies received prior to the commencement of investment by the Funds;
 - (ii) liquidation of investments prior to the termination or maturity of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unit holders; or;
 - (iii) Money held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unit holders;

- (g) The aggregate value of the Fund's investments in, or exposures to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, underlying assets of Islamic derivatives and counterparty exposures arising from the use of OTC Islamic derivatives must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in item (b) above issued by the same issuer must be included in the calculation;
- (h) The value of the Fund's investments in units/shares of any Islamic CIS must not exceed 20% of the Fund's NAV, provided that the Islamic CIS complies with:-
 - (i) paragraph 6.11(a) of the Guidelines;
 - (ii) paragraph 6.11(b) of the Guidelines; or
 - (iii) paragraph 6.11(c), excluding an Islamic CIS that invests in real estate of the Guidelines.
- (i) The value of the Fund's investments in units or shares of an Islamic CIS that invests in real estate pursuant to paragraph 6.11(c) of the Guidelines must not exceed 15% of the Fund's NAV;
- (j) The value of a fund's investments in Shariah-compliant transferable securities and Islamic money market instrument issued by any group of companies must not exceed 20% of the Fund's NAV("group limit"). In determining the group limit, the value of the Fund's investments in instruments in item (b) above issued the issuers within the same group of companies must be included in the calculation;
- (k) The Fund's investment in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by a single issuer;
- (l) The Fund's investment in sukuk must not exceed 20% of the sukuk issued by a single issuer. The limit may be disregarded at the time of acquisition if at the time of acquisition, the gross amount of sukuk in issue cannot be determined;
- (m) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have pre-determined issue size;
- (n) The Fund's investments in Islamic CIS must not exceed 25% of the units/shares in the Islamic CIS; and
- (o) Islamic liquid assets must be held in the form of cash, Islamic deposits with financial institutions and/or other institutions licensed or approved to accept Islamic deposits, or any other Islamic financial instrument capable of being converted into cash within seven days; the value of the Fund's holding of Islamic liquid assets may be up to 100% of its NAV; However, this does not preclude the Manager (after consultation with the Trustee) from lowering the Islamic liquid assets level beyond the stipulated level to allow the Manager to react to the prevailing market conditions and to manage investment risk when circumstances warrant it.

The above restrictions and limits shall be complied with at all times based on the most up-to-date value of the Funds' investments. The Manager shall notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions as stated above with the steps taken to rectify and prevent such breach from recurring. In determining the compliance with limits or restrictions, any accrued entitlement on the securities or instruments held by the Funds may be excluded. The entitlement should not be exercised if the exercise results in breach of any limit or restriction.

Any breach as a result of any:-

- (a) appreciation or depreciation in value of the Funds' investments;

- (b) repurchase of units or payment made out of the Funds;
- (c) change in capital of a corporation in which the Funds have invested in; or
- (d) downgrade in or cessation of a credit rating.

need no to be reported to the SC but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines on Unit Trust Funds and its' updates from time to time.

However, the three (3) months period may be extended if it is in the best interest of unit holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee until resolution.

Such limits and restrictions, however, do not apply to Shariah-compliant securities or instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

(c) BSN DANA DIVIDEN AL-IFRAH

Base Currency

Ringgit Malaysia ("RM")

Fund Category

Equity Fund (Shariah-compliant)

Investment Objective

The Fund seeks to provide consistent income* by investing in Shariah-compliant equities with attractive dividend** yield and/or potential dividend yield.

**Note: Distribution of income will be done by way of reinvestment into additional Units.*

***Note: "Attractive dividend" refers to stocks of companies which have provided an average gross dividend of at least 3% for the past 3 years from the latest financial year.*

Any material change to the objective of the Fund would require the Unit Holders' approval.

Investment Policy, Strategy and Asset Allocation

To achieve the investment objective, the Fund will invest in Shariah-compliant equities with records of paying attractive dividend and/or having the potential to yield attractive dividend*. In addition to expecting dividend payouts, the portfolio will also be actively managed to enhance returns by providing medium to long-term capital appreciation opportunities.

The Investment Manager intend to adopt an active and frequent trading strategy in meeting the Funds' investment objectives. The Investment Manager may take temporary defensive positions that may be inconsistent with the Fund's principle strategy in attempting to respond to adverse market conditions, economic, political or any other conditions. Depending on the prevailing market conditions, the Fund's Shariah-compliant equities portfolio will be tactically allocated so that the Fund will be able to meet its investment objective i.e., bullish market 98% Shariah-compliant equity exposure and bearish market 70% Shariah-compliant equity exposure. The general premise of this tactical allocation is to reduce the fluctuation risks and achieve returns that exceed its benchmark.

The Fund employs a combination of top-down and bottom-up style of management. Key macro factors are determined at the onset of the portfolio construction before asset allocations are made.

To systematically capitalize inefficiencies among asset classes, tactical asset allocation is employed as a dynamic investment strategy.

The Investment Manager selects Shariah-compliant companies with dividend policies that meet the Fund's Investment objective. The Fund relies on fundamental and technical analysis in determining the best probable investment decision to achieve its objective.

**Note: "Attractive dividend" refers to stocks of companies which have provided an average gross dividend of at least 3% for the past 3 years from the latest financial year.*

A minimum of 70% of the NAV will be invested in Shariah-compliant equities listed on the Bursa Malaysia.

The balance of the NAV that is not invested in Shariah-compliant equities listed on Bursa Malaysia will be invested in Islamic money market instruments, Islamic deposits and any other form of short-term investments/instruments which are Shariah-compliant.

Distribution Policy

Subject to the availability of income, the Manager will distribute income once a year.

Performance Benchmark

FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA).

Information on FBMSHA can be obtained from Bursa Malaysia's website at www.bursamalaysia.com or major daily newspaper.

Note: The risk profile of the Fund is different from the risk profile of the benchmark.

The Manager has chosen FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA) as the benchmark of the Fund as the index provides a complete coverage on Shariah-compliant listed companies in Malaysia.

Permitted Investments

Unless otherwise prohibited by the relevant regulatory authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted under the Deed to invest in the following:

1. Shariah-compliant equities traded on Eligible Markets and approved stock exchanges;
2. Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant authority for such listing and quotation, and are offered directly to the Fund by the issuer;
3. Islamic deposits (Malaysian currency) placed with financial institutions including placement of money at call with investment banks/financial institutions;
4. Islamic money market instruments; and
5. Any other form of Shariah-compliant investments as may be agreed between the Manager and the Trustee, from time to time.

Investment Restrictions and Limits

The Fund is subject to the following investment restrictions and limits in the course of execution of its investment policies and strategies:-

- (a) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (b) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded under the rules of an eligible market, Islamic CIS that do not comply with paragraphs 6.11(a), (b) and (c) of the Guidelines and other securities must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single Islamic CIS, as the case may be;
- (c) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investments in instruments in item (b) above issued by the same issuer must be included in the calculation;
- (d) The single issuer limit under item (c) above may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency;
- (e) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit in item (g) may be raised, subject to group limit in item (j) not exceeding 35% of the Fund's NAV;
- (f) The value of the Fund's placement in Islamic deposits with any single institution must not exceed 20% of the Fund's NAV. The single financial institution placement does not apply to placements of deposits arising from :
 - (i) subscription monies received prior to the commencement of investment by the Funds;
 - (ii) liquidation of investments prior to the termination or maturity of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unit holders; or;
 - (iii) Money held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interests of unit holders;
- (g) The aggregate value of the Fund's investments in, or exposures to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in item (b) above issued by the same issuer must be included in the calculation;
- (h) The value of the Fund's investments in units/shares of any Islamic CIS must not exceed 20% of the Fund's NAV, provided that the Islamic CIS complies with:-
 - (i) paragraph 6.11(a) of the Guidelines;
 - (ii) paragraph 6.11(b) of the Guidelines; or
 - (iii) paragraph 6.11(c), excluding an Islamic CIS that invests in real estate of the Guidelines.

- (i) The value of the Fund's investments in units or shares of an Islamic CIS that invests in real estate pursuant to paragraph 6.11(c) of the Guidelines must not exceed 15% of the Fund's NAV;
- (j) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV (group limit). In determining the group limit, the value of the Fund's investments in instruments in item (b) above issued by the issuers within the same group of companies must be included in the calculation ;
- (k) The Fund's investment in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed 10% of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by a single issuer;
- (l) The Fund's investment in sukuk must not exceed 20% of the sukuk issued by a single issuer. The limit may be disregarded at the time of acquisition if at the time of acquisition, the gross amount of sukuk in issue cannot be determined;
- (m) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have pre-determined issue size;
- (n) The Fund's investments in Islamic CIS must not exceed 25% of the units/shares in the Islamic CIS.

The above restrictions and limits shall be complied with at all times based on the most up-to-date value of the Funds' investments. The Manager shall notify the SC, within seven (7) Business Days, of any breach of investment limits and restrictions as stated above with the steps taken to rectify and prevent such breach from recurring. In determining the compliance with limits or restrictions, any accrued entitlement on the securities or instruments held by the Funds may be excluded. The entitlement should not be exercised if the exercise results in breach of any limit or restriction.

Any breach as a result of any:–

- (a) appreciation or depreciation in value of the Funds' investments;
- (b) repurchase of units or payment made out of the Funds;
- (c) change in capital of a corporation in which the Funds have invested in; or
- (d) downgrade in or cessation of a credit rating.

need no to be reported to the SC but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines on Unit Trust Funds and its' updates from time to time.

However, the three (3) months period may be extended if it is in the best interest of unit holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee until resolution.

Such limits and restrictions, however, do not apply to Shariah-compliant securities or instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

Cross Trades

We may conduct cross trades between funds and / or portfolios that we are managing provided that the relevant laws imposed by the regulatory authority are met. However, cross trades between the personal account of our employee and the Funds' account(s); and between our proprietary trading accounts and the Funds' account(s) are strictly prohibited.

1.2 General Risks of Investing in Unit Trust Funds

Prior to making an investment, prospective investors should consider the following risk factors carefully in addition to the other information set forth elsewhere in this Master Prospectus. Although the Investment Manager seeks to mitigate risks by investing in a diversified portfolio, investors should be warned that there are potential risks in investing in unit trust funds. They include :

Management Risk – Inadequate expertise of a management company in dealing with the day to day management of managing a Fund will jeopardise the investment of Unit Holders through the risk of reduced returns and in some cases the Unit Holders may also lose the capital invested in the Fund. The selection of the Fund's investment is a subjective process and depends on the expertise of the Investment Manager in carrying out the fund management function. Lack of expertise of the Investment Manager may adversely affect the returns from the Fund's investments and consequently, the Unit Holder's investment.

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

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

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

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

Non-Compliance risk - The risk that a management company and other parties associated with a unit trust fund inadvertently fails to comply with the rules set out in the Fund's deed, or the law that governs the Fund, or act fraudulently or dishonestly. It also includes the risk of a management company failing to comply with internal control procedures due to an oversight. The non-compliance may expose the Fund to higher risks that may result in a fall in the value of the Fund.

1.3 Specific Risks of Investing in the Funds

(a) AMANAH SAHAM BANK SIMPANAN NASIONAL

Particular Stock/Securities Risk

Prices of a particular stock/securities 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. The Investment Manager aims to mitigate this risk through diversification that is expected to reduce the Fund's portfolio.

Credit and Default Risk

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

Interest Rate Risk

Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments. When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. The reverse may apply when interest rates fall.

(b) BSN DANA AL-JADID

Particular Stock/Securities Risk

Prices of a particular Shariah-compliant stock/securities and Shariah-compliant equity-related securities 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. The Investment Manager aims to mitigate this risk through diversification that is expected to reduce the Fund's portfolio.

Credit and Default Risk

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

Interest Rate Risk

Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments. When interest rates rise, debt instruments prices generally decline and this may lower the market value of the Fund's investment in debt instruments. The reverse may apply when interest rates fall.

This risk is crucial since sukuk portfolio management depends on forecasting interest rate movements. Sukuk with longer maturity and lower yield profit rates are more susceptible to interest rate movements. In general, when interest rates rise, sukuk prices will tend to fall and vice versa. Therefore, the net asset value of the fund may also tend to fall when interest rates rise or are expected to rise. It does not in any way suggest that this fund will invest in conventional financial instruments. All the investments carried out for this fund are in accordance with Shariah requirements.

Shariah-compliant Warrants Risk

The price, performance and liquidity of Shariah-compliant warrants are typically linked to the underlying Shariah-compliant equities and therefore subject to those risks. However, the price, performance and liquidity of such Shariah-compliant warrants will generally fluctuate more than the

underlying Shariah-compliant equities because of the greater volatility of the warrants market. The Shariah-compliant warrants have an expiry date and the Fund may experience time decay and the erosion value accelerates as the warrants advances to its expiry date. Thus, the Fund's investment in Shariah-compliant warrants will be assessed on an ongoing basis and managed accordingly.

Reclassification of Shariah Status Risk

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

(c) BSN DANA DIVIDEN AL-IFRAH

Particular Stock/Securities Risk

Prices of a particular Shariah-compliant stock/securities 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 Shariah-compliant stock will adversely affect the Fund's NAV. The Investment Manager aims to mitigate this risk through diversification that is expected to reduce the Fund's portfolio.

Dividend policy risk

This is a risk particular to the Fund as it has heavy emphasis on dividend yielding Shariah-compliant stocks. This risk may occur when an investee company's business or fundamentals deteriorate or if there is a change in management policy resulting in a reduction or even removal of the company's dividend policy. This risk may be mitigated by investing mainly in companies with historical records* of paying dividends, strong cash flow, or operating in fairly stable industries.

*Note: "Historical records" refers to the average gross dividend records for the past 3 years from the latest financial year.

Reclassification of Shariah status risk

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

1.4 Risk Management Strategies

Investing in a unit trust fund enables the Unit Holders to enjoy the benefit and advantage of diversifying their investments and assets. As with all investments, however, there are related risks.

Risks are not necessarily bad or negative, they are something to be aware of and to be managed. Proper risk management accommodates investment volatility. This part of the Master Prospectus describes how risks typical to the Funds are managed.

Proper risk management is ensured throughout the entire investment management process. Various measures include:

- Adhering to the Fund's investment objective, policy and strategy;
- Undertaking stringent evaluation of movements in market prices and regularly monitoring, reviewing and reporting to the investment committee to ensure that the Fund's investment objective is met;
- Employing active and effective asset allocation strategy;
- Employing a stringent screening process by conducting fundamental analysis of potential investments;
- Practising prudent liquidity management in a timely and cost effective manner. In a highly volatile market and foreseeable redemption trends, Investment Manager will raise the fund liquidity limit accordingly to meet redemption / withdrawal activity. In the event no liquidity limit is stated in the prospectus, a pre-determined internal liquidity requirement for a fund or portfolio will apply; and
- The Manager's designated compliance officer will review and report compliance matters to the board of directors, Panel of Investment Advisers or oversight committee members and the senior management of the Manager.

1.5 Additional Information in Relation to BSN Dana Al-Jadid and BSN Dana Dividen Al-Iffrah

1.5.1 Shariah Investment Guidelines

The following matters are adopted by Tawafuq in determining the Shariah status of investments of the Fund.

INVESTMENT IN MALAYSIA

Tawafuq adopts the following methodologies in determining the Shariah status of investments of the Funds.

Equity:

Investment in local listed securities will be referred to the "List of Shariah-compliant Securities by the SACSC", issued twice yearly on the last Friday of May and November which is readily available at the SC's website.

However, should the Shariah status of the securities are not available during its Initial Public Offering ("IPO") stage, Tawafuq adopts the following review as a temporary measure to determine the Shariah status of the IPO until the such a time the SACSC releases the Shariah status of the same.

- **Core Business Activities Review – scrutinisation of core business activities against the following:**
 - a) Conventional financial services;
 - b) Gambling and gaming;
 - c) Manufacture or sale of non-halal products or related products (e.g. pork and liquor);
 - d) Manufacture or sale of tobacco-based products or related products;
 - e) Pornography;
 - f) Weaponry;
 - g) Entertainment activities that are not permitted by the Shariah; and
 - h) Other activities deemed non-permissible according to the Shariah.
- **Qualitative Review**

Qualitative review is a process that look into the following aspects:

- a) General public perception of the companies' images;
- b) Core businesses which are considered important and maslahah (beneficial) to the Muslim ummah and the country; and
- c) Non-permissible elements are very small and involve matters like umum balwa (common plight and difficult to avoid), 'uruf (custom) and rights of the non-Muslim community which are accepted by the Shariah.

- **Quantitative Review** - financial review to ensure that its total involvement in non-permissible activities are lower than the specified benchmarks tolerated by the Shariah:

a) Business Activity Benchmarks

The 5% benchmark would be applicable to the following business activities:

- Conventional banking and lending;
- Conventional insurance;
- Gambling;
- Liquor and liquor-related activities;
- Pork and pork-related activities;
- Non-halal food and beverages;
- Shariah non-compliant entertainment;
- Interest income¹ from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);
- Dividends² from Shariah non-compliant investments;
- Tobacco and tobacco-related activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

The 20% benchmark would be applicable to the following activities:

- Share trading;
- Stockbroking business;
- Rental received from Shariah non-compliant activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SACSC.

The contribution of Shariah non-compliant activities to the overall revenue/sales/turnover/income and profit before tax of the companies will be calculated and compared against the relevant business activity benchmarks.

b) Financial Ratio Benchmarks

The financial ratios applied are as follows:

- Cash over Total Assets

Cash will only include cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments will be excluded from the calculation.

¹ &
² Interest income and dividends from Shariah non-compliant investments will be compared against the Group revenue. However, if the main activity of the company is holding of investments, the dividends from Shariah non-compliant investments will be compared against the Group revenue and Group profit before taxation.

- Debt over Total Assets

Debt will only include interest-bearing debt whereas Islamic financing or sukuk will be excluded from the calculation.

Each ratio, which is intended to measure riba and riba-based elements within a companies' statement of financial position, must be less than 33%.

Sukuk and Islamic Money Market Instruments:

Investment in sukuk and/or Islamic money market instruments will be verified against the data available at "Fully Automated System For Issuing/Tendering" (<https://fast.bnm.gov.my>)."

Investment/placement in Islamic deposit :

Investment/placement in Islamic deposit or current account will be verified against financial institutions offering such facilities and as approved by the SAC of BNM.

1.5.2 Cleansing Process for the Fund

a) Wrong Investment

Refers to Shariah non-compliant investment made by the Investment Manager. The said investment is to be disposed of/withdrawn with immediate effect or within a month of knowing the status of securities. Should the disposal resulted in gain (through capital gain and/or dividend/profit), it is to be channeled to baitulmal and / or other charitable bodies as advised by the Shariah Adviser. The Fund has the right to retain only the investment cost. However, should the disposal resulted in a loss to the Fund, the same will be borne by the Investment Manager.

b) Reclassification of Shariah Status of the Fund's Investment

Reclassification of Shariah status refers to securities which were reclassified as Shariah non-compliant by the SACSC, the Shariah Adviser or the Shariah Boards of the relevant Islamic Indices (where applicable). The said securities will be disposed soonest practical, once the total amount of dividends received and the market value of the Shariah non-compliant securities held exceeds or is equal to the investment cost.

All gains arising from the disposal of the Shariah non-compliant securities made on the effective date can be kept by the Fund. However, any dividend received and excess capital gains derived from the disposal past the effective date at a market price that is higher than the closing price on the effective date is to be channeled to baitulmal and / or charitable bodies as advised by the Shariah Adviser.

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 is below the investment cost. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Fund must dispose of its holding.

1.5.3 Zakat (tithe) 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.

THE INVESTMENT PORTFOLIO OF THE FUND WILL COMPRISES INSTRUMENTS WHICH HAVE BEEN CLASSIFIED AS SHARIAH-COMPLIANT BY THE SACSC AND, WHERE APPLICABLE THE SAC OF BNM. FOR INSTRUMENTS WHICH ARE NOT CLASSIFIED AS SHARIAH-COMPLIANT BY THE SACSC AND, WHERE APPLICABLE THE SAC OF BNM, THE SHARIAH ADVISER HAS REVIEWED THE SAID INSTRUMENTS AND OPINE THAT THESE INSTRUMENTS ARE SHARIAH-COMPLIANT.

NOTE:

THERE CAN BE NO ASSURANCE THAT THE INVESTMENT OBJECTIVE OF THE FUNDS WILL BE REALISED. YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF AN INVESTMENT. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS, AND IF NECESSARY, CONSULT YOUR ADVISORS.

ANY MATERIAL CHANGES TO THE FUNDS' INVESTMENT OBJECTIVE WOULD REQUIRE YOUR APPROVAL.

THE ABOVE SHOULD NOT BE CONSIDERED TO BE AN EXHAUSIVE LIST OF THE RISKS, WHICH POTENTIAL INVESTORS SHOULD CONSIDER BEFORE INVESTING INTO THE FUND. IT IS IMPORTANT TO NOTE THAT EVENTS AFFECTING THE INVESTMENTS CANNOT ALWAYS BE FORESEEN. THEREFORE, IT IS NOT POSSIBLE TO PROTECT INVESTMENTS AGAINST ALL RISKS. YOU ARE RECOMMENDED TO READ THE WHOLE MASTER PROSPECTUS TO ASSESS THE RISKS ASSOCIATED WITH THE FUND. IF NECESSARY, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER(S) FOR A BETTER UNDERSTANDING OF THE MERITS AND RISKS OF AN INVESTMENT BEFORE INVESTING INTO THE FUND.

MEDIUM-TERM IS DEFINED AS 3 TO 5 YEARS, AND ABOVE 5 YEARS AS LONG-TERM.

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CHAPTER 2: FEES, CHARGES AND EXPENSES

This part of the Master Prospectus informs you about the fees, charges and expenses involved so that you will know the costs of your investments better. It also shows how Units of the Funds are priced to enable you to make your investment decisions prudently.

Costs, however, are not the only consideration with respect to investment goals. Time horizons, risk tolerance and financial resources are also important factors.

We may, for any reason at any time, waive, or reduce the amount of any fees (except for the trustee fee) or any other charges payable by you in respect of the Funds. This may apply either generally (for all investors) or specifically (any particular investor) and for any period or periods of time at our discretion.

FEE AND CHARGES DIRECTLY INCURRED WHEN YOU INVEST IN THE FUNDS

2.1 Sales Charge

ASBSN and BSND AJ

- Manager: up to 3.00% of the NAV per Unit
- BSN branches (IUTA) : up to 3.00% of the NAV per Unit
- Unit trust consultants/agents: up to 3.00% of the NAV per Unit

BSNDDAI

- Manager: up to 4.50% of the NAV per Unit
- BSN branches (IUTA) : up to 4.50% of the NAV per Unit
- Unit trust consultants/agents: up to 4.50% of the NAV per Unit

The sales charge is used mainly to defray advertising and promotions expenses, and commissions payable to distributors and agents.

- (a) all sales charge is to be rounded to two (2) decimal points. The Manager reserves the right to waive and / or reduce the sales charge from time to time at its absolute discretion; and
- (b) Investors may negotiate with their preferred distribution channel for a lower sales charge. Investment through the distribution channel shall be subjected to their respective terms and conditions.

Please refer to Chapter 3.2, Pricing of Units for information on how the sales charge is calculated.

2.2 Redemption Charge

ASBSN

- Manager: up to 3.00% of the NAV per Unit
- BSN branches (IUTA): up to 3.00% of the NAV per Unit
- Unit trust consultants/agents: up to 3.00% of the NAV per Unit

Note: Investors may negotiate for a lower charge, subject to the discretion of the Manager.

Please refer to Chapter 3.2, Pricing of Units for information on how the redemption charge is calculated.

BSNDAJ and BSNDDAI

The Manager does not intend to impose any redemption charge.

2.3 Policy on Rounding Adjustment

Assuming that the NAV per Unit of the Fund is RM0.25732820, as shown on the illustration below, the Selling Price will be:

=NAV per Unit
=RM0.25732820
= RM0.2573 (rounded to four decimal places)

Note: This applies to all calculations/illustrations whether direct or indirect expenses incurred by investors when investing in the Fund as set out in this Master Prospectus.

2.4 Transfer Fee

A fee of RM10.00 per transfer is imposed on Unit Holders for any requests to transfer Units.

2.5 Switching Fee

The Manager does not intend to impose any switching fee.

FEES AND EXPENSES INDIRECTLY INCURRED WHEN YOU INVEST IN THE FUNDS

2.6 Management Fee

ASBSN, BSNDAJ and BSNDDAI

The annual management fee imposed by the Fund is up to one point five zero per centum (1.50%) per annum of the NAV of the Fund calculated and accrued on a daily basis. *Please refer to Chapter 3.1.3, Computation of NAV and NAV per Unit for information on how the management fee is calculated.*

2.7 Trustee Fee

ASBSN

The annual trustee fee imposed by the Fund is zero point zero six per centum (0.06%) per annum of the NAV of the Fund and accrued on a daily basis.

BSNDAJ

The annual trustee fee imposed by the Fund is zero point zero eight per centum (0.08%) per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued on a daily basis (excluding foreign custodian fees and charges, if any).

BSNDDAI

The annual trustee fee imposed by the Fund is zero point zero six per centum (0.06%) per annum of the NAV of the Fund subject to a minimum of RM18,000 per annum calculated and accrued on a daily basis (excluding foreign custodian fees and charges, if any).

Please refer to Chapter 3.1.3, Computation of NAV and NAV per Unit for information on how the trustee fee is calculated.

2.8 Other Expenses

The following is a list of expenses directly related to and which will be paid out of the Funds:

- Commissions/fees paid to brokers;
- Auditors' fee;
- Tax adviser's fee;
- Shariah Adviser's fee (where applicable);
- Valuation fees incurred for valuation of any investment of the Funds by independent valuers for the benefit of the Funds;
- Applicable taxes and other indirect or similar duties imposed by the law or government and/or other authorities required to be paid in connection with any costs, fees and expenses as may be charged to the Funds;
- Cost for modification of the Deed save where such modification is for the benefit of the Manager and/or Trustee;
- 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;
- Independent Panel of Investment Advisers' fee;
- Other fees and / or expenses directly related to the Funds such as printing, postage and publishing interim and annual reports, investment statements as well as other services associated with the administration of the Funds;
- 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; and
- Any other expenses allowed under the Deed.

2.9 Other Charges

In executing your transaction, certain charges may be incurred. You shall bear such transaction charges, for instance bank charges, telegraphic charges and courier charges. We reserve the right to vary such conditions from time to time, which shall be communicated to you in writing.

2.10 Commissions Payable

The sales or redemption charges and other commissions payable to our licensed sales representatives are not paid from the Funds but from the sales or redemption charges retained by us on a sale or redemption of Units.

2.11 Policy on Rebates and Soft Commissions

The Manager (for its own account) or its delegate (if any) thereof must not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for direct dealings in the investments of the Funds. The Manager will pursue a policy of not accepting any stockbroking or dealer rebates.

However, goods and services ("soft commissions") from any broker or dealer may be retained by the Manager or its delegate (if any) thereof, only if the goods and services are of demonstrable benefit to the Unit Holders such as research materials and advisory related services as well as subscriptions of relevant computer software which are incidental to the investment management activities of the Funds. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Funds. Furthermore, the availability of the soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

ALL FEES, EXPENSES AND CHARGES PAYABLE TO OR BY THE MANAGER, THE TRUSTEE AND/OR THE FUND ARE SUBJECT TO GOODS AND SERVICES TAX AND/OR ANY OTHER APPLICABLE TAXES AND/OR DUTIES AS MAY BE IMPOSED BY THE GOVERNMENT OR OTHER AUTHORITIES FROM TIME TO TIME.

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

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CHAPTER 3: TRANSACTION INFORMATION

3.1 Valuation of the Funds and Bases for Valuation of the Assets of the Funds

3.1.1 Valuation of the Funds

The Manager will ensure that all assets of the Funds will be valued at fair value at the close of each Business Day and at all times be in compliance with the Guidelines and all relevant laws.

The valuation point of the Funds is at 5 p.m. on every Business Day.

3.1.2 Bases for Valuation of the Assets of the Funds

The Manager will ensure that all the investments of the Funds will be valued at fair value and at all times be in compliance with the Guidelines and all relevant laws.

The valuation point for the Funds is at the end of every Business Day.

Securities / Shariah-compliant securities listed on any exchange – valuation will be based on the last done market price of the securities which is the price at the end of a particular Business Day. In the case of newly subscribed issues e.g. rights and warrants which have not yet been traded, valuation shall be at cost. If the price is not representative or not available to the markets, the securities should be valued at fair value.

Unlisted securities / Shariah-compliant securities – valuation will be based at book cost or at a valuation verified by the auditor of the Fund and approved by the Trustee.

Unlisted fixed income securities / sukuk / debentures denominated in Ringgit Malaysia – valued on a daily basis using fair value prices quoted by a bond pricing agency registered with the SC. However, if the Manager is of the view that the price quoted by the bond pricing agency differs from the market price by more than 20 basis points, the Manager may use the market price provided the Manager adheres to the requirements stipulated by the SC as follow:

- (a) records its basis for using a non-BPA price;
- (b) obtain necessary internal approvals to use the non-BPA price; and
- (c) keeps an audit trail of all decisions and basis for adopting the market yield.

Deposit / Islamic deposit placements - the valuation of such investments which are deposits placed with financial institutions and bank bills shall be determined each day by reference to their nominal values and the accrued interests/profits thereon for the relevant period.

Money market instruments/Islamic money market instruments – valuation will be performed on daily basis by reference to the value of such investment as provided by the bank or the financial institution that issues the investment.

Units in CIS / Islamic CIS – valuation will be based on the last published repurchase price.

Futures contracts – marked-to-market at the end of each trading day. Any gains or losses are immediately reflected.

Suspended securities – valued at their price at the end of the trading day prior to suspension unless there is conclusive evidence to indicate that the value of such shares have gone below the suspended price or where the quotation of the securities has been suspended for a period exceeding 14 days, then the 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.

Any other instruments – The valuation on any other instruments will be based on fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Funds and approved by the Trustee.

3.1.3 Computation of NAV and NAV per Unit

The Net Asset Value 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. For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is inclusive of the management fee and the trustee fee for the relevant day.

An illustration of computation of NAV and NAV per Unit of the Funds

For illustration purposes, we assume the investments of the Funds are worth RM10,006,000 and the liabilities are at RM1,590.07, at the valuation point, the NAV of the Funds at that valuation point will be:

Example: Computation of NAV and NAV per Unit	RM
Investments	10,001,000.00
Other Assets	5,000.00
Total Assets	10,006,000.00
Less: Liabilities	1,590.07
: Distribution Payable	4,300.00
NAV of the Fund <i>(before deduction of Management and Trustee Fees)</i>	10,000,109.93
Less:	
Management Fee - Calculated on a Daily Basis (1.5% per annum/365 days)	410.96
Trustee Fee - Calculated on a Daily Basis (0.06% per annum/365days)	16.44
NAV of the Fund <i>(after deduction of Management and Trustee Fees)</i>	9,999,682.53
Units In Circulation	10,000,000.00
NAV per Unit	0.999970
NAV per Unit <i>(Rounded up to 4 decimal points)</i>	1.0000

Computation of the NAV per Unit for the Fund

The NAV per Unit of the Fund at a valuation point is determined by dividing the NAV of the Fund at that valuation point by the number of units in circulation of that Fund at the same valuation point.

$$\begin{aligned}
 \text{NAV per Unit of the Fund} &= \text{NAV} \div \text{units in circulation} \\
 &= \text{RM}9,999,682.53 \div 10,000,000 \text{ Units} \\
 &= \text{RM}0.999970 \\
 &= \text{RM} 1.000 \text{ (rounded to four decimal places)}
 \end{aligned}$$

Note : *The above illustration does not take into account the relevant taxes (where applicable).*

3.2 Pricing Policy

Single Pricing Policy

We adopt the single pricing policy which is in line with the SC's requirement for Malaysia's unit trust industry in calculating your investment for subscription and redemption of Units. Single pricing equates to the sales and redemption of Units being quoted and transacted on a single price (i.e., NAV per Unit). Sales charges by different distribution channels are separately disclosed which make it easier for you to understand, compare and to make an informed decision on the choice of investment products and the preferred distribution channel. This will also facilitate you to clearly gauge or ascertain the performance of your investment.

Basis of Determining ASBSN Selling Price

The basis of determining the price of ASBSN unit is based on historical pricing. Under the historical pricing basis, the price of ASBSN units will be based on the Net Asset Value per Unit as at the valuation point immediately before the requests are received by the Manager. Historical pricing was adopted since inception of ASBSN and was aimed mainly to provide applicants with ready and easy access to information on the pricing of the investment scheme.

The Manager will reprice the units if the NAV per unit of the Fund, if revalued, differs by more than 5% from the last valuation point.

Basis of Determining BSND AJ and BSND DA I Selling Price

The Selling Price and Redemption Price per Unit for the Fund shall be at the NAV per Unit of the Fund. The Selling Price and Redemption Price are based on forward pricing; this means that Units will be bought and sold on the NAV per Unit at the next valuation point following the receipt by the Manager of an application to buy or a request to redeem Units.

Selling Price

Assuming a sales charge of up to 3.00% of the NAV per Unit of the Fund may be imposed on the sale of the Units.

Kindly refer to the illustrations below on how the NAV per Unit of the Fund and the sales charge is calculated, and how Units will be allocated to you.

As an example, if you invest RM10,000.00 in the Fund;

Selling Price = NAV per Unit : RM0.5000

Sales charge = 3%

You wish to invest a fixed investment amount of RM10,000.00

Units allocated to you = RM10,000 / RM0.5000

= 20,000 Units

Sales charge (3%) incurred by you = RM300.00

Amount payable by you	=	RM10,000.00 + RM300.00
	=	RM10,300.00

Note : *The above illustration does not take into account the relevant taxes (where applicable).*

Redemption Price

The Redemption Price is calculated by dividing the NAV of the Fund by the total number of Units of the Fund in circulation at the point of valuation; this is the same as the NAV per Unit of the Fund.

Assuming that the NAV per Unit of the Fund is RM0.25732820, the Redemption Price will be RM0.2573 after have been rounded to four decimal places.

As for BSND AJ and BSND DAI, your redemption proceeds are based on the Redemption Price at the next valuation point upon receipt of your request. Assuming you request to redeem 5,000 Units of the BSND AJ on 31 December 2022 and the Redemption Price as at the next valuation point (which is published on the following day) is RM0.5000 per Unit as shown in the illustration below, the redemption proceeds that you will receive will be:

$$\begin{aligned}
 &= 5,000 \text{ Units} \times \text{RM}0.5000 \\
 &= \text{RM}2,500.00
 \end{aligned}$$

As for ASBSN, the Redemption Price is the NAV per Unit as at the valuation point immediately before (historical pricing) the repurchase request is received by the Manager.

Redemption proceeds will be paid within seven (7) Business Days of the date of receipt of a redemption request.

If it is not a Business Day, the price determination point for the purpose of determining the Redemption Price will be 5:00 p.m. Malaysian time on the following Business Day.

The NAV per Unit will be published on the Manager's website at www.pbsn.com.my. Alternatively, you may contact us directly to obtain the unit prices of the funds under management. Please refer to chapter 9 : Additional Information for more information.

Note: The Manager does not intend to impose any redemption charge for the Funds.

Incorrect Pricing

The Manager shall take immediate action to rectify any incorrect valuation and/or pricing of the Funds and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Funds and/or the Units is of minimal significance.

The Trustee shall not consider an incorrect valuation and/or pricing of the Funds and/or the Units to be of minimal significance if the error involves a discrepancy at 0.5% or more of the NAV per Unit unless the total impact on a Unit Holder's account is less than RM10.00 or in the case of foreign currency class of unit, less than 10.00 denominated in the respective foreign currency denomination, the requirement to reimburse does not apply. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee shall result in reimbursement of moneys in the following manner:

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

Policy on Rounding Adjustment

In calculating your investments with us, the NAV per Unit which is also the Selling Price and Redemption Price and the Units allocated to you will be rounded to four decimal places.

3.3 Application and Redemption

3.3.1 Purchase of Units

Investors can obtain this Master Prospectus and an application form for Units from the Manager's office or any of the authorised distributors/agents of the Manager. This Master Prospectus is also available at Manager's website at www.pbsn.com.my. The application of units of any of the Funds may be conducted at the Manager's office or at any of the authorized distributors/agents. ASBSN is adopting "Historical Pricing" whereas BSND AJ and BSND DA I are adopting "Forward Pricing".

Any application for Units received or deemed to have been received by the Manager for ASBSN on/or before 4.00 p.m. ("the cut-off time"), the Selling Price shall be based on the NAV per Unit in the Fund as at the valuation point immediately before the request for Units is received by the Manager ("historic pricing"), provided that the Manager shall reprice the Units at times where the NAV of the Fund, if revalued, would differ by more than five per centum (5%) as at last valuation point ("material market movement"). As for BSND AJ and BSND DA I, the Selling Price would be the NAV per Unit at the end of the Business Day on which the application for Units is received by the Manager. Any application for Units received or deemed to have been received after this cut-off time would be considered as having been received on the next Business Day and would be based on the NAV per Unit on the next Business Day. Any application form received through fax will only be deemed complete after we receive the application form together with the proof of payment. Receipt of fax copy will not be an indication of acceptance of application not processed as a result of incomplete transmission of fax.

The application form should be submitted together with a cheque or bank draft made payable to "Permodalan BSN Berhad" or any valid proof of payment document. All cheques and bank drafts have to be crossed and drawn on a local bank. Bank charges (where relevant) for outstation cheques, will have to be borne by investors. Subject to prior arrangements, the Manager reserves the right to accept payment for Units applied for in any other form as may be acceptable to the Manager. The validity of the transaction is subject to clearance of the payment made to us.

Applications by individuals must be accompanied by a copy of the applicant's identity card or passport or other document of identification.

Investors are required to complete application forms which are available at the:

- (a) Business office of the Manager (*please refer to Corporate Directory*); or
- (b) Any of the offices of the Manager's authorised distributors/agents (*please refer to Chapter 9, Additional Information*).

For the convenience of applicants, all distributors/agents of the Manager in Malaysia are authorised to accept the application forms accompanied by the necessary remittance for onward transmission to the Manager. We reserve the right to reject any application that is unclear, incomplete and / or not accompanied by the required documents. Incomplete applications will not be processed until all necessary information has been received.

Note: The Manager reserves the right to accept or reject any application in whole or part thereof without assigning any reason.

Note:

Investors are advised not to make payment in cash when purchasing units of the Funds via any institutional/individual agent.

Regular Investment Plan

Applicants can make regular investment by way of giving standing instructions to their banker for periodic and regular draw downs to purchase Units of the Funds, provided a duly completed application form and a copy of such standing instruction are forwarded to the Manager's office for record and monitoring purposes.

3.3.2 Redemption of Units

Unit Holders may redeem their investments in the Funds at any point in time by completing the prescribed redemption request form and returning it to the Manager on any Business Day; this form is available at the office of the Manager or any authorised distributors/agents of the Manager. ASBSN is adopting "Historical Pricing" whereas BSND AJ and BSND DA I are adopting "Forward Pricing".

Any redemption request received or deemed to have been received by the Manager for ASBSN on/or before 4.00 p.m. ("the cut-off time"), the Redemption Price shall be based on NAV per Unit in the Fund as at the valuation point immediately before the redemption request is received by the Manager ("historic pricing") provided that the Manager shall reprice the Units at times where the NAV of the Fund, if revalued, would differ by more than five per centum (5%) as at last valuation point ("material market movement"). As for BSND AJ and BSND DA I, the Redemption Price would be the NAV per Unit at the end of the Business Day on which the redemption request is received by the Manager. Any redemption request received or deemed to have been received after this cut-off time would be considered as having been received on the next Business Day and would be based on the NAV per Unit on the next Business Day. Any redemption form received through fax will only be deemed complete after we receive the redemption form together with relevant supporting document (where applicable). Receipt of fax copy will not be an indication of acceptance of application not processed as a result of incomplete transmission of fax.

The Manager does not intend to impose any redemption charge for the Funds.

In a case where the Units are standing in the names of more than one Unit Holder, where mode of holding is specified as "Joint Application", all joint holders will have to sign the redemption requests. However, in cases of holding specified as "Either Applicant to sign", any one of the Unit Holders will have the power to make redemption requests, without it being necessary for all the Unit Holders to sign. In all cases, the first-named Unit Holder will receive the proceeds of the redemption.

The redemption of units of any of the Funds may be conducted at the Manager's office or at all of our authorized distributors.

Payment of Redemption Proceeds

The Manager may redeem Units utilising its own funds or alternatively, the Manager may request the Trustee to cancel Units of the Fund for the purpose of meeting a Unit Holder's redemption request. In such a circumstance, the Trustee will pay the redemption proceeds to the Manager for onward payment to the Unit Holder within seven (7) Business Days of the date on which the request for redemption is received by

the Manager or a period that is no later than the period where the Manager is required to pay to unit holders the proceeds of the repurchase request as disclosed in this Master Prospectus.

However, if redemption proceeds can only be met by the sale of assets of the Fund at an inappropriate price or on terms which are not in the interest of existing Unit Holders, the Trustee may suspend the redemption and act in accordance with the Deed.

Redemption Frequency and Minimum Units Redeemed

There is no restriction on the frequency of redemption and the number of times a Unit Holder can make a redemption request. The Manager does not prescribe a minimum redemption amount.

3.4 Minimum Initial Investment

ASBSN

The minimum initial investment for the Fund is 100 units.

BSNDAJ and BSNDDAI

The minimum initial investment for the Fund is RM500.00 or such other lower amount as we may decide from time to time.

3.5 Minimum Holdings

ASBSN and BSNDDAI

The minimum holding is 300 units or such lower amount as the Manager in its sole discretion allows.

BSNDAJ

The minimum holding is 2,000 Units or such other lower amount as the Manager in its sole discretion allows.

Note : The Manager has the discretion to exit an Unit Holder from the Fund if the Unit Holder fails to meet the minimum number of units in the Fund.

3.6 Minimum Additional Investment

ASBSN

The minimum additional investment for the Fund is 50 units.

BSNDAJ and BSNDDAI

The minimum additional investment for the Fund is RM100.00 or such other lower amount as we may decide from time to time.

3.7 Switching

Switching is a facility which enables you to convert units of a particular fund for the units of other funds managed by the Manager. The switch will be effected by redeeming Units from the fund in which the Units are held and investing the net proceeds in the other fund(s), subject to the minimum balance and terms and conditions applicable for the respective fund(s). You may switch some or all of your Units in the fund into

units to our other fund by completing a Transaction Form – Switch. Switching from Shariah-compliant fund to conventional funds is discouraged, especially for Muslim unit holders.

3.8 Transfer of Ownership of Units

A transfer involves the change of ownership of Units from one Unit Holder to another person. Subject to the discretion of the Manager, Unit Holders may transfer the ownership of their Units of the Fund to any person at any point in time by completing the transfer application form and returning it to the Manager on any Business Day. Transfers must be in terms of Units and not in Ringgit Malaysia (RM) value. A fee of RM10.00 will be charged for each transfer of ownership.

3.9 Cooling-Off

If you change your mind about an investment that you have made in the Fund, you may request for a refund of your investment within six (6) Business Days from the date of your application for Units accepted by us. The refund pursuant to an exercise of cooling-off right must be as follows :

- (a) if the original NAV price of a unit is higher than the price of a unit at the point of exercise of the cooling-off right ("market price"), the market price at the point of cooling-off; or
- (b) if the market price is higher than the original NAV price, the original NAV price at the point of cooling-off.

Furthermore, the Manager will also refund the charges imposed on the day the units were purchased.

Where the market price is higher than the original NAV price paid by investor, Manager may agree (not compulsory and subject to the discretion of the Manager) to pay the investor the investor the excess amount, provided that such amount is not paid out of the Funds or the assets of the Funds.

All such requests must be received or be deemed to have been received by us before 4:00 p.m. on a Business Day. Requests received or deemed to have been received after 4:00 p.m. will be treated as having been received on the following Business Day.

Cooling-off proceeds will only be paid after we receive cleared funds for the original investment. Such proceeds shall be refunded in cash to you within seven (7) business days of receipt of the application for cooling-off.

A cooling-off right is only available to qualified investors who are investing for the first time in any of the unit trust funds managed by us. Our staff and persons registered with the body approved by the SC to deal in unit trusts are not entitled to a cooling-off right.

3.10 Policy on Gearing and Minimum Liquid Assets Requirements

The Funds are not permitted to borrow cash or other assets (including the borrowing of Shariah-compliant securities within the meaning of the Securities Borrowing and Lending Guidelines) in connection with its activities.

Except for securities lending as provided under the Securities Borrowing and Lending Guidelines, none of the cash or investments of the Funds may be lent. Further, the Funds may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

3.11 Mode of Distribution

ASBSN

Distribution (if any) shall be allocated according to the preference mode indicated by the Unit Holders in the most current application form received. Unit Holders have the options to elect the distribution mode of either cheque payment, reinvestment of units or crediting of equivalent cash payment into the Unit Holders' bank accounts.

Based on the provision of the Deed, Unit Holders who opt to reinvest their distributions will be getting units according to the NAV per unit quoted on the day one month after the end of each Financial Period. Administratively, however, this reinvestment exercise is subject to the availability of units on the duly specified date. If there are insufficient units for the reinvestment process, the Unit Holders shall be issued cheque payments instead. There would not be any additional cost for reinvest of their distribution. The units are deemed to have been reinvested into additional units on the third month after the end of each Financial Period.

Notwithstanding any other provisions in this Master Prospectus, in the event the distribution income of a Unit Holder is less than RM500.00, the Manager shall have an absolute discretion not to make cheque payment to the Unit Holder but to reinvest the distribution income. For avoidance of doubt, cheque payment shall only be made for payment of distribution income of RM500.00 and above.

BSNDAJ and BSNDDAI

All distribution proceeds, if any, will be reinvested as additional Units based on the NAV per Unit without costs on the income payment date which is on the third (3rd) Business Day after the income declaration date.

3.12 Unclaimed Money

In accordance with the provision of the Deed, if the Unit Holders do not cash the distribution by way of cheque payment within 6 months from the date of the cheque, the Manager shall cause the distribution to be converted into additional units. The conversion shall be based on the NAV per unit at the said cheque expiry date.

In the event any of the cheques is not presented meant for redemption, for payment by the date which falls six (6) months from the date of the cheque or any other periods as required by the law, the Unit Holder may request the Manager to arrange for the monies to be paid by replacement cheque to Unit Holder. However, after the lapse of one year from the date of the cheque or any other periods as required by the law, the Manager shall file and pay the unrepresented payments to the Registrar of Unclaimed Moneys and Unit Holders will have to liaise directly with the Registrar of Unclaimed Moneys to claim their monies.

3.13 Anti-Money Laundering Policies and Procedures

The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA) is the act that provides for the offence of money laundering and also the measures to be taken for the prevention of money laundering and terrorism financing offences. The Financial Intelligence and Enforcement Department (FIED) of Bank Negara Malaysia has been established to carry out the functions as the competent authority under the AMLA. All market intermediaries under the Act and management companies approved by the SC under the Act are obliged to comply with the provisions of the AMLA.

Under the AMLA, any person who –

- (a) engages, directly or indirectly, in a transaction that involves proceeds of an unlawful activity or instrumentalities of an offence;
- (b) acquires, receives, possesses, disguises, transfers, converts, exchanges, carries, disposes of or uses proceeds of an unlawful activity or instrumentalities of an offence;

(c) removes from or brings into Malaysia, proceeds of an unlawful activity or instrumentalities of an offence; or

(d) conceals, disguises or impedes the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of, proceeds of an unlawful activity or instrumentalities of an offence,

commits a money laundering offence and shall on conviction be liable to imprisonment for a term not exceeding fifteen (15) years and shall also be liable to a fine of not less than five (5) times the sum or value of the proceeds of an unlawful activity or instrumentalities of an offence at the time the offence was committed or five (5) million ringgit, whichever is the higher.

When opening new accounts and entering into a transaction with a client, the Manager identifies and verifies the client through documents such as identity card, passport, birth certificate, constituent documents or any other official documents, whether in the possession of a third party or otherwise. Such documents shall be filed by the Manager in accordance with relevant laws. Where the Manager suspects that a particular transaction may not be genuine, a report will be made to the FIED.

UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP.

A QUICK GUIDE ON HOW TO BUY, SELL, SWITCH & TRANSFER

	Type of Application	Document	Unit holder acknowledgement
First Application (Purchase)	1. Individual	<ul style="list-style-type: none"> • Individual Opening Account Form • Transaction Form • A copy of the photocopy NRIC/passport/ or other accepted official document of identification. • Investor Suitability Assessment Form (ISA) • FIMM form • Important Notes and Conditions • PDPA notes & Common Reporting Standard (CRS) Self-Certification Form (Individual/Entity Form, where Applicable) • Common Reporting Standard (CRS) Self-Certification Form (Individual/Entity Form, where Applicable) • Proof of payment 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement
	2. Corporate	<ul style="list-style-type: none"> • Corporate Opening Form • Transaction Form • Investor Suitability Assessment Form for corporate (ISA) • Certified true copy of NRIC or Passport or valid document of identification of the beneficial owners. • Board Resolution (including specimen signatures) and list of authorized signatories or authorization for any person(s) to represent/ open/ operate 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement

		<p>on behalf of the organization and/ or certified true copy of extract minute.</p> <ul style="list-style-type: none"> • Company's Constitution, Certificate of Incorporation/ Certificate of Registration Business Registration Certificate/ Relevant Constituent Documents or other similar documents constituent document of a partnership, club, society and charity/identification document of shareholders with an equity interest of more than 25%, directors, partners and office bearers/letter of authority or directors resolution/identity of the settler, the trustee or the protector, the beneficiary or class of beneficiary and any other natural person exercising ultimate effective control over the trust etc (where applicable). • Duly certified true copy of latest section 17, 78 & 58 (Companies Act 2016) or other similar documents. • Specimen card (Directors and / or PDPA notes & Common Reporting Standard (CRS) Self-Certification Form (Individual/Entity Form, where Applicable) • Lists of authorized personnel of the company (where applicable) • Proof of payment 	
	3. Joint Account	<ul style="list-style-type: none"> • Individual Opening Form signed by both parties. • Transaction Form • A copy of NRIC/passport/ or other accepted official document of identification for each investor. • Proof of payment 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement
Additional Purchase	1. Individual	<ul style="list-style-type: none"> • Transaction Form • A copy of NRIC/passport/ or other accepted official document of identification. • Proof of payment 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement
	2. Corporate	<ul style="list-style-type: none"> • Transaction Form • Board Resolution and /or certified true copy of extract minute. • Proof of payment 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement
	3. Joint Account (Individual)	<ul style="list-style-type: none"> • Transaction Form • A copy A copy of the photocopy NRIC/passport/ or other accepted official document of identification for each investor. • Proof of payment 	<ul style="list-style-type: none"> • Copy Transaction Slip • Holder Statement

Transfer	1. Individual / Joint Account	<ul style="list-style-type: none"> • Transfer Form • Photocopy NRIC/passport/ or other accepted official document of identification. 	<ul style="list-style-type: none"> • Slip Receive all Document • Holder Statement transferee & transfer
	2. Corporate	<ul style="list-style-type: none"> • Transfer Form • Board Resolution or organization and/ or certified true copy of extract minute. • Specimen Card (Directors and or Authorized Personnel) 	<ul style="list-style-type: none"> • Slip Receive all Document • Holder Statement
Switch	1. Individual / Joint Account	<ul style="list-style-type: none"> • Switching Form • Photocopy NRIC /passport/ other valid document of identification • Letter of Authorization- joint account (Decease / Sick Client) • Under 18 one person only 	<ul style="list-style-type: none"> • Slip Receive all Document • Holder Statement
	2. Corporate	<ul style="list-style-type: none"> • Switching Form • Board of Resolution and/ or certified true copy of extract minute. • Specimen card (Directors and / or Authorized Personnel) 	<ul style="list-style-type: none"> • Slip Receive all Document • Holder Statement

** We may, for any reason at any time, lower or raise the minimum initial/additional investment, switch and transfer amounts in respect of the Funds. This may apply either generally (for all investors) or specifically (for any particular investor) and for any period or periods of time at our discretion.*

As for BSND AJ, in the case of a partial sale (Redemption), instructions will be carried out only if the minimum holding requirement (being 2,000 Units or such other lower amounts as we may decide from time to time decide) remains in the Fund. If the value of the remaining investments is below the minimum requirement, all Units in the Fund held by you will be redeemed automatically.

In the event the account of the Funds has more than one registered owner, the first-named Unit Holder (as determined by reference to the original the Fund Account Application Form) shall receive the confirmation advices, all notices and correspondence with respect to the Fund Account, as well as any redemption proceeds or income distribution or other distributions. In addition, such first-named Holder shall have the voting rights, as permitted, associated with such Units.

In the case of joint holders, any one of such joint holders may vote either personally or by proxy as comprised in the joint holding. If the joint holders are present at any meeting either personally or by proxy, the joint holder whose name stands first in the unit holder register shall alone be entitled to vote.

CHAPTER 4: THE MANAGER OF THE FUNDS

4.1 The Manager

Permodalan BSN Berhad (PBSNB), is a body incorporated on 13 October 1994 under the Companies Act, 1965 and a wholly owned subsidiary of Bank Simpanan Nasional ("BSN"). PBSNB commenced its operation on 2 January 1995. The authorised capital of PBSNB is RM40,000,000 comprising 40,000,000 ordinary shares of RM1.00 each of which 5,000,000 has been issued and fully paid-up.

PBSNB has more than twenty seven (27) years experience in managing unit trust funds. Currently, PBSNB manages four (4) unit trust funds.

4.2 Role, Duties and Responsibilities of the Manager

The Manager is responsible for the day-to-day management of the Fund to ensure its management and operations are in accordance with the provisions of the Deed, the Guidelines and other relevant securities laws and regulations.

4.3 Board of Directors

"Asaraf Bin Aboo Bakar (Non-Independent Director)
Kamari Zaman Bin Juhari (Independent Director)
Norahmadi Bin Sulong (Independent Director)
Datin Zainab binti Hj. Md. Shariff (Independent Director)
Tursina Yaacob (Independent Director)
Mohamad Hamdi Bin Mohamad Khir (Non-Independent Executive Director)"

Note: Please refer to www.pbsn.com.my for the latest information pertaining to the profile of the board of directors.

4.4 Panel of Investment Advisers or Oversight Committee

Roles and Primary Function of the Panel of Investment Advisers or Oversight Committee

The Panel of Investment Advisers ("PIA") or oversight committee of the Fund formulates, establishes and implements investment strategies and policies. The PIA or oversight committee will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Fund. The PIA or oversight committee will also ensure investment guidelines and regulations are complied with. The PIA or oversight committee will meet at least four (4) times in a year and / or such other period or frequency as may be determined by the Chairman of the PIA or oversight committee from time to time.

4.5 Investment Team

The designated fund manager is responsible for managing, realising, investing or howsoever dealing in accordance with the investment objectives of the Funds. The designated fund manager shall have discretionary authority over the investments of the Funds subject to the Guidelines, the relevant securities laws, the internal procedures as well as the direction of the PIA or the oversight committee of the Funds.

The designated fund manager will report directly to the PIA or oversight committee on a regular basis on the status of the portfolio of the Funds, proposed investment strategy and discuss matters relating to the portfolio.

The main personnel in the investment team is:

Mohd Irwan Wahed

Fund Manager / Designated Fund Manager

Mohd Irwan Wahed has more than 10 years of investment-related experiences. He joined PBSN in September 2021. Prior to joining PBSN, he was a Portfolio Manager with UOB Asset Management Malaysia. In May 2018, he was entrusted to assume the primary equity portfolio manager role for the newly established UOB Islamic Asset Management. Having entered into the securities industry in 2009 as a Company Dealer with a Corporate Derivatives Desk, he had also served as portfolio manager of the then ASM Investment Bhd (Now PMB Investment Bhd) managing a total of 9 unit trust funds and corporate mandates. He holds a post graduate qualification in Applied Finance and Investment from FINSIA, a professional qualification in Islamic Finance from CISI and a Bachelor's Degree in Aerospace Engineering from Universiti Putra Malaysia. He is the holder of a Capital Markets Services Representative Licence (Fund Management) since 2011 and he is the Designated Fund Manager for Amanah Saham Bank Simpanan Nasional, BSN Dana Al-Jadid, BSN Dana Dividen Al-Ifrah and BSN Dana Wakaf Al-Ikhlas.

4.6 Material Litigation and Arbitration

As at LPD, the Manager 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 Manager's business and/or financial position or any of its delegates.

4.7 Shariah Adviser

Tawafuq has been appointed as the Shariah Adviser for BSN Dana Al-Jadid and BSN Dana Dividen Al-Ifrah. Tawafuq will counsel on the mechanism of the operations of the Funds' activities to ensure that the operations of the Funds comply with Shariah requirements.

General Information of Tawafuq

Tawafuq Consultancy Sdn Bhd is an independent global Shariah advisory firm, committed to offering comprehensive end-to-end Islamic finance and halal solutions by leveraging on its global presence, in-depth knowledge and integrated structure. The firm provides consultancy, research, training and professional services in the area of Islamic banking, Islamic capital market, Islamic wealth management, Islamic asset management and Takaful. Tawafuq was incorporated as a limited liability company in Malaysia under the Companies Act, 2016 (previously known as Companies Act, 1965) on 8 October 2015.

Experience in Advisory and Services

Tawafuq is registered with the SC Malaysia to offer Shariah advisory services on sukuk issuance, Islamic unit trusts, investment funds, real estate investment trust (i-REIT), exchange-traded funds, crowdfunding and P2P issuances.

Roles and Responsibilities of Tawafuq as the Shariah Adviser

As the Shariah Adviser, the role of Tawafuq is to ensure that the operations and investments of the Funds are in compliance with Shariah requirements. The Shariah Adviser reviews the Funds' investments on a monthly basis to ensure compliance with Shariah requirements at all times and advise on the Funds' compliance with Shariah requirements. However, the final responsibility for ensuring Shariah compliance of the Funds with Shariah requirements in all relevant aspects rests solely with the Manager.

In line with the SC's Guidelines, the roles and responsibilities of Tawafuq as the Shariah Adviser are:

1. Ensuring that the Funds is managed and administered in accordance with the Shariah principles;
2. Providing expertise and guidance for the Fund in all matters relating to Shariah principles, including on the Funds' deed and Master Prospectus, its structure and investment process, and other operational and administrative matters;
3. Consulting the SC who may consult the Shariah Advisory Council where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
4. Scrutinising the Funds' compliance report as provided by the compliance officer, transaction report provided by or duly approved by the Trustee and any other report deemed necessary for the purpose of ensuring that the Funds' investments are in line with the Shariah principles;
5. Preparing a report to be included in the Funds' semi-annual and annual report certifying whether the Fund has been managed and administered in accordance with the Shariah principles;
6. Ensuring that the Fund comply, with any guideline, ruling or decision issued by the SC, with regard to Shariah matters;
7. Vetting and advising on the promotional materials of the Fund; and
8. Assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority.

Profile of the Shariah Team

Tawafuq's Shariah team consists of the following personnel:

Muhammad Aiman Mohamad Salmi (Director/ Principal Consultant)
(Designated Person Responsible for Shariah Matters of the Funds)

A Chartered Professional in Islamic Finance (CPIF) and a Certified Shariah Adviser & Auditor (CSAA), Aiman holds a MSc in Islamic Finance from INCEIF, Malaysia, Bachelor of Laws (Honours) and Bachelor of Laws (Shariah)(Honours) both from the International Islamic University Malaysia (IIUM) respectively. A Director/Principal Consultant at Tawafuq Consultancy Sdn Bhd and a partner at Messrs. Mu'az Aiman Halem Auzan & Associates (MAHA Lawyers), his main practice areas include legal and Shariah advisory for corporate finance/banking, equity market, Islamic real estate investment trust (i-REIT), fintech, corporate-commercial, and real estate.

The founding Deputy President of Malaysia Young Shariah Scholars Association (MySSA), he currently is a member of the Chartered Institute of Islamic Finance Professionals (CIIF), the Association of Shariah Advisers in Islamic Finance Malaysia (ASAS), Malaysian Finance Association (MFA), Malaysian Association of Muslim Finance Professionals (MAMFP), ASEAN Young Professionals Network (AYPN), Asian Institute of Chartered Bankers (AICB), and the International Council for Islamic Finance Educators (ICIFE). The Shariah-qualified personnel for two registered Shariah Advisers approved by the Securities Commission of Malaysia (SCM), namely Tawafuq Consultancy Sdn. Bhd. and MAHA Shariah Advisory Sdn. Bhd., and an accredited trainer with the Islamic Banking & Finance Institute of Malaysia (IBFIM), he regularly delivers Islamic Finance talks and trainings and has completed the prestigious "i-Advisor program" organized by the Securities Commission Malaysia (SCM).

Prior to his recommencement of legal practice, he has served a major local Islamic bank assigned to the Shariah Department, whereby he oversees Shariah compliance aspect of the banking products, offerings, procedures and system and regularly conducts researches on various arising Shariah issues for consumer, business and corporate, wholesale and investment banking segments.

Most of his exposure be it with the legal fraternity or the banking sector are closely related to the Islamic Finance industry. His main practice areas include corporate finance/banking, equity market, Islamic real estate investment trust (i-REIT), Islamic securities, retail & commercial banking where he advises corporations (including listed companies), investment banks and financial institutions, commercial and development financial institutions and individuals on matters ranging from issuance of Sukuk, to development of retail, trade or investment banking products.

Dr. Ahmad Zakirullah Bin Mohamed Shaarani (Lead Consultant)

Dr. Ahmad Zakirullah is currently a member of Shariah Committee of Hong Leong MSIG Takaful, BIMB Invest and National Farmer Organization (NAFAS). Previously he served at Islamic Banking and Finance Institute of Malaysia (IBFIM) from February 2008 till October 2018. His prior responsibility includes providing Shariah input on the advisory, consultancy, and research functions with regard to Islamic banking, takaful, Islamic capital market and Shariah-compliant funds. He also has served University Sains Islam Malaysia (USIM) and PTPL College. He obtained his Diploma of Shariah Islamiyyah (Hons) from Higher Institute of Islamic and Arabic Language (MADIWA), Perak, Bachelor of Shariah Islamiyyah (Hons) Degree from Al-Azhar University, Egypt, Master's Degree (Hons) of Islamic Revealed Knowledge and Heritage (Fiqh and Usul al-Fiqh) from the International Islamic University Malaysia and Doctor of Philosophy of Usul al-Fiqh from University of Malaya.

Muhammad Hasanan Yunus (Lead Consultant)

A Shariah Adviser listed under Securities Commission of Malaysia (SCM). Hasanan holds a Bachelor of Shariah (Honours) from the University of Malaya and currently pursuing his Masters of Shariah, Islamic Professional Credit Certification (iPCC) and Shariah Registered Financial Planner. Hasanan has various experience related to banking and Islamic capital market segments covering Shariah risk, Shariah governance, Shariah advisory, Shariah research & development, Shariah review, Shariah audit and module development.

His experience includes:

- Facilitation of systematic identification, measurement, monitoring and reporting of Shariah non-compliance risks events.
- Provision of Shariah compliance oversight covering advisory, research & development, review, audit and risk.
- Development of various Shariah compliant banking, capital market, and social finance products.
- Processing and structuring of project financing applications and supervision of the operation.

FURTHER INFORMATION ON THE MANAGER, BOARD OF DIRECTORS, PANEL OF INVESTMENT ADVISERS OR ANY OVERSIGHT ARRANGEMENTS, SHARIAH ADVISER, INVESTMENT TEAM AND DESIGNATED FUND MANAGER / FUND MANAGER IS PROVIDED IN THE MANAGER'S WEBSITE AT WWW.PBSN.COM.MY

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CHAPTER 5: THE TRUSTEE

5.1 Profile and Experience of the Trustee

AmanahRaya Trustees Berhad (ART) was incorporated on 23 March 2007 and registered as a trust company under the Trust Companies Act 1949. ART is a subsidiary of Amanah Raya Berhad (ARB) which is wholly owned by the Government of Malaysia. ART took over the corporate trusteeship functions of ARB and acquired ARB's experience of more than 50 years in trustee business including the Unit Trust Funds' business.

5.2 Roles, Duties and Responsibilities of the Trustee

The role of ART, as a trustee is to safeguard the rights and interests of the Unit Holders by ensuring that the Manager performs its duties and obligations in accordance with the Deeds, the Act, the Guidelines and other relevant laws. The Trustee acts on behalf on each Unit Holder by monitoring the actions of the Manager, and by having custodianship of the Funds through the holding of the investments of the Funds in trust for the Unit Holders.

The Trustee is responsible to:

- act as custodian of the assets of the Funds and the Trustee should actively monitor the administration of the Funds by the Manager to safeguard the interests of the Unit Holders;
- act with due care, skill, diligence and vigilance, and act in accordance with the Deeds, the Guidelines and securities laws in carrying out its duties and responsibilities;
- taking custody and control of all the assets of the Funds and holding them in trust for the Unit Holders in accordance with the provisions of the Deeds and the relevant laws;
- ensure that the Funds are managed and administered by the Manager in accordance with the Deeds, the Guidelines and securities laws and acceptable and efficacious business practices within the unit trust industry;
- ensure that it is fully informed of the investment policies of the Funds as set by the Manager, and of any changes made thereto;
- immediately notify the SC of any irregularity, any breach of the provisions of the Deeds, the Guidelines or securities laws and any other matter properly regarded by the Trustee as not being in the interests of the Unit Holders;
- take all steps to effect any instructions properly given by the Manager;
- ensure that the systems, procedures and processes employed by the Manager to value and/or price the Funds or the Units of the Fund are adequate, and that such valuation/pricing is carried out in accordance with the Deeds, the Guidelines and securities laws;
- ensure that the sale, repurchase, creation and cancellation of units of the Funds are carried out in accordance with the Deeds, the Guidelines and securities laws;
- submit or make available any statements, documents, books, records and other information relating to the Funds and the business of the Trustee or such periodical returns, as may be required by the SC from time to time;
- take all steps to effect any instructions properly given by the Manager as to the acquisition or disposal of, or the exercise of the rights attaching to the assets of the Funds; and
- Must maintain and ensure that the Manager maintains proper accounting records and other records as are necessary to enable a complete and accurate view of the Funds to be formed and to ensure that the Funds are managed and administered in accordance with the Deeds, the Guidelines and securities laws.

5.3 Material Litigation and Arbitration

As at LPD, the Trustee is not engaged in any material litigation and arbitration, either as plaintiff or defendant 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 and/or financial position of the Trustee.

CHAPTER 6: SALIENT TERMS OF THE DEED

6.1 Rights and Liabilities of the Unit Holders

6.1.1 Rights of the Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, you have the right:

- 1) to receive distributions, if any, of the Fund;
- 2) to participate in any increase in the NAV of Units of the Fund;
- 3) to call for Unit Holders' Meetings and to vote for the removal of the Trustee or the Manager through a special resolution;
- 4) to exercise the cooling-off right (only for qualified investors);
- 5) to receive annual and interim reports on the Fund; and
- 6) to exercise such other rights and privileges as provided for in the Deed.

However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or to question the exercise by the Trustee (or the Manager on the Trustee's behalf) of the rights of the Trustee as trustee of the investments of the Fund.

6.1.2 Liabilities of the Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, your liabilities would be limited to the following:

- 1) A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Fund as set out in this Master Prospectus and the Deed.
- 2) A Unit Holder would not be liable to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager on behalf of the Fund exceed the NAV of the Fund.

Note: Please be advised that if a Unit Holder invests in Units through an IUTA which adopts the nominee system of ownership, the Unit Holder would not be considered to be a Unit Holder under the Deed as the Unit Holder's holder name will not appear in the register of Unit Holder and the Unit Holder may consequently not have all the rights ordinarily exercisable by a Unit Holder (for example, the right to call for a Unit Holders' Meeting and to vote thereat and the right to have the Unit Holder's particulars appearing in the register of Unit Holders of the Fund).

6.2 Maximum Fees and Charges Permitted by the Deed

The maximum rate of **direct** charges allowed by the Deed is as follows:-.

Sales Charge for ASBSN

10.00% of the NAV per Unit.

Sales Charge for BSND AJ

3.00% of the NAV per Unit.

Sales Charge for BSND DAI

4.50% of the NAV per Unit.

Redemption Charge for ASBSN and BSND AJ

3.00% of the NAV per Unit.

Redemption Charge for BSND DAI

Not applicable.

The maximum rate of *indirect* fees allowed by the Deed is as follows:-.

Annual Management Fee for ASBSN and BSND DAI

The maximum rate of the annual management fee shall be one point five per centum (1.5%) per annum of the Net Asset Value of the Fund calculated and accrued on a daily basis.

Annual Management Fee for BSND AJ

The maximum rate of the annual management fee shall be two point five per centum (2.5%) per annum of the Net Asset Value of the Fund calculated and accrued on a daily basis.

Annual Trustee Fee for ASBSN

The maximum rate of the annual trustee fee shall be zero point one per centum (0.1%) of the Net Asset Value of the Fund.

Annual Trustee Fee for BSND AJ

The maximum rate of the annual trustee fee shall be zero point two per centum (0.20%) of the Net Asset Value of the Fund subject to a minimum of RM18,000 per annum calculated and accrued on a daily basis (excluding foreign custodian fees and charges, if any).

Annual Trustee Fee for BSND DAI

The maximum rate of the annual trustee fee shall be zero point zero six per centum (0.06%) of the Net Asset Value of the Fund subject to a minimum of RM18,000 per annum calculated and accrued on a daily basis (excluding foreign custodian fees and charges, if any).

6.3 Increase in Fees and Charges

Sales Charge

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

- (a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;
- (b) a supplemental master prospectus stating the higher rate is issued thereafter; and
- (c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental master prospectus is issued.

Redemption Charge

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

- (a) the Manager has notified the Trustee in writing of the higher rate and the date on which such higher rate is to become effective;

- (b) a supplemental master prospectus stating the higher rate is issued thereafter; and
- (c) such time as may be prescribed by any relevant law shall have elapsed since the supplemental master prospectus is issued.

Annual Management Fee

The Manager does not intend to impose an annual management fee however should at a rate higher than that disclosed in this Master 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;
- (c) a supplemental master prospectus stating the higher rate is issued thereafter; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental master prospectus is issued.

Annual Trustee Fee

The Trustee may not charge an annual trustee fee at a rate higher than that disclosed in this Master 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;
- (c) a supplemental master prospectus stating the higher rate is issued thereafter; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental master prospectus is issued.

6.4 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 are 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 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.

6.5 Permitted Expenses Payable Out of the Fund's Property

For ASBSN

Only the expenses (or parts thereof) which are directly related and necessary to the business of the Fund may be charged to the Fund. This shall include 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 (if any);
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) fees and expenses properly incurred by the Auditors and tax agent appointed for the Fund;

- (d) fees for the valuation of any investments of the Fund;
- (e) costs, fees and expenses incurred for any modification of this Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- (f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any 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 a class of Units or the removal or retirement 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 ordered by the court not to be reimbursed by the Fund);
- (m) remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function 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) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer;
- (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) expenses and charges incurred in connection with the printing and postage for the report of the Fund, tax certificates, reinvestment statements and other services associated with the administration of the Fund; and
- (r) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred as mentioned above.

For BSNDJ and BSNDJAI

Only the expenses (or parts thereof) which are 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/fees paid to brokers in effecting dealings in the Shariah-compliant 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;
- (d) costs, fees and expenses 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 investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- (m) remuneration and out of pocket expenses of the independent members of the Investment Committee of the Fund, unless the Manager decides otherwise;
- (n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; and
- (o) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians.

6.6 The Manager's Right To Retire

For ASBSN

The Manager may retire upon giving twelve (12) months notice to the Trustee of its desire to do so, or such short-period as the Manager and the Trustee shall agree, and may by deed appoint in its stead or as a new manager approved by the Securities Commission Malaysia.

For BSNDAJ and BSNDDAI

The Manager has the power to retire in favour of some other corporation by giving to the Trustee three (3) months' notice in writing of the Manager's desire so to do, or such other period as the Trustee and the Manager may agree upon, and subject to the fulfilment of the following conditions:

- the retiring Manager shall appoint such corporation by writing under its seal as the management company of the Fund in its stead and assign and transfer to such corporation all its rights and duties as management company of the Fund;
- such corporation shall enter into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund; and
- For BSND AJ - upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the retiring Manager's part prior to such retirement and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations as fully as though such new management company had been originally a party to the Deed.

For BSND DAI - upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations hereunder provided always that any release so provided for and given shall not extend to any of the retiring Manager's antecedent neglect by or act or default but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the retiring Manager's part prior to such retirement and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations as fully as though such new management company had been originally a party to the Deed.

6.7 Removal and Replacement of the Manager

For ASBSN

The Trustee may remove and replace the Manager if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee, and for such other reasons desirable in the interest of the unit holders.

The manager may also be removed if the manager is in liquidation, is under receivership or ceases operations, or has to the prejudice of the unit holders failed to comply with any provisions of the Deed or the Act, and other relevant laws. The Manager may also be removed if a Special Resolution is passed by the unit holders that the Manager be removed.

The appointment of the new Manager is subject to the new Manager entering into a Deed or Deeds as the Trustee may be advised to be necessary in order to secure that the Manager performs its duties as Manager during the remainder of the period of the Fund.

For BSND AJ and BSND DAI

The Manager may be removed by the Trustee on the grounds that:

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

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

In any of the above occurs, the Manager shall upon receipt of a written notice from the Trustee cease to be the management company of the Fund by the mere fact of the Manager's receipt of the notice. The Trustee shall, at the same time, by writing appoint some other corporation already approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

6.8 Retirement of the Trustee

For ASBSN

The Trustee may retire upon giving twelve (12) months notice to the Manager of its desire to do so, or such short-period as the Manager and the Trustee shall agree, and may by deed appoint in its stead or as a new trustee approved by the Securities Commission Malaysia.

For BSNDJ and BSNDJAI

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, the Trustee may retire upon the expiration of three (3) months', or such shorter period as Trustee and the Manager may agree upon, notice in writing to the Manager of its desire so to do.

6.9 Removal and Replacement of the Trustee

The Manager is obliged to give the Unit Holders notice in writing to consider the removal of the Trustee if the Trustee fails or neglects to carry out its duties as stipulated in the Deed and under the Act. The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- the Trustee has ceased to exist;
- the Trustee has not been validly appointed;
- the Trustee is not eligible to be appointed or act as a trustee under the Act;
- the Trustee has failed or refused to act as Trustee in accordance with the provisions and covenants of the Deed and the provisions of the Act;
- a receiver has been appointed over the whole or substantial part of the assets or undertaking of the Trustee and has not ceased to act under the appointment, or a petition is 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 to be insolvent); or
- the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law.

The Trustee may be removed and another trustee may be appointed by Special Resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Unit Holders in accordance with the Deed.

6.10 Termination of the Fund

The Funds may be terminated or wound up should the following events occur:

- The SC's approval is revoked under section 256E of the Act;
- 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 Act and the court has confirmed the resolution, as required under section 301(2) of the Act;

- A special resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund;
- The Fund has reached its maturity date as specified in the Deed; and
- The effective date of an approved transfer scheme (if any) has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

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

For ASBSN

Upon the occurrence of any of the above mentioned events:

- (a) The Trustee shall as soon as practicable after the determination of the Fund give to each Unit Holder notice of such determination and such impending distribution.
- (b) The Trustee shall sell all investments then remaining in his hands and repay any liabilities incurred by the Fund for the time being outstanding and such sale and repayment shall be carried out and completed in such manner and within such period after the termination of the Fund as the Trustee thinks advisable.
- (c) The Trustee shall from time to time distribute to the Unit Holders pro rata to the number of units held by them respectively the net cash proceeds derived from the realization of the Fund and available for the purpose of such distribution and any available cash provided that the Trustee shall not be bound (except in the case of the final distribution) to distribute any of the monies for the time being in his hands amount of which is insufficient to pay Ringgit Malaysia One (RM1.00) in respect of each Unit provided also that the Trustee shall be entitled to retain out any monies in his hands for all cost, charges, taxes, expenses, claims and demands incurred made or apprehended by Trustee in connection with or arising out of the liquidation of the Fund and out of the monies so retained to be indemnified and save harmless against any such costs, charges, taxes, expenses, claims and demands. Each such distribution shall be made only against production of such evidence as the Trustee shall require to prove the title of the Unit Holder relating to the Units in respect of which the same is made.
- (d) In the event of the Fund being determined as herein provided the Trustee shall be at liberty to call upon the Manager and to the Trustee shall be at liberty to call upon the Manager and to release the Manager from any obligations under this Deed and shall indemnify the Manager against any claims arising out of his execution of the Fund provided that such claims arising out of his execution of the Fund provided that such claims are not caused by his failure to show the degree of care and diligence required by a Trustee.

For BSND AJ and BSND DAI

Upon the termination of the Fund, the Trustee shall:

- (a) sell all the assets of the Fund then remaining in its hands and pay out of the Fund any liabilities of the Fund; such sale and payment shall be carried out and completed in such manner and within such period as the Trustee considers to be in the best interests of the Unit Holders; and
- (b) from time to time distribute to the Unit Holders, in proportion to the number of Units held by them respectively:

- (i) the net cash proceeds available for the purpose of such distribution and derived from the sale of the investments and assets of the Fund less any payments for liabilities of the Fund; and
- (ii) any available cash produce;

provided always that the Trustee shall not be bound, except in the case of final distribution, to distribute any of the moneys for the time being in his hands the amount of which is insufficient for payment to the Unit Holders of Fifty (50) sen in respect of each Unit and provided also that the Trustee shall be entitled to retain out of any such moneys in his hands full provision for all costs, charges, taxes, expenses, claims and demands incurred, made or anticipated by the Trustee in connection with or arising out of the winding-up of the Fund and, out of the moneys so retained, to be indemnified against any such costs, charges, taxes, expenses, claims and demands; each such distribution shall be made only against the production of such evidence as the Trustee may require of the title of the Unit Holder relating to the Units in respect of which the distribution is made.

In the event of the Fund is terminated, the Trustee shall be at liberty to call upon the Manager to grant the Trustee, and the Manager shall so grant, a full and complete release from the Deed and the Manager shall indemnify the Trustee against any claims arising out of the Trustee's execution of the Deed provided always that such claims have not been caused by any failure on the part of the Trustee to exercise the degree of care and diligence required of a trustee as contemplated by the Deed and all relevant laws.

The Manager and the Trustee shall, as soon as practicable after the winding up of the Fund inform Unit Holders and the relevant authorities of the same.

Where the termination of the Fund and the winding-up of the Fund has been occasioned by any of the events set out herein;

- (a) if the Manager have gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- (b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law;

the Trustee shall summon for a Unit Holders meeting to get directions from the Unit Holders. If a Special Resolution is passed by the Unit Holders at the meeting to terminate the trust and wind-up the Fund, the Trustee shall apply to the court for an order confirming such Special Resolution. The Trustee shall arrange for a final review and audit of the final accounts of the Fund by the auditor of the Fund.

In all other cases of termination of the trust and winding-up of the Fund, such final review and audit by the auditor of the Fund shall be arranged by the Manager.

6.11 Unit Holders' Meeting

6.11.1 Quorum Required for a Unit Holders' Meeting

For ASBSN, BSNDJ and BSNDJAI

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, however if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation of the Fund at the time of the meeting. If the Fund has only one (1) remaining

Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund.

6.11.2 Meeting Convened by the Unit Holders

For ASBSN

A management company or trustee may convene a meeting of unit holders at any time.

Section 305(1) of the CMSA further provides that a management company must call for a meeting of unit holders upon the written request of not less than 50 unit holders or one-tenth of all unit holders; the request is given at the management company's registered office; and for specific purposes stipulated under the same section of the CMSA.

Where a meeting is requested by unit holders under section 305(1) of CMSA, the management company must:-

- (a) call the meeting within 21 days after receiving the request from unit holders;
- (b) give notice to unit holders in accordance with section 305(3) of the CMSA; and
- (c) specify in the notice, the place, time and terms of the resolutions to be proposed.

For BSND AJ and BSND DAI

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 direction has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders.

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) of Unit Holders at the registered office of the Manager, summon a meeting of the Unit Holders by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;
- (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.

6.11.3 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.

6.11.4 Meeting Convened by the Trustee

For ASBSN

The Trustee 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.

For BSNDAJ and BSNDIAI

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 Act,

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

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

CHAPTER 7: RELATED-PARTY TRANSACTIONS & CONFLICT OF INTEREST

7.1 Manager

As at LPD, the Manager is not aware of any existing and/or proposed related party transactions or conflict of interest situations involving the Funds save for the following:

Name of Related Party and Nature of Relationship	Existing/Potential Related Party Transaction
Bank Simpanan Nasional - a shareholder of the Manager	<ul style="list-style-type: none"> • Bank Simpanan Nasional holds Units of the Funds. • Bank Simpanan Nasional has been appointed by the Manager as a distributor for the Funds.

As the management company of the Funds, the Manager will observe high standards of integrity and fair dealing to the best and exclusive interests of the Unit Holders of the Funds. The Manager will not conduct transactions in any manner which will result in unnecessary costs or risk to the Funds. It will also avoid conflicts of interests and will act in a manner as will avoid any disadvantage to the Funds, if such conflicts should arise. The Manager will not without the Trustee's prior approval, invest any moneys of the Funds in any securities, property and assets in which it or any of its officers (including Directors and staff) has a financial interest or from which it or any of its officers derives a benefit.

A person shall be deemed to have a financial interest in securities if he/she has an interest or interests in one or more voting shares in the company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is not less than five (5%) per centum of the aggregate of the nominal amounts of all the voting shares in the company.

In making an investment transaction for the Funds, the Manager is obliged not to make improper use of its position in managing the Funds to gain, directly or indirectly, any advantage for itself or for any other person or to cause detriment to the interests of Unit Holders. If the interests of the directors or the PIA or oversight committee members of a Fund conflict with the interests of that Fund, they will not be allowed to participate in the decision-making process in respect of the matter. Additionally, all the Manager's employees have to disclose their personal dealings.

As at LPD, none of the directors of the Manager and the substantial shareholder of the Manager have any direct and indirect interest in other corporations carrying on a similar business.

7.2 Trustee

ART confirms to the best of its knowledge that it does not have any related party transactions with the Funds. However as Trustee for a Fund, there may be related-party transaction involving or in connection with that Fund in the following events:

1. Where the Fund invests in instruments offered by the related-party of the Trustee (e.g. placement of monies, structured products, etc);
2. Where the Fund is being distributed by the related-party of the Trustee as Institutional Unit Trust Adviser (IUTA);
3. Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
4. Where the Fund obtains financing as permitted under the Securities Commission Malaysia's Guidelines on Unit Trust Funds, 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 favourable to the Fund than an arms-length transaction between independent parties.

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

7.3 Advisers

The auditor for the Funds, the tax adviser for the Funds, Shariah Adviser and solicitors for the Manager have confirmed that they have no interest/potential interest or conflict of interest/potential conflict of interest with the Manager and the respective Funds.

CHAPTER 8: TAX ADVISER S LETTER ON TAXATION OF THE FUND AND UNIT HOLDERS

2 February 2023

The Board of Directors
Permodalan BSN Berhad
Tingkat 2, Blok A
Wisma BSN
117, Jalan Ampang
50450 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

*Private & Confidential
By E-mail*

Dear Sirs

PERMODALAN BSN BERHAD (“THE COMPANY”) TAXATION OF AMANAH SAHAM BANK SIMPANAN NASIONAL, BSN DANA AL-JADID AND BSN DANA DIVIDEN AL-IFRAH FUNDS AND UNIT HOLDERS

This letter has been prepared for inclusion in the Master Prospectus which incorporates the investment information relating to the Amanah Saham Bank Simpanan Nasional, BSN Dana Al-Jadid and BSN Dana Dividen Al-Ifrah Funds (collectively known as “the Funds”).

1. Taxation of the Funds

1.1. Taxable income

The taxation of the Funds, unit trust scheme are governed principally by Sections 61 and 63B of the Income Tax Act, 1967 (“ITA”). Further, the Inland Revenue Board of Malaysia (“IRBM”) has issued the Public Ruling 7/2014: Unit Trust Funds - Part II – Taxation of Unit Trusts dated 4 November 2014 to explain the tax treatments for Unit Trust Fund. The Funds’ Trustee is AmanahRaya Trustees Berhad, which is a resident in Malaysia for tax purposes. As the trustee is a tax resident in Malaysia, the Funds are regarded as resident trusts in Malaysia.

The income of the Funds in respect of dividends, interest or profits from deposits and other investment income derived from or accruing in Malaysia are liable to income tax unless specifically exempted under the law. In this respect, any gains or profits received, in lieu of interest, for transactions conducted in accordance with the principles of Shariah, will be treated as interest and be accorded the same treatment as if they were interest in accordance with Section 2(7) of the ITA. Under Section 2(7) of the ITA, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transaction conducted in accordance with the principles of Shariah. The income tax rate applicable to the Funds are 24%.

1.2. Exempt income / Non-taxable income

(a) Profits from the realisation of investments

Gains from the sale of investments will not be treated as income of the Funds and hence, are not subject to income tax [Section 61(1) of the ITA].

(b) Dividend income

Dividends received by the Funds from other Malaysian entities which are tax exempted are not subject to income tax. This includes dividends distributed under the single tier tax system *[Paragraph 12B, Schedule 6 of the ITA]*.

(c) Interest income

Interest income received by the Funds from the following are exempt from income tax:

- (i) Any savings certificates issued by the Government *[Paragraph 19 to Schedule 6 of the ITA]*;
- (ii) Securities or bonds issued or guaranteed by the Government *[Paragraph 35(a) to Schedule 6 of the ITA]*;
- (iii) Debentures or sukuk, other than convertible stock, approved or authorized by, or lodged with the Securities Commission *[Paragraph 35(b) to Schedule 6 of the ITA]*;
- (iv) Bon Simpanan Malaysia issued by Bank Negara Malaysia *[Paragraph 35(d) to Schedule 6 of the ITA]*;
- (v) Deposits with banks or financial institutions licensed under the Banking and Financial Services Act 2013 or the Islamic Financial Services Act 2013, or any development financial institution prescribed under the Development Financial Institution Act 2002. In the case of a wholesale fund which is a money market fund, the exemption would only apply to a wholesale fund which complies with criteria set out in the guidelines of Securities Commission Malaysia *[Paragraph 35A to Schedule 6 of the ITA]*;
- (vi) Islamic securities (including sukuks) originating from Malaysia, other than convertible loan stock issued in any currency other than Ringgit and approved or authorised by, or lodge with, the Securities Commission, or approved by the Labuan Financial Services Authority *[Paragraphs 33B to Schedule 6 of the ITA]*, provided that the exemption would not apply to:
 - interest paid or credited to a company within the same group;
 - interest paid or credited to banks and financial institutions licensed under the Banking and Financial Services Act 2013 or the Islamic Financial Services Act 2013 and development financial institutions prescribed under Development Financial Institution Act 2002; or
 - interest paid or credited by a special purpose vehicle to a company pursuant to the issuance of asset-backed securities lodged with the Securities Commission Malaysia or approved by the Labuan Financial Services Authority from 1 January 2022 where the company and the person who established the special purpose vehicle solely for the issuance of the asset-backed securities are in the same group;
- (vii) Bonds and securities issued by Pengurusan Danaharta Nasional Berhad *[Income Tax (Exemption) (No. 5) Order 2001]*;
- (viii) Sukuk Issue which had been issued by the Malaysia Global Sukuk Inc *[Income Tax (Exemption) (No.31) Order 2002]*;
- (ix) Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad *[Income Tax Act (Exemption) Order 2010]*;
- (x) Sukuk Wakala, other than convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad *[Income Tax Act (Exemption)(No.4) Order 2011]*;
- (xi) Sukuk Kijang issued by BNM Kijang Berhad *[Income Tax (Exemption) (No. 10) Order 2013]*;
- (xii) Sukuk Wakala with a nominal value up to USD1.5 billion, other than convertible loan stock, issued by the Malaysian Sovereign Sukuk Berhad *[Income Tax (Exemption) (No. 3) Order 2015]*; and
- (xiii) Sukuk Wakala with a nominal value up to USD1.5 billion (other than convertible loan stock) issued by Malaysia Sukuk Global Berhad *[Income Tax (Exemption) (No. 2) Order 2016]*;
- (xiv) Sukuk Prihatin with a nominal value of up RM666,417,500 issued in accordance with the principle of Murabahah issued by the Government *[Income Tax (Exemption) (No. 2) Order 2021]*;

- (xv) Sukuk Wakala with a nominal value up to USD1.3 billion, other than convertible loan stock, issued in accordance with the principle of Wakala by Malaysia Wakala Sukuk Berhad [Income Tax (Exemption) (No. 3) Order 2021.

(d) Discount income or profit derived

Tax exemption is given on discount income received on the securities and debentures mentioned in item 1.2 (c) (ii) to (iv) above [Paragraph 35(a) to Paragraph 35(d) to Schedule 6 of the ITA].

(e) Foreign sourced income

Prior to 1 January 2022, dividends, profits and other income from investments derived from sources outside Malaysia and received in Malaysia by the Funds were exempted from Malaysian income tax [Paragraph 28 to Schedule 6 of the ITA]. However, such income may be subject to tax in the country from which the income was derived.

With effect from 1 January 2022, the income tax exemption under paragraph 28 to the Schedule 6 of the ITA is only applicable to income arising from sources outside Malaysia and received in Malaysia by any person who is not a tax resident in Malaysia. Nevertheless, based on the P.U. (A) 235/2022, an exemption will be given to companies that have foreign sourced dividend income remitted into Malaysia during the concession period of five (5) years from 1 January 2022 to 31 December 2026. This income tax exemption is subject to a set of eligibility requirements.

In view of the above, dividends, profits and other income from investments derived from sources outside Malaysia and received in Malaysia by the Funds would be taxable under the Malaysian income tax effective 1 January 2022.

In the event that the foreign sourced income has been taxed in both the country of origin and in Malaysia, a tax credit in the form of bilateral tax credit or unilateral tax credit under the provisions of Sections 132 and 133 of the ITA may be given in respect of such income, subject to conditions are met.

1.3. Deductibility of expenses

Pursuant to Section 33(1) of the ITA, expenses which are wholly and exclusively incurred in the production of gross income are allowed deduction against the gross income, e.g. interest incurred on a loan to finance investments can be deducted against the interest income from that investment.

In addition, Section 63B allows special deduction for other non-direct expenses known as "permitted expenses". "Permitted expenses" consist of the manager's remuneration, charges for maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage. The special deduction for permitted expenses is calculated based on the prescribed formula below:

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

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

The special deduction for permitted expenses shall not be less than 10% of the total permitted expenses incurred for that basis period. Further, dividend income is deemed to be included in the income distributed by a unit trust for the purpose of calculating the above deduction.

In the event that the deduction exceeds the aggregate income assessable to tax, the excess will not be allowed to be carried forward to offset against the aggregate income of the subsequent years of assessment.

1.4. Withholding tax on distribution of income by retail money market fund to unit holders other than individuals

Effective 1 January 2022, withholding tax of 24% would be applicable to the portion of the distribution by retail money market fund to the unit holders other than individuals, in relation to the interest exempted under Paragraph 35A of Schedule 6 of the ITA (i.e. interest income from licensed banks and Islamic banks in Malaysia). The withholding tax is payable to the IRBM within one (1) month after the distribution of such income to the unit holders, pursuant to Section 109DA of the ITA.

1.5. Real Property Gains Tax

Any capital gains arising from the disposal of chargeable assets such as real properties or shares in real property companies will be subjected to Real Property Gains Tax ("RPGT").

The gains arising from the disposal of real properties or shares in real property companies are subject to RPGT at the following rates:

- (a) Gains arising from disposals made within three (3) years from the date of acquisition of the chargeable assets are subject to RPGT at the rate of 30%;
- (b) Gains arising from disposals in the 4th year after the date of acquisition of the chargeable assets are subject to RPGT at the rate of 20%;
- (c) Gains arising from disposals in the 5th year after the date of acquisition of the chargeable assets are subject to RPGT at the rate of 15%; and
- (d) Gains arising from disposals made after five (5) years from the date of acquisition of the chargeable assets are subject to RPGT at the rate of 10%.

[Schedule 5 of the Real Property Gains Tax Act 1976]

1.6. Sales Tax and Service Tax

With effect from 1 September 2018, the Goods and Services Tax ("GST") is replaced by the Sales Tax and Service Tax.

Sales Tax is chargeable at the rate of 10% (most common rate), 5% or a specific rate on taxable goods manufactured in Malaysia or imported taxable goods or low value goods into Malaysia, unless specifically exempted under the Sales Tax (Goods Exempted from Tax) Order 2018 or Sales Tax (Person Exempted From Payment of Tax) Order 2018. The Funds, being trust funds, did not manufacture any taxable goods or sell any imported low value goods in Malaysia. Hence, the Funds are not liable to be registered for Sales Tax under the Sales Tax Act 2018.

On the other hand, Service Tax is chargeable at the rate of 6% (most common rate) or a specific rate on prescribed taxable services performed by taxable persons as stipulated under the Service Tax Regulations 2018. The taxable services specified in the First Schedule of the Service Tax Regulations 2018 are subjected to Service 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. Furthermore, the investment activities of the Funds, such as buying and selling of securities, investments in sukuk, Islamic money market instruments and Islamic deposits, etc., do not fall under the list of taxable services under the First Schedule of the Service Tax Regulations 2018. In this regard, if the

Funds are only deriving income from such activities, the Funds are not liable to be registered for Service Tax under the Service Tax Act 2018.

The management services acquired from the 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 are specifically excluded from the list of taxable services and not subject to Service Tax. The other services acquired by the Funds may be subjected to 6% Service Tax if such services fall within the list of the taxable services under the First Schedule of the Service Tax Regulations 2018 and provided by taxable persons. In addition, if the Funds acquire any imported taxable service from the service provider outside of Malaysia (except for the digital services where 6% Service Tax has been charged by the foreign registered person with effect from 1 January 2020), the Funds are required to file the SST-02A return and pay for the 6% Service Tax on the imported taxable services to the Royal Malaysia Customs Department effective from 1 January 2019. The 6% Service Tax which may be incurred are generally not claimable or recoverable by the Funds.

2. Taxation of Unit Holders

2.1. Distribution of taxable income

The general provisions under the ITA are applicable to income received by unit holders. In addition, the tax treatments for unit holders are explained in the IRBM Public Ruling 5/2013 – Taxation of Unit Holders of Unit Trust Funds dated 23 May 2013. Unit holders will be taxed on their share of the total taxable income of the Funds distributed to them.

This income distribution carries with it a tax credit for the tax paid by the Funds on its taxable income. This tax credit may be utilised by the unit holders to set off the tax payable by them pursuant to Section 110(9A) of the ITA. The IRBM will refund any excess of tax credit over tax chargeable to the unit holders.

Distributions of income from the Funds received by individuals and other non-corporate unit holders who are residents in Malaysia for tax purposes will be taxed at scale rates from 1% to 30%. Individuals and other non-corporate unit holders who are not resident in Malaysia, will be subject to tax at the non-resident rate applicable of 30% on the distributions of income received.

Corporate unit holders, whether resident or not resident in Malaysia, will be subject to tax at the corporate tax rate of 24% on the distributions of income from the Funds received by them. For small and medium-sized companies resident and incorporated in Malaysia which have a paid-up capital of RM2.5 million and below at the beginning of the basis period for a year of assessment and gross business income of not exceeding RM50 million ("SME"), the corporate tax rate of 17% is applicable on chargeable income of up to RM600,000 and 24% on the amount of chargeable income exceeding RM600,000. However, companies with paid-up capital of not exceeding RM2.5 million will not qualify as a SME under the following circumstances:

- (i) more than 50% of the paid-up capital in respect of ordinary shares of the company is directly or indirectly owned by a "related company";
- (ii) more than 50% of the paid-up capital in respect of the ordinary shares of the "related company" is directly or indirectly owned by the first mentioned company; or
- (iii) more than 50% of the paid-up capital in respect of the ordinary shares of the first mentioned company and the "related company" is directly or indirectly owned by another company.

"Related company" is defined as a company which has a paid-up capital exceeding RM2.5 million in respect of ordinary shares at the beginning of the basis period for a year of assessment.

2.2. Distribution of tax-exempt income

Distributions of tax-exempt income by the Funds from gains realised from investments, exempted interest/discount income, exempted dividends including single tier dividends and foreign sourced income, will be exempted from tax in the hands of the unit holders.

2.3. Unit splits and sale, transfer or redemption of units

Unit splits issued by the Funds are not taxable in the hands of the unit holders. Any gains realised by unit holders (other than dealers in securities, insurance companies or financial institutions) from the sale, transfer or redemption of the units are treated as capital gains and hence, will not be taxable.

However, the gains realised by a person trading or dealing in securities, insurance companies or financial institutions are generally regarded as business income and are subject to income tax in Malaysia.

We hereby confirm that, as at the date of this letter, the statements made correctly reflect our understanding of the tax position under the current Malaysian income tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. All prospective investors should not treat the contents of this letter as advice relating to taxation matters and are advised to seek professional advice on their respective tax positions.

Yours faithfully

Crowe KL Tax Sdn Bhd

Chong Mun Yew

Executive Director, Tax

CHAPTER 9: ADDITIONAL INFORMATION

9.1 Availability of Information on Investment

Where to Purchase and Redeem

Units can be purchased or redeemed on any Business Day between 9.00 a.m. to 4.00 p.m. at the business office of the Manager or the list of authorised distributors/agents of the Manager, details of which are as follows:

You may always contact our team of Customer Service personnel who would be happy to assist in:

1. enquiry on balance of account and personal details;
2. repurchase, transfer, switching and cooling-off request;
3. request to change correspondence/registered address, telephone number and other personal details;
4. request for confirmation advices on purchase and other transactions related to your unit holdings, half yearly statements and copy of annual and/or interim reports;
5. other queries regarding the Fund's performance.

You may choose to communicate with us via:

- customer service hotline: 603-2634 2200
- facsimile: 603-2177 1300
- email: info@pbsn.com.my

You can also review and track the performance of your Units by checking the unit prices which are published on our website at www.pbsn.com.my.

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

For internal dispute resolution, you may contact us:

- | | |
|-------------------|--|
| a) Via phone to: | 603-2634 2200 |
| b) Via fax to: | 603-2177 1300 |
| c) Via email to: | info@pbsn.com.my |
| d) Via letter to: | Permodalan BSN Berhad
Tingkat 2, Blok A,
Wisma Bank Simpanan Nasional
117, Jalan Ampang
50450 Kuala Lumpur |

Keeping Abreast of Developments in the Funds

Investors are able to obtain the latest information on the Funds as well market updates at our office or through any of our authorised distributors/agents set out in *Section 9.2* below. Investors can also view or track the unit prices of the Funds which is published on our website at www.pbsn.com.my

9.2 Avenue for Advice

REGISTERED OFFICE AND BUSINESS ADDRESS:

Permodalan BSN Berhad
Tingkat 2, Blok A,
Wisma Bank Simpanan Nasional
117, Jalan Ampang
50450 Kuala Lumpur

Or you may contact our customer service at 03-2634 2200 or visit our website at www.pbsn.com.my.

LIST OF DISTRIBUTORS / AGENTS:

Permodalan BSN Berhad
Tingkat 2, Blok A,
Wisma Bank Simpanan Nasional
117, Jalan Ampang
50450 Kuala Lumpur
Telephone number : 03-26342200
facsimile: 603-21771300
Email address : info@pbsn.com.my
Website : www.pbsn.com.my

Please refer to PBSN's website at www.pbsn.com.my for the latest list of distributors / agents and its' updates from time to time.

9.3 Deeds

Funds	Deed	Supplemental Deed
ASBSN	31 December 1994	First – 10 July 1996 Second – 9 February 1999 Third – 14 November 2005 Fourth – 30 October 2008 Fifth – 22 December 2022
BSNDAJ	11 March 2008	First - 23 May 2013 Second – 22 December 2022
BSNDDAI	9 February 2012	First 22 December 2022

9.4 Financial Year End

Funds	Financial Year End
ASBSN	31 December
BSNDAJ	31 December
BSNDDAI	31 December

When you invest in any of the Funds, the Manager will undertake to make available to you the followings:-

- Written confirmation on all transactions and income distributions;
- Unaudited interim report for the half year of the Fund's financial year; and
- Annual audited report for the Fund's financial year-end.

THE FUNDS' ANNUAL REPORT IS AVAILABLE UPON REQUEST.

9.5 Consents

- (1) The Trustee, auditor for the Funds, tax adviser for the Funds, Shariah Adviser, independent consultant and solicitors for the Manager have given their consent to the inclusion of their names in the form and context in which such names appear in this Master Prospectus and its' supplementary/replacement prospectuses (where applicable) and have not withdrawn such consent prior to the date of the issue of this Master Prospectus and its' supplementary/replacement prospectuses (where applicable).
- (2) The tax adviser for the Funds has given its consent to the inclusion of the tax advisers' letter on Taxation of the Funds and Unit Holders in the form and context in which it appears in this Master Prospectus and its' supplementary / replacement prospectuses (where applicable) and has not withdrawn such consent prior to the date of the issue of this Master Prospectus and its' supplementary / replacement prospectuses (where applicable).

CHAPTER 10: DOCUMENTS AVAILABLE FOR INSPECTION

Unit Holders may inspect without charge, at the registered office of the Manager and the business office of the Trustee, during their ordinary business hours, the following documents or copies thereof, where applicable:

- (a) The Deed and the supplementary deed(s) (if any) of the Funds;
- (b) The current Master Prospectus and supplementary/replacement master prospectuses (if any) of the Funds;
- (c) The latest annual and interim reports of the Funds (if any);
- (d) Each material contract or document referred to in this Master Prospectus;
- (e) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Master Prospectus;
- (f) The audited financial statements of the Manager and the Funds for the current financial year and for the last three financial years or from the date of incorporation or commencement (if less than three years);
- (g) Any writ and relevant cause papers for all material litigation and arbitration disclosed in the Master Prospectus (where applicable); and
- (h) Any consent given by experts or persons named in this Master Prospectus as having made a statement that is included in this Master Prospectus or on which a statement made in this Master Prospectus is based.

