

MASTER PROSPECTUS

Dated: 19 December 2020

Note: This Master Prospectus dated 19 December 2020 is a replacement master prospectus that replaces and supersedes all the previously issued disclosure documents (i.e. prospectuses and supplementary prospectuses) pertaining to the Funds below.

Funds	Date Of Constitution	Funds	Date Of Constitution
Local Equity		Global Equity	
Phillip Premier Fund (formerly known as Pacific Premier Fund)	10 August 1995	Phillip Focus18 Fund (formerly known as Pacific Focus18 Fund)	16 June 2005
Phillip Pearl Fund (formerly known as Pacific Pearl Fund)	6 January 1997	Phillip Asia Brands Fund (formerly known as Pacific Asia Brands Fund)	20 January 2006
Phillip Dana Aman (formerly known as Pacific Dana Aman)	16 April 1998	Phillip Global Stars Fund (formerly known as Pacific Global Stars Fund)	20 July 2006
Phillip Recovery Fund (formerly known as Pacific Recovery Fund)	15 April 1999	Phillip Dana Dividen (formerly known as Pacific Dana Dividen)	26 July 2007
Phillip Dividend Fund (formerly known as Pacific Dividend Fund)	18 November 2003	Phillip Focus China Fund (formerly known as Pacific Focus China Fund)	19 May 2009
Local Mixed Asset		Phillip Global Agriculture, Infrastructure And Resources Fund (formerly known as Pacific Global Agriculture, Infrastructure And Resources Fund)	12 April 2010
Phillip Income Fund (formerly known as Pacific Income Fund)	18 August 2000	Phillip Global Disruptive Innovation Fund (formerly known as Pacific Global Disruptive Innovation Fund)	4 October 2018
Local Balanced		Global Mixed Asset	
Phillip SELECT Balance Fund (formerly known as Pacific SELECT Balance Fund)	11 August 2003	Phillip Dynamic AsiaPac Fund (formerly known as Pacific Dynamic AsiaPac Fund)	29 July 2013
Local Fixed Income		Global Balanced	
Phillip SELECT Income Fund (formerly known as Pacific SELECT Income Fund)	11 August 2003	Phillip AsiaPac Income Fund (formerly known as Pacific AsiaPac Income Fund)	28 November 2006
Local Sukuk			
Phillip Dana Murni (formerly known as Pacific Dana Murni)	25 March 2003		

MANAGER:
PHILLIP MUTUAL BERHAD 200201002746 (570409-K)

TRUSTEES:
UNIVERSAL TRUSTEE (MALAYSIA) BERHAD 197401000629 (17540-D)
MTRUSTEE BERHAD 198701004362 (163032-V)
CIMB ISLAMIC TRUSTEE BERHAD 198801000556 (167913-M)
CIMB COMMERCE TRUSTEE BERHAD 199401027349 (313031-A)

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS, WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE 'RISK FACTORS' COMMENCING ON PAGE 46

RESPONSIBILITY STATEMENTS

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

STATEMENTS OF DISCLAIMER

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

The authorisation of the Funds, and registration of this Master Prospectus, should not be taken to indicate that Securities Commission Malaysia recommends the 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 responsible for the 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.

ADDITIONAL STATEMENTS

While it is the duty of the Manager to ensure the Funds are being correctly valued or priced, the Manager cannot be held liable for any error in prices published on the websites of our distributors for the Funds. Pursuant to the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia, where there is incorrect valuation or pricing of units, the Manager will take immediate remedial action to rectify the error, which extends to reimbursement of money by the Manager to the Funds and/or from the Funds to the Unitholders or former Unitholders. Rectification need not be extended to any reimbursement where it appears to the Trustee that the incorrect pricing is of minimal significance.

While it is the duty of the Manager to ensure that all comments given to the media is accurate and true at the time the comments were given, misquotation may still occur either by the media or third parties, which are out of the Manager's control. In such situations, the Manager and its employees hold no responsibility for any claims and liabilities due to the misquotations by the media and/or third parties, and are under no obligation to fulfil any expectation or demand in relation to the misquoted statements.

The distribution of this Master Prospectus and offering, purchase, sale or transfer of units of the Funds in certain jurisdictions may be restricted by law. In these jurisdictions, other than Malaysia, the Manager has not applied to allow the distribution of this Master Prospectus or units of the Funds. Therefore, this Master Prospectus does not constitute an offer or invitation to purchase units of the Funds in any jurisdiction in which such offer or invitation would be unlawful.

Investors should be aware that for investments of the Funds made via our Institutional Unit Trust Advisers (IUTA), where applicable, any investment transactions are subject to the terms and conditions of the respective IUTA.

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

The Phillip Dana Aman, Phillip Dana Murni and Phillip Dana Dividen have been certified as Shariah-compliant by the Shariah Adviser appointed for the said Fund(s).

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.

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1 DEFINITIONS

The meaning of some terms in this Master Prospectus is explained below:

Board of Directors / Independent Directors / Directors	Directors of PMB.
Bursa Malaysia	The stock exchange managed or operated by Bursa Malaysia Securities Berhad.
business day(s)	A day on which the Bursa Malaysia is open for trading. <i>Note: For Phillip Global Disruptive Innovation Fund, we may declare any day (even on the day that falls under the definition above) as a non-Business Day if it is a day on which commercial banks in Singapore are not open for business or a day which may be declared by the Target Fund Manager as a non-business day for the Target Fund. This information will be communicated via a notice from our website at www.phillipmutual.com.</i>
CCASS	Central Clearing and Settlement System of HKSCC.
China A-shares	Shares that are (a) denominated in RMB; and (b) traded in the SSE and/or SZSE.
ChinaClear	China Securities Depository and Clearing Corporation Limited.
Class(es)	Any class of units (including any new class of units which may be introduced by the Manager on any later dates) representing similar interests in the assets of the Fund.
Class MYR-Hedged	A Class issued by the Phillip Global Disruptive Innovation Fund that is denominated in MYR, which aims to minimise the effect of exchange rate fluctuations between the base currency of the Fund and MYR.
Code	The <i>Code on Collective Investment Schemes</i> issued by the MAS, as may be amended, replaced or supplemented from time to time.
CSRC	China Securities Regulatory Commission.
deed	The deed and all supplemental deeds entered into between the Manager and the Trustees in relation to the Fund(s).
Disruptor(s)	In the context of the Target Fund, refers to a company that changes the traditional way an industry operates, especially in a new and effective way.
EIP	Excluded Investment Products. <i>Note: As defined by MAS, EIPs are investment products which have terms and features that are generally understood by retail investors. Intermediaries are not required to formally assess a retail customer's investment knowledge and experience before recommending or selling an EIP to the customer. The complexity of the terms and features of an investment product, and not its risk level, was the main criterion used in determining whether it is classified as an EIP. Investment products that do not fall within the list of EIPs prescribed by MAS are Specified Investment Products (SIPs).</i>
eligible market	A market that is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes of the Fund(s).
Fitch	Fitch Ratings.
Fund(s)	For the purpose of this Master Prospectus, unless the context otherwise requires, Fund(s) refers to the unit trust scheme(s) offered for sale under this Master Prospectus (individually referred to as "Fund" and collectively as "Funds").
HKEx	Hong Kong Exchanges and Clearing Limited.
HKSCC	Hong Kong Securities Clearing Company Limited.
IOSCO	International Organization of Securities Commissions.
Islamic funds	Phillip Dana Aman, Phillip Dana Murni and Phillip Dana Dividen.
IUTA	Institutional Unit Trust Advisers. IUTA is an institution, body or organisation that is licensed to distribute unit trust funds. IUTA must be registered with the Federation of Investment Managers Malaysia (FiMM).

long term	Above three years.
MAS	Monetary Authority of Singapore.
Master Prospectus	Refers to this disclosure document in relation to the Fund(s).
medium term	One to three years.
Moody's	Moody's Investors Service.
MSCI	Morgan Stanley Capital International.
MYR / RM	Ringgit Malaysia.
NAV	Net asset value (NAV) of the Fund is the total value of the Fund's assets minus its liabilities at a valuation point. Where the Fund has more than one Class, there shall be a net asset value of the Fund attributable to each Class.
NAV per unit	NAV per unit of the Fund is the NAV divided by the total number of units in circulation, at a particular valuation point. Where the Fund has more than one Class, there shall be a NAV per unit for each Class; the NAV per unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of units in circulation for that Class at the same valuation point.
Northbound Trading	Investment trading carried out by Hong Kong and international investors (outside Mainland China) for selected securities listed in SSE and SZSE via Stock Connect.
OTC	Over-the-counter.
Phillip Global A.I.R. Fund	Phillip Global Agriculture, Infrastructure And Resources Fund.
PCM / Investment Manager	Phillip Capital Management Sdn Bhd 199501004372 (333567-D)
PMB / Company / Manager / we / our / us	Phillip Mutual Berhad 200201002746 (570409-K)
Restricted collective investment scheme(s)	MAS's authorised collective investment scheme(s) that is only accessible by accredited investors and other investors under the relevant Singapore regulation.
RMB	Renminbi.
SACSC	Shariah Advisory Council of the Securities Commission Malaysia.
SC Guidelines	Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia as may be amended from time to time.
SC / Securities Commission	Securities Commission Malaysia.
SEHK	Stock Exchange of Hong Kong.
Shariah	Means Islamic law comprising the whole body of rulings pertaining to human conducts derived from the sources of Shariah namely the <i>Qur'an</i> (the holy book of Islam), and <i>Sunnah</i> (practices and explanations rendered by the Prophet Muhammad (<i>pбуh</i>)) and other sources of Shariah such as <i>ijtihad</i> (exertion of individual efforts to determine the true ruling of the divine law on matters whose revelations are not explicit) of Shariah scholars.
Shariah Adviser	Amanie Advisors Sdn Bhd 200501007003 (684050-H) or any person or any corporation approved and registered by the Securities Commission Malaysia as Shariah adviser under the Registration of Shariah Advisers Guidelines appointed as the Shariah adviser for the Islamic funds.
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.
Shariah Supervisory Board	Refers to independent body of specialised jurists in <i>Fiqh al-mua'malat</i> (Islamic commercial jurisprudence).
short term	Below one year.
SSE	Shanghai Stock Exchange.
Standard & Poor's	Standard & Poor's Financial Services LLC.

Stock Connect	A unique collaboration between the SEHK, SSE and SZSE, which allows investors (e.g. global investors via Hong Kong and Mainland China investors) to trade securities in each other's exchanges through the trading and clearing facilities of their home exchange.
sukuk	Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SACSC or any relevant Shariah Supervisory Boards and/or the Shariah Adviser.
SZSE	Shenzhen Stock Exchange.
Target Fund	The collective investment scheme that Phillip Global Disruptive Innovation Fund invests predominantly in. Note: It refers to LionGlobal New Wealth Series - LionGlobal Disruptive Innovation Fund in the context of this document.
Target Fund Manager	Lion Global Investors Limited.
Trustee(s)	Universal Trustee (Malaysia) Berhad 197401000629 (17540-D) MTrustee Berhad 198701004362 (163032-V) CIMB Islamic Trustee Berhad 198801000556 (167913-M) CIMB Commerce Trustee Berhad 199401027349 (313031-A)
unitholder	The person for the time being who is registered pursuant to the deed as a holder of units, including a jointholder.
USD	United States Dollar.

2 CORPORATE DIRECTORY

Manager

Phillip Mutual Berhad 200201002746 (570409-K)

Business Office

B-2-7, Block B Level 2 Unit 7, Megan Avenue II
No. 12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel: 03-2783 0300 Fax: 03-2711 3036
E-mail: phillipmutual@poems.com.my
Website: www.phillipmutual.com

Registered Office

No. 3-1 Jalan Indrahana 2, Off Jalan Kuchai Lama
58200 Kuala Lumpur
Tel: 03-7983 0354 / 0948 / 6128

Trustees

Universal Trustee (Malaysia) Berhad

197401000629 (17540-D)

for Phillip Premier Fund

Registered Office:	Suite 11.1A, Level 11, Menara Weld, 76 Jalan Raja Chulan 50200 Kuala Lumpur
Business Office:	3 rd Floor, No. 1, Jalan Ampang 50450 Kuala Lumpur
Email:	unitrust@utmb.com.my
Tel:	03-2070 8050
Fax:	03-2031 8715
Website:	www.universaltrustee.com.my

MTrustee Berhad 198701004362 (163032-V)

for Phillip Pearl Fund, Phillip Dana Murni, Phillip SELECT Balance Fund, Phillip SELECT Income Fund and Phillip Dividend Fund

Registered Office:	B-2-9 (2 nd Floor), Pusat Perdagangan Kuchai, No. 2, Jalan 1/127, Off Jalan Kuchai Lama 58200 Kuala Lumpur
Business Office:	15 th Floor, Menara AmFIRST, No. 1, Jalan 19/3, 46300 Petaling Jaya, Selangor Tel: 03-7954 6862 Fax: 03-7954 3712
Email:	inquiry@mtrustee.com
Tel:	03-7954 6862
Fax:	03-7954 3712
Website:	www.mtrustee.com
Delegate:	Malayan Banking Berhad 196001000142 (3813-K)
Registered & Business Office:	8 th Floor, Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur
Tel:	03-2074 8158
Fax:	03-2032 1572
Website:	www.maybank.com

Trustees (continuation)

CIMB Islamic Trustee Berhad 198801000556 (167913-M)

for Phillip Dana Aman and Phillip Dana Dividen

Registered Office:	Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 0099
Website:	www.cimb.com
Business Office:	Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Email:	ss.corptrust@cimb.com
Tel:	03-2261 8888
Fax:	03-2261 9889
Website:	www.cimb.com
Delegate:	CIMB Bank Berhad 197201001799 (13491-P)
Registered Office:	Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 8889
Website:	www.cimb.com
Business Office:	Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 9892
Delegate	CIMB Islamic Bank Berhad 200401032872 (671380-H)
Registered Office:	Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 8889
Website:	www.cimb.com
Business Office:	Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 9892

Trustees (continuation)**CIMB Commerce Trustee Berhad
199401027349 (313031-A)**

for Phillip Recovery Fund, Phillip Income Fund, Phillip Focus18 Fund, Phillip Asia Brands Fund, Phillip Global Stars Fund, Phillip AsiaPac Income Fund, Phillip Focus China Fund, Phillip Global A.I.R. Fund, Phillip Dynamic AsiaPac Fund and Phillip Global Disruptive Innovation Fund

Registered Office:	Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 0099
Website:	www.cimb.com
Business Office:	Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Email:	ss.corptrust@cimb.com
Tel:	03-2261 8888
Fax:	03-2261 9889
Website:	www.cimb.com
Delegate:	CIMB Bank Berhad 197201001799 (13491-P)
Registered Office:	Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 8889
Website:	www.cimb.com
Business Office:	Level 21, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Tel:	03-2261 8888
Fax:	03-2261 9892

Shariah Adviser**AMANIE ADVISORS SDN BHD 200501007003 (684050-H)**

for Phillip Dana Aman, Phillip Dana Murni and Phillip Dana Dividen

Address:	Level 13A-2 Menara Tokio Marine Life 189, Jalan Tun Razak 50400 Kuala Lumpur, Malaysia
Tel:	03- 2161 0260
Fax:	03 2161 0262
Website:	www.amanieadvisors.com

3 THE FUNDS

Local Funds (note: All Local Funds below are having Ringgit Malaysia as their base currency)

3.1 Phillip Premier Fund

Phillip Premier Fund	
Fund category	Equity
Fund type	Growth and income
Characteristic	Fairly aggressive
Financial Year End	30 September
Distribution Policy	Distribution of income, if any, will be made once a year.
Investment Objective	<p>The Fund aims to achieve strong long-term capital growth with a consistently attractive income[□]. A strategy has been set up to create a balanced portfolio of equity securities with capital growth prospects and high income yielding and fixed interest securities.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>To attain the Fund's objective of providing investors with a consistently attractive income as well as capital appreciation, the Fund has significantly higher equity investment in companies with reasonable dividend yields and above average earnings growth potential. As such, we select a portfolio which adheres to fundamental valuations from sectors which are expected to grow higher than the market growth.</p>
Asset Allocation	<p>The Fund may invest up to 100%* (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Equity Investment Strategy We aim to identify companies adhering to fundamental valuations and offer prospects of above average earnings growth. Diversification into different industries will be implemented. Fixed Income and Money Market Instrument Investment Strategy Our strategy hinges on the need for a well-diversified portfolio and focuses on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic

Phillip Premier Fund	
	<p>analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific debt securities.</p> <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	The benchmark for the Fund is FTSE Bursa Malaysia Top 100 Index (FBM 100) or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad is widely used and publicly available from major newspapers on a daily basis. It will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.2 Phillip Pearl Fund

Phillip Pearl Fund	
Fund category	Equity (small cap)
Fund type	Growth
Characteristic	Aggressive
Financial Year End	31 March
Distribution Policy	Income, if any, will be distributed annually.
Investment Objective	<p>The Fund aims to achieve maximum capital growth over a medium to long-term period by investing mainly in small to medium-sized companies that have excellent prospects for growth.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	To achieve the Fund's objective of attaining maximum capital growth over a medium to long-term period, the Fund will have at least 50% of its NAV invested in small companies (i.e. up to RM1.5 billion in market capitalisation) at the point of investment, which have above average prospects for earnings growth. These companies may also have the potential of becoming blue chips in the future.
Asset Allocation	<p>The Fund may invest up to 100%* (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> • Equity Investment Strategy We aim to identify companies with a market capitalisation of RM1.5 billion and

Phillip Pearl Fund	
	<p>below which offer above average earnings growth prospects. Diversification into different industries will be implemented.</p> <p>The investment strategy is based on a disciplined "top-down" approach to asset allocation and sector allocation, using macroeconomic analysis, market analysis and industry analysis. Stock selection techniques are based on a "bottom-up" approach using business analysis and security valuation analysis. There is significant overlap between the various disciplines governing these processes, with strong interaction between the determination of asset allocation and stock selection.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy <p>Our strategy hinges on the need for a well-diversified portfolio and focuses on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific debt.</p> <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	The benchmark for the Fund is the FTSE Bursa Malaysia EMAS Index (FBM EMAS) or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad and the data is widely used and publicly available from major newspapers on a daily basis. It will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.3 Phillip Dana Aman

Phillip Dana Aman	
Fund category	Shariah-compliant Equity
Fund type	Growth and income
Characteristic	Fairly aggressive
Financial Year End	31 March
Distribution Policy	Distribution of income, if any, will be made once a year.
Investment Objective	<p>The Fund aims to provide the unitholders with consistently above average returns in both income[□] and capital growth over a medium to long-term period by investing in a wide portfolio of authorised securities and investments which comply with Shariah principles.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>To achieve the Fund's objective of providing investors with consistently above average income higher than that of fixed deposit rates and capital appreciation, we construct a diversified investment portfolio that is acceptable under the Shariah principles.</p> <p>In upholding the spirit of Islamic fund management, we invest solely in companies that are classified as Shariah-compliant by the SACSC and/or the Shariah Adviser from time to time, and in sukuk that comply with Shariah principles. Accordingly, the Fund will not invest in companies that are involved in conventional banking and lending, conventional insurance, gambling, alcoholic beverages and non-halal food products.</p>
Asset Allocation	The Fund may invest up to 95%* (minimum equity allocation is 70%) of its NAV in Shariah-compliant equities and Shariah-compliant equity-related securities but

Phillip Dana Aman	
	<p>this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for Islamic liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign Shariah-compliant equities is up to 30% of its NAV only. The investment in foreign Shariah-compliant equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>While the maximum limit for Shariah-compliant equity investments is 95% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in Shariah-compliant equities and Shariah-compliant equity-related securities, will be invested in sukuk and Islamic money market instruments. The Fund will not purchase bonds, debentures or other interest paying obligations.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Equity Investment Strategy The Fund will invest in a diversified portfolio of equities that comply with the Shariah principles. The investment strategy is based on a disciplined "top-down" approach to asset allocation and sector allocation, using macroeconomic analysis, market analysis and industry analysis. Stock selection techniques are based on a "bottom-up" approach using business analysis and security valuation analysis. There is significant overlap between the various disciplines governing these processes, with strong interaction between the determination of asset allocation and stock selection. Sukuk And Islamic Money Market Investment Strategy Our strategy hinges on the need for a well-diversified portfolio and focuses on the credit qualities of Shariah-compliant securities in the portfolio. The sukuk portfolio construction process is research driven and is based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific sukuk. <p>As for our strategy for investment in Islamic money market instruments, the Fund shall invest in Islamic money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the Islamic money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested Islamic money market instruments within a reasonable time frame.</p> <p>Interest rate is a general indicator that will have an impact on the management of a fund regardless of whether it is an Islamic fund or otherwise. 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 requirements of the Shariah.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 95% FTSE Bursa Malaysia EMAS Shariah Index (FBMS), or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 5% 3-Month Islamic Interbank Money Market [IIMM] Rate. The composite benchmark is reflective of the medium to long term asset allocation of the Fund, which leans heavily towards Shariah-compliant equities. The indices data are available from major newspapers on a daily basis. These data will also be published as a comparison against the Fund's total return</p>

Phillip Dana Aman	
	at least on a monthly basis in our publications, a copy of which can be found on our website.

3.4 Phillip Recovery Fund

Phillip Recovery Fund	
Fund category	Equity
Fund type	Growth
Characteristic	Aggressive
Financial Year End	30 June
Distribution Policy	Distribution of income, if any, will be made once a year.
Investment Objective	<p>The Fund aims to provide above average returns in the form of capital growth over a medium to long-term period by investing mainly in cyclical stocks, stocks that are likely to be crisis survivors as well as stocks that are undergoing restructuring, which may offer considerable recovery prospects and also any other investments as may be permitted by the Securities Commission from time to time. As this Fund concentrates on capital appreciation, there will be little or no income distribution.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	To achieve its objective of attaining above average returns in the form of capital growth over a medium to long-term period, the Fund's investment strategy is to invest primarily in equities of companies which we believe have a good likelihood of recovery from any cyclical downturn or some non-structural setback with strong possibility of earnings improvement. Recovery is defined as the overcoming of economic or financial setbacks or difficulties and the regaining of the former economic or financial fundamentals.
Asset Allocation	<p>The Fund may invest up to 100%* (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Equity Investment Strategy In line with the Fund's objectives of achieving high capital growth, the Fund will invest in a diversified portfolio of equities. In this respect, the Fund will primarily invest in: <ul style="list-style-type: none"> - Cyclical stocks which are out of favour as a result of a downturn in the particular sector. - Stocks which are likely to be crisis survivors that can thrive when the economy recovers. - Stocks that are undergoing business transformation involving mergers and acquisitions or in the process of streamlining or re-organisation of its core businesses which would enable them to emerge stronger so as to be able to tap the growth prospects upon the eventual recovery of the economy. <p>The investment strategy is based on a disciplined "top-down" approach to</p>

Phillip Recovery Fund	
	<p>asset allocation and sector allocation, using macroeconomic analysis, market analysis and industry analysis. Stock selection techniques are based on a "bottom-up" approach using business analysis and security valuation analysis.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy Our strategy hinges on the need for a well-diversified portfolio and focuses on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific debt securities. As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.
Performance Benchmark	The benchmark for the Fund is FTSE Bursa Malaysia Top 100 Index (FBM 100) or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad is widely used and publicly available from major newspapers on a daily basis. It will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.5 Phillip Income Fund

Phillip Income Fund	
Fund category	Mixed asset (conservative)
Fund type	Income and growth
Characteristic	Fairly conservative
Financial Year End	30 September
Distribution Policy	Distribution of income, if any, will be made once a year.
Investment Objective	<p>The Fund aims to achieve consistently attractive and stable income[□] with reasonable preservation of capital by investing in a diversified portfolio of fixed income securities such as bonds and money market instruments as well as stocks that offer a steady dividend income stream. The Fund also aims to provide moderate capital growth over a medium to long-term period.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>[□] <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	To attain the Fund's objective of achieving consistently attractive and stable income with reasonable preservation of capital, the Fund will invest in a diversified portfolio of fixed income securities such as bonds and money market instruments as well as stocks that offer a steady dividend income stream.
Asset Allocation	<p>The Fund may invest up to 40%* (minimum equity allocation is 20%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. The minimum fixed income and money market instruments allocation is set at 30% of the Fund's NAV. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p>

Phillip Income Fund	
	<p>Actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy Our strategy hinges on the need for a well-diversified portfolio and focuses on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and is based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of specific debt securities. <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p> <ul style="list-style-type: none"> Equity Investment Strategy The Fund invests in equities that are fundamentally sound and have excellent potential for medium to long-term capital appreciation. Since the Fund's investment philosophy is mainly fundamentals driven, we will constantly rotate its portfolio selection to accommodate the prevailing macroeconomic outlook. Meanwhile, the Fund will also actively search for under-valued stocks that can offer promising capital returns. <p>The investment strategy is based on a disciplined "top-down" approach to asset allocation and sector allocation, using macroeconomic analysis, market analysis and industry analysis. Stock selection techniques are based on a "bottom-up" approach using business analysis and security valuation analysis.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 40% FTSE Bursa Malaysia Top 100 Index (FBM 100) index, or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 60% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR) index. The composite benchmark is reflective of the asset allocation of the Fund. The indices data are available from major newspapers on a daily basis. These data will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>

3.6 Phillip Dana Murni

Phillip Dana Murni	
Fund category	Sukuk
Fund type	Income
Characteristic	Conservative
Financial Year End	31 March
Distribution Policy	Income, if any, will be distributed annually.
Investment Objective	<p>The Fund aims to achieve a stable income[□] stream with reasonable protection of capital by investing in a diversified portfolio of sukuk and other Islamic liquid assets. The Fund may also provide some degree of capital growth potential over a medium to long-term period.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p><i>Note: Phillip Dana Murni is not a capital protected fund.</i></p>

Phillip Dana Murni	
	<p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>To attain the Fund's objective of achieving a stable income stream with reasonable protection of capital, the Fund will invest in a diversified portfolio of predominantly sukuk, which generally produce higher yield than government sukuk and Islamic money market instruments.</p> <p>In ensuring compliance with Shariah requirements for fund management, the Fund will be invested solely in sukuk as approved by the Securities Commission. With this, investors of the Fund will benefit not only from the higher returns of sukuk but also are assured that their investments comply with Shariah requirements at all times.</p> <p><i>Note: Phillip Dana Murni is not a capital protected fund.</i></p>
Asset Allocation	<p>The Fund may invest up to 95% (minimum sukuk allocation is 70%) of its NAV in sukuk. The balance of the Fund's NAV that is not invested in sukuk will be invested in money market instruments. An internal allocation for Islamic liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for sukuk investments is 95% of the Fund's NAV, asset allocation employed varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Sukuk And Islamic Money Market Investment Strategy In managing the Fund's investments in sukuk, our strategy hinges on the need for a well-diversified portfolio and focus on the credit qualities of Shariah-compliant securities in the portfolio. The sukuk portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of any specific sukuk. <p>As for our strategy for investment in Islamic money market instruments, the Fund shall invest in Islamic money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the Islamic money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested Islamic money market instruments within a reasonable time frame.</p> <p>Interest rate is a general indicator that will have an impact on the management of a fund regardless of whether it is an Islamic fund or otherwise. 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 requirements of the Shariah.</p>
Performance Benchmark	<p>The benchmark for the Fund is Maybank 12-Month Islamic Fixed Deposit Rate and available at www.maybank2u.com.my. It will be published as a comparison against the Fund's total return at least on monthly basis in our publications, a copy of which can be found on our website.</p>

3.7 Phillip SELECT Balance Fund

Phillip SELECT Balance Fund	
Fund category	Balanced
Fund type	Growth and income
Characteristic	Fairly conservative
Financial Year End	30 June
Distribution Policy	Income, if any, will be distributed annually.

Phillip SELECT Balance Fund	
Investment Objective	<p>The Fund aims to provide medium to long-term capital growth and some income[□] by actively allocating its assets among a diversified portfolio of equity and fixed income securities according to market conditions.</p> <p>Any material changes to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>The Fund uses an investment process that monitors and defines the key drivers of equity and fixed income asset classes. From that analysis, the Manager will determine the asset allocation strategy. The allocation of funds into specific equity or fixed income securities will be based on the individual assessment of the instruments' potentials.</p> <p>The Fund will actively rebalance its portfolio between equity and fixed income classes if there are significant changes in the key drivers of the asset class, changes in values of the instruments, or changes in fund flows.</p>
Asset Allocation	<p>The Fund may invest up to a maximum of 60%* of its NAV in equities and equity-related securities.</p> <ul style="list-style-type: none"> Equity allocation: minimum - 40%; maximum - 60% Fixed income and money market instrument allocation: minimum - 40%; maximum - 60% <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy In managing the Fund's investments in fixed income securities, its strategy depends on the need for a well-diversified portfolio and focus on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of any specific bonds. As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame. Equity Investment Strategy The Fund will favor companies which are fundamentally sound with stable earnings growth and strong financial positions. The investment strategy for the Fund is to apply a disciplined top-down strategy of macroeconomic, financial markets and industry analysis. The bottom-up approach will also be utilised, which places individual securities through rigorous analysis using criteria such as sustainable earnings growth, returns on equity, capable management, financial position strength and attractive valuations relative to fair value. The Fund may for short-term risk management undertake tactical asset allocation and reduce its equity position below the minimum allocation should

Phillip SELECT Balance Fund	
	expectations arise for deterioration in equity prices as the Fund's temporary defensive position. Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.
Performance Benchmark	The benchmark for the Fund is a composite of the 60% FTSE Bursa Malaysia Top 100 Index (FBM 100) index, or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 40% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR) index. The composite benchmark is reflective of the asset allocation of the Fund. The indices data are available from major newspapers on a daily basis. These data will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.8 Phillip SELECT Income Fund

Phillip SELECT Income Fund	
Fund category	Fixed income
Fund type	Income
Characteristic	Conservative
Financial Year End	30 June
Distribution Policy	Income, if any, will be distributed annually.
Investment Objective	<p>The Fund aims to provide a consistent and attractive stream of income[□] higher than fixed deposit rates and may also provide moderate capital growth over the medium to long term by investing in a diversified portfolio of fixed income and equity securities.</p> <p>Any material changes to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>The Fund is a more conservative version of a balanced income fund but more aggressive than a pure bond fund because of its maximum 20% equity exposure.</p> <p>We will monitor and define the key drivers of equity and fixed income asset classes. From that analysis, the Manager will determine the asset allocation strategy. The allocation of funds into specific equity or fixed income securities will be based on the individual assessment of the instruments' potentials.</p> <p>The Fund will actively rebalance its portfolio between equity and fixed income classes if there are significant changes in the key drivers of the asset class, changes in values of the instruments, or changes in fund flows. Investments in fixed income securities may be held for longer periods and less reallocation will be made to lock in favourable yields.</p>
Asset Allocation	<p>The Fund may invest up to a maximum of 20% of its NAV in equities and equity-related securities.</p> <ul style="list-style-type: none"> Equity allocation: minimum - 10%; maximum - 20% Fixed income allocation: minimum - 70% <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy In managing the Fund's investments in fixed income securities, its strategy depends on the need for a well-diversified portfolio and focus on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via

Phillip SELECT Income Fund	
	<p>active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of any specific bonds.</p> <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p> <ul style="list-style-type: none"> Equity Investment Strategy Generally, the Fund will invest in companies which are fundamentally sound with stable earnings growth and strong financial positions. The investment strategy for the Fund is to apply a disciplined top-down strategy of macroeconomic, financial markets and industry analysis. The bottom-up approach will also be utilised, which places individual securities through rigorous analysis using criteria such as sustainable earnings growth, returns on equity, capable management, financial position strength and attractive valuations relative to fair value. The Fund may for short-term risk management undertake tactical asset allocation and reduce its equity position below the minimum allocation should expectations arise for deterioration in equity prices.
Performance Benchmark	The benchmark for the Fund is a composite of 20% FTSE Bursa Malaysia Top 100 Index (FBM 100) index, or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 80% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR) index. The composite benchmark is reflective of the asset allocation of the Fund, i.e. skewed towards fixed income investments. The indices data are available from major newspapers on a daily basis. These data will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.9 Phillip Dividend Fund

The name of this Fund, Phillip Dividend Fund, reflects its specialised investment strategy of seeking securities with actual or potential sustainable and high dividend yields.

Phillip Dividend Fund	
Fund category	Equity
Fund type	Growth and Income
Characteristic	Fairly aggressive
Financial Year End	31 December
Distribution Policy	Income, if any, will be distributed twice a year.
Investment Objective	<p>The Fund aims to provide steady recurring income[□] that is potentially higher than prevailing fixed deposit rates by investing in a portfolio of stocks that are paying or have the potential to pay attractive dividend yields.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>To attain the Fund's objective of generating attractive income and capital gains, the Fund will invest in a diversified portfolio of equity and fixed income instruments. The Fund will attempt to exceed the prevailing 12-month fixed deposit rates published by leading banks or Bank Negara Malaysia by investing in a portfolio of equities and fixed income instruments whose average yields and capital gains could potentially generate such returns. If we cannot identify suitable equities with attractive current or potential future dividend yields, monies will be parked in fixed income instruments with attractive yields (up to 30% of the Fund's NAV).</p> <p>Stock selection will not be based solely on existing high dividend criteria. In the search for high dividend-yielding stocks, we will also undertake fundamental analysis to determine the future prospects of prospective investee companies, the prospects of the industries they are operating in and the overall macroeconomic picture. These factors in turn have a bearing on the future dividends paid by these</p>

Phillip Dividend Fund	
	<p>companies. A key component is to identify those companies which may not have a dividend track record, but may be in a position to undertake a dividend payment.</p> <p>Notwithstanding the investment objective of the Fund, we may from time to time, due to economic conditions, temporarily invest in fixed income securities or other liquid assets to protect the capital of the Fund.</p>
Asset Allocation	<p>The Fund may invest up to 100%* (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. Maximum fixed income allocation is set at 30% of the Fund's NAV. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p><i>*The Fund's exposure (if any) in foreign equities is up to 30% of its NAV only. The investment in foreign equities are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. It is important to know that the Fund's foreign exposure, if any, will be limited in scope and depth, and is on optional basis, not permanent basis.</i></p> <p>The Fund can adopt temporary defensive position depending on the market, economic, political or other conditions. Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <ul style="list-style-type: none"> Equity Investment Strategy The Fund may invest up to 100% of its assets in stocks that have a consistent dividend policy (i.e. having paid dividends three out of the last five years), historical or expected dividend yield and potential for capital growth, that is on average higher than the prevailing 12-month fixed deposit rate as published by leading banks or Bank Negara Malaysia. The balance will be invested in high-yielding fixed income instruments. The Fund will only invest up to its maximum equity allocation of 100% when there are sufficient high-yielding or potentially high-yielding dividend stocks available. During bull markets and where overall dividend yields* can be low relative to bank deposit returns, the Fund will increase its holding of fixed income instruments while reducing its equity weightage. However, the Fund will still observe the minimum 70% equity allocation. As market prices rise, the dividend yields would drop and if stock prices are overly bullish (rise too much), the dividend yields could drop to well below prevailing deposit returns/rates. <p>* Dividend yield = Fixed dividend/Market price</p> <p>The Fund will be restricted to the following:</p> <ul style="list-style-type: none"> - A minimum of 70%** of the invested equity or equity-related securities has to be invested in securities with a track record of having paid dividends three out of the last five years. - A maximum of 30%** of the invested equity or equity-related securities can be invested in securities with the potential to pay dividends within the next 12-month period. <p>** This 70:30 allocation refers only to the portion of investment in equity.</p> <p>A small portion of the Fund may be used for short-term trading, when opportunities arise. Opportunities will include but are not limited to arbitrage situations, discrepancies in valuation, expected liquidity surges and thematic plays. When there are no opportunities, the Fund will not conduct any short-term trading.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investments In managing the Fund's investments in fixed income securities, our strategy hinges on the need for a well-diversified portfolio and focus on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via

Phillip Dividend Fund	
	<p>active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of any specific bonds.</p> <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	The benchmark for the Fund is FTSE Bursa Malaysia Top 100 Index (FBM 100) or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad is widely used and publicly available from major newspapers on a daily basis. It will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

Global Funds

(note: Unless otherwise stated, all Global Funds below are having Ringgit Malaysia as their base currency)

3.10 Phillip Focus18 Fund

Phillip Focus18 Fund	
Fund category	Equity
Fund type	Growth
Characteristic	Aggressive
Financial Year End	30 September
Distribution Policy	Income, if any, will be distributed annually.
Investment Objective	<p>The Fund aims to achieve high capital growth over the long term by investing in a concentrated portfolio of equity and equity-related securities.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	The Fund will conduct in-depth fundamental company analysis in determining the appropriate equities for the Fund. A bottom-up investment approach is the core strategy of this Fund. Considerations such as individual company growth prospects and fundamental and market valuations would be the primary criteria for investment selection. Broad market and economic conditions would also be taken into account in investment selection and asset allocation. However, this would be a secondary strategy to equity selection.
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Equity Investment Strategy <p>The Fund has a target of creating an optimal portfolio of no more than 18 equity and equity-related securities at any one time. While the Fund aims to construct an optimal portfolio of no more than 18 equity and equity-related securities, the Fund may temporarily expand its portfolio up to a maximum of</p>

Phillip Focus18 Fund	
	<p>28 equity and equity-related securities under certain circumstances. These circumstances include but are not limited to the following:</p> <ul style="list-style-type: none"> - Periods of severe equity market price weakness, where greater portfolio diversification may be required. - When there is insufficient liquidity in equity securities for the Fund to transact efficiently. <p>In the event of general market overvaluation, the Fund may reduce its holdings to the minimum percentage allowed and/or switch to defensive equities.</p> <p>The Fund will conduct in-depth fundamental company analysis in determining the appropriate equities for the Fund. A bottom-up investment approach is the core strategy of this Fund to identify high conviction investments to reduce volatility and provide greater stability for the relatively more concentrated fund mandate.</p> <p>Considerations such as individual company growth prospects and fundamentals and market valuations would be the primary criteria for investment selection. Broad market and economic conditions would also be taken into account in investment selection and asset allocation. However, this would be a secondary strategy to equity selection.</p> <ul style="list-style-type: none"> ▪ Targeted Foreign Markets The targeted foreign markets in which the Fund may invest in listed and unlisted securities are Singapore, Thailand, Philippines, Indonesia, Hong Kong, China, Taiwan, South Korea, Japan, India, Sri Lanka, Australia, New Zealand, USA, Canada, UK, Ireland, France, Germany, Netherlands, Belgium, Spain, Italy, Norway, Denmark, Luxembourg, Switzerland, Finland and Sweden. <p>While the Fund may not invest directly in markets in Taiwan and India, the Fund may invest in collective investment schemes listed on or available in other permitted markets and whose underlying securities are in Taiwan and India. The Fund may also invest in listed and unlisted securities of other foreign markets not listed herein, where the regulatory authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p> <ul style="list-style-type: none"> • Fixed Income and Money Market Instrument Investment Strategy The Fund may invest in fixed income securities during periods when our investment strategy favour risk-adjusted returns in fixed income over equity securities. <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 50% FTSE Bursa Malaysia Top 100 Index (FBM 100), or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 50% MSCI AC World Index (MXWD). The composite benchmark is reflective of the long term global and local equity allocations of the Fund. The FBM 100 index data is widely used and publicly available from major newspapers on a daily basis. The MXWD index data is available from Bloomberg's website, www.bloomberg.com, and supporting information services. These composite benchmark will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>

3.11 Phillip Asia Brands Fund

Phillip Asia Brands Fund	
Fund category	Equity
Fund type	Growth
Characteristic	Aggressive
Financial Year End	31 March
Distribution Policy	Income, if any, will be distributed annually.
Investment Objective	<p>The Fund aims to provide high capital growth in the medium to long term by investing in a portfolio of listed companies that have strong brand equity in the Asian region.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	The Fund will invest in securities of companies with strong or developing brand equity in the Asian region and which may be listed in any major global stock exchange.
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in equities and equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>During extended bull markets and where overall equity valuations are high, the Fund may increase its fixed income allocation while reducing its equity allocation.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> • Equity Investment Strategy <p>In determining the securities of companies that will be included in the Fund, we will take into account not just the strengths of the brands possessed by the companies, but also the ability of these brands to generate sustainable growth in revenues and profits for the respective companies. The Fund's investments will include listed holding companies that own businesses with strong brand equity and identity recognition. The Fund may also invest up to 30% of its NAV in equity and equity-related securities of companies with developing brand equity.</p> <p>The Fund will be actively managed to optimise return-risk opportunities to investors.</p> <p>The minimum allocation of the Fund's NAV is 70%. The Manager may bring the equity weighting to below the minimum level in circumstances where a significant downturn in the Asian or global economy or equity market is expected.</p> ▪ Targeted Foreign Markets <p>The targeted foreign markets in which the Fund may invest in listed and unlisted securities are Singapore, Thailand, Philippines, Indonesia, Hong Kong, China, Taiwan, South Korea, Japan, India, Sri Lanka, Australia, New Zealand, USA, Canada, UK, Ireland, France, Germany, Netherlands, Belgium, Spain, Italy, Norway, Denmark, Luxembourg, Switzerland, Finland and Sweden.</p> <p>While the Fund may not invest directly in markets in Taiwan and India, the Fund may invest in collective investment schemes listed on or available in other permitted markets and whose underlying securities are in Taiwan and India. The Fund may also invest in listed and unlisted securities of other foreign markets not listed herein, where the regulatory</p>

Phillip Asia Brands Fund	
	<p>authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Instrument Investment Strategy The Fund may invest in fixed income securities during periods when our investment strategy favour risk-adjusted returns in fixed income over equity securities. As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.
Performance Benchmark	<p>The benchmark for the Fund is a composite of 50% MSCI All Countries World Consumer Staples USD Index (MSCUCSTA) and 50% MSCI All Countries World Consumer Discretionary USD Index (MSCUCDIS). The composite benchmark for the Fund is derived from MSCI's globally recognised world consumer sector indices covering consumer staples and consumer discretionary investments. These composite benchmark are available from Bloomberg's website, www.bloomberg.com, and supporting information services and will be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>

3.12 Phillip Global Stars Fund

Phillip Global Stars Fund	
Fund category	Equity
Fund type	Growth and income
Characteristic	Fairly aggressive
Financial Year End	30 September
Distribution Policy	Investors will receive income distributions once a year subject to the availability of income.
Investment Objective	<p>The Fund aims to provide capital growth and some income[□] in the medium to long term by investing in a portfolio of global securities.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>The Fund will invest in a portfolio of global securities that have good growth potential. From an equities universe that may meet the Fund's objective, we will undertake a broad-based analysis and classify them into the following before undertaking further analysis:</p> <ul style="list-style-type: none"> Strongly outperform: Total return of the equities is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis. Outperform: Total return of the equities is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis. Neutral: Total return of the equities is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

Phillip Global Stars Fund	
	<ul style="list-style-type: none"> • Underperform: Total return of the equities is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price is not anticipated to show a gain. • Strongly underperform: Total return of the equities is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis. <p>Equities that we consider as 'strongly outperform' and 'outperform' have historically provided favourable performance compared to market returns as measured by the relevant benchmarks for US, Europe and Asia.</p> <p>Hence, the Manager believes the Fund's investment objectives may be met by investing in such equities. However, no assurance can be given that this will be the case or that the Fund's investment objective will be met.</p> <p>The Manager will place strong emphasis on bottom-up investing strategy, focusing on selecting equities with good growth potential that are available at a reasonable price and adding an overlay of tactical asset allocation. Broad economic issues, geographic exposures and sector and industry weightings will be considered in the construction of the Fund's portfolio, as a secondary emphasis.</p> <p>The Fund may invest in equities and equity-related securities limited to preference shares, rights issues, warrants or covered warrants, convertible loan stocks, equity options or futures and listed structured products. Please also refer to the general risks commencing on page 46 and the section on the Fund's permitted investment on page 38.</p> <p>While the Fund invests 70% to 100% of its NAV in equity and equity-related securities, the Fund may invest the balance of its NAV that is not invested in equity and equity-related securities in the following securities/instruments:</p> <ul style="list-style-type: none"> • Fixed income. • Collective investment scheme, exchange traded fund (ETF) and real estate investment trusts (REITs). • Structured products such as bond linked notes, currency linked notes, interest rate linked notes, commodity (contracts) linked notes and credit linked notes. • Money market/liquid assets. <p>Investment in structured product will be in accordance with the limits set out in the master prospectus and shall only be made in the listed structured product that carries features of capital protected and/or capital guaranteed by the structured product issuer. Please refer to section 4.2 of this Master Prospectus.</p> <p>The Fund is actively managed by the Manager to optimise returns and minimise risk to investors.</p>
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in equities and equity-related securities listed on any major global stock exchange but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions.</p> <p>In the event of exceptional circumstances where equities markets are forecast to have protracted or extreme retracements, the Fund may, as a defensive posture, breach its minimum limit in equity holdings to protect the Fund's investments.</p> <p>The balance of the Fund's NAV that is not invested in equities and equity-related securities, will be invested in fixed income securities and money market instruments, and potentially in collective investment schemes, ETF, REITs and structured products.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> • Equity Investment Strategy The Manager will select equities from our researched equities list that we have classified as 'strongly outperform', 'outperform' and 'neutral'. 'Strongly

Phillip Global Stars Fund	
	<p>outperform' and 'outperform' rankings are given to equities believed to have the greatest potential to beat their benchmarks over the coming 12 months. If an equity security subsequently ranks lower than our 'neutral' classification, the Fund will dispose of it. Vice versa, if a previously lowly classified equity is upgraded to at least a 'neutral', the Fund will consider it as an investment prospect.</p> <p>The selection process relies on a disciplined investment approach that combines fundamental analysis, (intrinsic and relative valuations) technical analysis, sector strategies, reasonable turnover and a "top-down" overlay. The rankings are based on detailed qualitative and quantitative analyses of equities and their total return potential relative to their respective benchmarks over the coming 12 months.</p> <p>The Manager will conduct subsequent detailed fundamental analysis of each equity security to further narrow down the list of equities that best fit the Fund's investment objective and strategy.</p> <ul style="list-style-type: none"> ▪ Targeted Foreign Markets The targeted foreign markets in which the Fund may invest in listed and unlisted securities are Singapore, Thailand, Philippines, Indonesia, Hong Kong, China, Taiwan, South Korea, Japan, India, Sri Lanka, Australia, New Zealand, USA, Canada, UK, Ireland, France, Germany, Netherlands, Belgium, Spain, Italy, Norway, Denmark, Luxembourg, Switzerland, Finland and Sweden. <p>While the Fund may not invest directly in markets in Taiwan and India, the Fund may invest in collective investment schemes listed on or available in other permitted markets and whose underlying securities are in Taiwan and India. The Fund may also invest in listed and unlisted securities of other foreign markets not listed herein, where the regulatory authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p> <ul style="list-style-type: none"> • Fixed Income And Money Market Investment Strategy The Fund may invest in fixed income securities during periods when our investment strategy favour risk-adjusted returns in fixed income over equity securities. <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 65% S&P 500 Index (SPX), 25% S&P Europe 350 Index (SPE) and 10% S&P Asia 50 Index (SPA50) and these data are derived, calculated and maintained by the Manager using publicly available S&P indices namely S&P 500 Index, S&P Europe 350 Index and S&P Asia 50 Index. The composite benchmark is reflective of the longer term focus of the Fund in the respective regions – it is also reflective of the relative equity market capitalisation of the respective regions. These composite benchmark are available from Bloomberg's website, www.bloomberg.com, and supporting information services and will be published by the Manager as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>

3.13 Phillip AsiaPac Income Fund

Phillip AsiaPac Income Fund	
Fund category	Balanced
Fund type	Income and growth
Characteristic	Fairly conservative
Financial Year End	31 December
Distribution Policy	Investors will receive income distributions once a year subject to the availability of income.
Investment Objective	<p>The Fund aims to provide steady and attractive income[□] and moderate growth in the medium to long term by investing in a portfolio of Malaysian and foreign securities.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>[□] <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>The Fund will invest in a diversified portfolio of Malaysian and foreign securities that consist of fixed income securities and money market instruments as well as equities and equity-related securities and collective investment schemes.</p> <p>The Fund's investments in equities and equity-related securities generally will be focused on high dividend yielding equities or those with the potential to make attractive dividend payments. The Fund may also invest in equities with good growth potential available at a reasonable price to enhance returns. The Fund will also invest in Real Estate Investment Trusts (REIT) and other collective investment schemes.</p> <p>In addition to attractive dividend yields and REIT distributions, the Manager will take into account the existing fundamentals of companies and REIT researched and the medium to long-term ability of these companies and REIT to continually grow their business, profits and hence, dividend yield or distribution potential. Extensive "bottom-up" fundamental analysis combined with "top-down" economic and technical analysis will be conducted in managing the Fund's investments.</p> <p>The Fund is actively managed to optimise returns and minimise risk to investors.</p> <p>The targeted foreign markets in which the Fund may invest in are Singapore, Thailand, Philippines, Indonesia, Hong Kong, China, Taiwan, South Korea, Japan, India, Sri Lanka, Australia and New Zealand; and any other foreign market not listed herein, where the regulatory authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p>
Asset Allocation	<p>The Fund may invest up to 50% (minimum equity allocation is 40%) of its NAV in equities and equity-related securities, REIT and other collective investment schemes but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the global economic and stock market conditions. An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for equity investments is 50% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions and Fund's cashflows.</p> <p>The Fund's NAV that is not invested in equities and equity-related securities and REIT and other collective schemes, will be invested in fixed income securities and money market instruments (minimum fixed income allocation is 40%; maximum fixed income allocation is 60%).</p> <p>▪ Equity Investment Strategy</p>

Phillip AsiaPac Income Fund	
	<p>The Fund may invest a maximum of 50% of its NAV in equities and equity-related securities* and collective investment schemes including REIT.</p> <p><i>* Equity-related securities include rights, warrants and covered warrants, equity options, equity futures, loan stocks and Participatory Notes or 'P' Notes issued by global financial institutions and listed on a foreign exchange.</i></p> <p>Please also refer to "Participatory Notes (P-Notes) risk" at page 48.</p> <p>As a defensive posture, the Fund's minimum 40% of NAV in equities and equity-related securities and collective investment schemes allocation may be reduced to below the floor at the Manager's discretion, depending on market, economic, political or other conditions. These conditions include but are not limited to:</p> <ul style="list-style-type: none"> ▪ Where the equity markets are expected to experience protracted or extreme retracements leading to substantial capital loss. ▪ When there is insufficient liquidity in equity securities for the Fund to transact efficiently. ▪ When there are insufficient attractive equity investments to form an efficient portfolio. ▪ When there is large redemption affecting the liquidity position of the Fund. <p>Investments used for temporary defensive positions will include deposits/ liquid assets and money market instruments.</p> <p>When a Fund is taking a temporary defensive position, we may adopt an investment strategy which may not be in line with the Fund's investment objective.</p> <ul style="list-style-type: none"> • Fixed Income and Money Market Investment Strategy In managing the Fund's investment in fixed income securities, its strategy depends on the need for a well-diversified portfolio and focus on the credit qualities of securities in the portfolio. The fixed income portfolio construction process is research driven and based on macroeconomic analysis, interest rate analysis, credit analysis and yield spread analysis. Other than the development of a broad asset allocation model, contributions will be made via active management to capitalise on changes in interest rates, inter-sector yield spreads and yield spreads of any specific bonds. <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 40% MSCI All Countries Asia Pacific Ex-Japan Index (MXAPJ) and 60% 3-Month Kuala Lumpur Interbank Offer Rate (KLIBOR), which reflects the asset and geographical allocation of the Fund. The 3-month KLIBOR index data is widely used and publicly available from major newspapers on a daily basis. The MSCI All Countries Asia Pacific Ex-Japan Index is available from Bloomberg's website, www.bloomberg.com, and supporting information services. These data will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.</p>

3.14 Phillip Dana Dividen

The name of this Fund, Phillip Dana Dividen, reflects its specialised investment strategy of seeking Shariah-compliant securities with actual or potential sustainable and high dividend yields.

Phillip Dana Dividen	
Fund category	Shariah-compliant Equity
Fund type	Growth and income
Characteristic	Fairly aggressive
Financial Year End	30 June

Phillip Dana Dividen	
Distribution Policy	Investors will receive income distributions once a year subject to the availability of income.
Investment Objective	<p>The Fund aims to provide capital growth and steady and attractive income[□] in the medium to long term by investing in a portfolio of equities that are paying or have the potential to pay attractive dividends and that comply with Shariah requirements.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>
Investment Policy and Strategy	<p>The Fund will invest in a diversified portfolio of Shariah-compliant securities that have a track record of consistent and attractive dividend payout policy. Shariah-compliant equities that are experiencing high growth and which have good potential to initiate or increase dividend payouts will also be considered.</p> <p>In upholding the spirit of Islamic fund management, the Fund will invest in equities of companies that are classified as Shariah-compliant by the SACSC and/or the Shariah Adviser from time to time, and in sukuk that comply with Shariah requirements. Accordingly, the Fund will not invest in companies that are involved in conventional banking and lending, conventional insurance, gambling, alcoholic beverages and non-halal food products as well as any Shariah non-compliant business activities.</p>
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in Shariah-compliant equities and Shariah-compliant equity-related securities but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the global economic and stock market conditions. An internal allocation for Islamic liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>While the maximum limit for Shariah-compliant equity investments is 100% of the Fund's NAV, actual asset allocation varies according to our investment outlook and investment strategies after taking into consideration the prevailing market conditions and Fund's cashflows.</p> <p>The Fund's NAV that is not invested in Shariah-compliant equities and Shariah-compliant equity-related securities, will be invested in sukuk, Islamic money market instruments as well as Islamic liquid assets.</p> <p>- Equity Investment Strategy</p> <p>In addition to attractive dividend yields, the Manager will take into account the existing fundamentals of companies and their medium to long-term ability to continually grow their businesses, profits and hence, dividend payout potential. Extensive bottom-up fundamental analysis combined with top down economic and technical analysis will be conducted in managing the Fund's Shariah-compliant investments. Other valuation measures and financial analysis that the Manager could use include price to earnings (PE); PE to growth and price to book ratios; financial position strength; profit margins and growth; cashflow analysis; quality of earnings and management.</p> <p>The Fund will be actively managed to optimise returns and minimise risk to investors. The Fund will invest up to its maximum Shariah-compliant equity allocation when there is sufficient high yielding or potentially high yielding dividend Shariah-compliant equities available. During extended bull markets and where overall yields could be low relative to alternative Shariah-compliant investments, the Fund may increase its sukuk investments while reducing its holdings in Shariah-compliant equities. The increase in sukuk and reducing holding in Shariah-compliant equities are still within the asset allocation limit.</p> <p>In order to achieve optimal diversification, the Fund may also invest up to 50% of its NAV in foreign Shariah-compliant equities. The countries in which the Fund may invest in are US, UK, Japan, Canada, Switzerland, France, Australia, Germany, Taiwan, South Korea, Sweden, Italy, Hong Kong, Singapore, Thailand, Indonesia, Chile, New Zealand, Finland, Greece, Spain,</p>

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	<p>Brazil, Mexico, Hungary, Denmark, Netherlands, Belgium, Ireland, South Africa, Malta, Norway, Philippines, Poland and Austria.</p> <p>While the Fund may not invest directly in markets in Taiwan, the Fund may invest in Islamic collective investment schemes listed on or available in other permitted markets and whose underlying securities are in Taiwan. The Fund may also invest in listed and unlisted Shariah-compliant securities of other foreign markets not listed herein, where the regulatory authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <p>The Fund may also invest in the following Shariah-compliant securities/instruments:</p> <ul style="list-style-type: none"> ▪ Shariah-compliant equity and Shariah-compliant equity related securities. ▪ Shariah-compliant preference shares. ▪ Any other Shariah-compliant investments. <p>Please also refer to the general risks commencing on page 46 and the section on the Fund's permitted investment on page 39.</p> <p>As a defensive posture, the Fund's minimum 70% of NAV in Shariah-compliant equities and Shariah-compliant equity-related securities may be reduced to below the floor at the Manager's discretion, depending on market, economic, political or other conditions. These conditions include but are not limited to:</p> <ul style="list-style-type: none"> ▪ Where the equity markets are expected to experience protracted or extreme retracements leading to substantial capital loss. ▪ When there is insufficient liquidity in Shariah-compliant equities for the Fund to transact efficiently. ▪ When there are insufficient attractive Islamic funds and Shariah-compliant equities to form an efficient portfolio. ▪ When there is large redemption affecting the liquidity position of the Fund. <p>Investments used for temporary defensive positions will include Islamic deposits / Islamic liquid assets and Islamic money market instruments.</p> <p>When a Fund is taking a temporary defensive position, we may adopt an investment strategy which may not be in line with the Fund's investment objective.</p> <ul style="list-style-type: none"> • Sukuk And Islamic Money Market Investment Strategy The Fund may invest up to 30% of its NAV in sukuk during periods when our investment strategy favour risk-adjusted returns in sukuk over Shariah-compliant equity securities, which includes any unlisted or listed sukuk, Islamic money market and/or Islamic collective investment schemes. <p>As for our strategy for investment in Islamic money market instruments, the Fund shall invest in Islamic money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the Islamic money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested Islamic money market instruments within a reasonable time frame.</p> <p>Interest rate is a general indicator that will have an impact on the management of a fund regardless of whether it is an Islamic fund or otherwise. 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 requirements of the Shariah.</p>
Performance Benchmark	<p>The benchmark for the Fund is a composite of 50% FTSE Bursa Malaysia EMAS Shariah Index (FBMS), or such other equivalent index as may be substituted by Bursa Malaysia Securities Berhad, and 50% Dow Jones Islamic Market World Index (DJIM). The composite benchmark is reflective of the medium to long term local and global equity allocation of the Fund. The FBMS index is widely used and publicly available from major newspapers on a daily basis. The DJIM index is available from Bloomberg's website, www.bloomberg.com, and supporting</p>

Phillip Dana Dividen	
	information services. These data will also be published as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.15 Phillip Focus China Fund

Phillip Focus China Fund	
Fund category	Equity
Fund type	Growth
Characteristic	Aggressive
Financial Year End	31 March
Distribution Policy	Income distribution, annually, subject to availability of income.
Investment Objective	<p>The Fund aims to achieve attractive capital growth in the medium to long term by investing predominantly in equities and equity-related securities of companies listed in the greater China region which covers China, Hong Kong S.A.R. and Taiwan markets and may invest in companies listed in other markets that have significant or potentially significant business in the greater China region.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	<p>The Fund will invest predominantly in equities and equity-related securities of companies listed in the greater China region which covers China, Hong Kong S.A.R. and Taiwan. The Fund may invest in listed Exchange Traded Funds (ETFs) and unlisted collective investment schemes that have underlying investments which are in line with the Fund's objective, which underlying investments have broad exposure to the respective equity markets of the said countries (China, Hong Kong S.A.R. and Taiwan). The Fund also has the mandate to invest in companies listed in other markets where the said companies have significant or potentially significant business in the greater China region. These companies comprise those that currently derive or are projected in the next two to five years to derive at least 30% of their earnings from the greater China region. Also included are companies that currently have or are projected to have at least 30% of their assets in the region.</p>
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in equities and equity-related securities as well as ETFs and unlisted collective investment schemes but this asset allocation may be reviewed from time to time during the temporary defensive position depending on the global economic and stock market conditions.</p> <p>The Fund's NAV that is not invested in equities, equity-related securities, ETFs and collective investment schemes, will be invested in fixed income securities, money market instruments and liquid assets up to a maximum of 30% of its NAV.</p> <p>An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> • Equity Investment Strategy <ul style="list-style-type: none"> ▪ Investment Philosophy Sustained long-term outperformance can be achieved through a rigorous research methodology and process aimed at uncovering high conviction ideas which are trading at significant discounts to fair value. An objective and disciplined implementation of these ideas using sound portfolio risk controls and portfolio construction rules will be applied. The underlying philosophy is that securities prices will ultimately reflect underlying economic fundamentals. In the short to medium term however, technical factors including behavioural elements or liquidity may distort prices. By staying focused on the long term, the aim is to avoid the common mistake of selling too early or overtrading the portfolio.

Phillip Focus China Fund	
	<p>▪ Investment Approach</p> <p>The key is to design and implement a research process that would identify businesses that have most, if not all, of the following characteristics:</p> <ul style="list-style-type: none"> - A clearly understandable business model and value add proposition. - Strong and forward looking management. - Sustainable top line and bottom line growth. - Adopt healthy corporate governance practices. - Strong free cash flows or has the potential to generate such. - Exhibit strong profitability in terms of net profit margins and return on equity. - Strong financial positions. - Sustainable competitive edge. - A proven track record of growth and profitability through both good and weak economic conditions. <p>In order to arrive at an accurate estimation of the fair value it is first and foremost necessary to have a clear understanding of the business model and all the key drivers of sales and profits. A thorough look back at the operating history of the company is essential. This should preferably include a long enough history that indicates operating performance under both economic growth periods and slow/recessionary conditions. An earnings and cash flow model is developed for each stock wherein the Investment Manager would also develop some sensitivity analysis to examine earnings and cash flows under varying assumptions. For each stock researched, the key is to determine its sustainable earning power and the likely medium to long term growth rate of those earnings and apply an appropriate discount rate to derive an intrinsic value. The Investment Manager tends to be skeptical of the accounting definition of earnings and prefers to look at the cash flow returns as a more reliable basis for determining investment value. Other inputs that the Investment Manager uses to derive fair value include conventional measures such as Price-Earnings ratios (PER), Enterprise Value-Earnings Before Interest, Tax, Depreciation and Amortization (EV-EBITDA), replacement values and comparable business transactions and dividend discount model.</p> <p>The preference is to search for growth stocks in growth industries although they would also include some "value" stocks as well as cyclical stocks.</p> <p>While these are widely used valuation tools the Investment Manager believes they can gain an edge by having deeper insights into understanding companies' business fundamentals thus enabling them to make better judgments on estimating the growth potential and applying the correct discount rate which reflects the risk level of those earnings appropriately. The Investment Manager also makes it a point to monitor closely all their investments so that mid course adjustments can be made expeditiously when conditions warrant.</p> <p>▪ Targeted Foreign Markets</p> <p>The targeted foreign markets in which the Fund may invest in listed and unlisted securities are China, Hong Kong S.A.R. and Taiwan. The Fund may also invest in listed and unlisted securities of companies listed in other markets that have significant or potentially significant business in the greater China region, upon notification to the Securities Commission and such terms and conditions that may be prescribed by the Securities Commission.</p> <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p> <p>• Fixed Income and Money Market Investment Strategy</p>

Phillip Focus China Fund	
	<p>The Fund may invest in local fixed income securities during periods when the investment strategy favours risk-adjusted returns in fixed income over equity securities. The Fund may also hold foreign/foreign currency and liquid assets.</p> <p>As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.</p>
Performance Benchmark	The benchmark for the Fund is the MSCI Golden Dragon Index (MXGD) and this data is available from Bloomberg's website, www.bloomberg.com , and supporting information services and will be published by the Manager as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.16 Phillip Global A.I.R. Fund

Phillip Global A.I.R. Fund					
Fund category	Equity				
Fund type	Growth and income				
Characteristic	Fairly aggressive				
Financial Year End	31 March				
Distribution Policy	Once a year, if any.				
Investment Objective	<p>The Fund aims to achieve attractive capital growth and income[□] in the medium to long term by investing in a portfolio of global investments that are related to sectors that provide support to global trade and production, integral to human life and economic growth.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>[□] <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p>				
Investment Policy and Strategy	<p>The Fund may invest in global equities and equity-related securities (such as warrants and options) of companies that are involved in or substantially related to (at least 50% of revenue or earnings or at least 50% of assets in these sectors) the sectors that provide support to global trade and production essential to the sustainability of human life and economic growth. These companies are integral players in the growing, building, extraction and conversion of resources for intermediate and end consumption and utilisation. Specifically, the three broad sectors are as follows:</p> <table border="1"> <thead> <tr> <th>Broad Sector</th><th>Sub-Sectors (Companies involved in or substantially related to but not limited to the following)</th></tr> </thead> <tbody> <tr> <td>Agriculture/ Agribusiness</td><td> <ul style="list-style-type: none"> Growing, harvesting, packing, processing, distributing and/or trading of agricultural commodities/products: <ul style="list-style-type: none"> Food crops (corn, soybeans, wheat, rice, sugar, coffee). Livestock. Non-food crops (cotton, jute). Support and servicing of the agricultural sector including providing seeds, fertilizer and crop protection products; facilities (crop/grain storage, mills); capital goods (vehicles, machinery, equipment, transportation); agriculture planning and biotechnology. Packaged food processing and manufacturing. Bio-energy sector (production and marketing of ethanol, other bio-fuels). </td></tr> </tbody> </table>	Broad Sector	Sub-Sectors (Companies involved in or substantially related to but not limited to the following)	Agriculture/ Agribusiness	<ul style="list-style-type: none"> Growing, harvesting, packing, processing, distributing and/or trading of agricultural commodities/products: <ul style="list-style-type: none"> Food crops (corn, soybeans, wheat, rice, sugar, coffee). Livestock. Non-food crops (cotton, jute). Support and servicing of the agricultural sector including providing seeds, fertilizer and crop protection products; facilities (crop/grain storage, mills); capital goods (vehicles, machinery, equipment, transportation); agriculture planning and biotechnology. Packaged food processing and manufacturing. Bio-energy sector (production and marketing of ethanol, other bio-fuels).
Broad Sector	Sub-Sectors (Companies involved in or substantially related to but not limited to the following)				
Agriculture/ Agribusiness	<ul style="list-style-type: none"> Growing, harvesting, packing, processing, distributing and/or trading of agricultural commodities/products: <ul style="list-style-type: none"> Food crops (corn, soybeans, wheat, rice, sugar, coffee). Livestock. Non-food crops (cotton, jute). Support and servicing of the agricultural sector including providing seeds, fertilizer and crop protection products; facilities (crop/grain storage, mills); capital goods (vehicles, machinery, equipment, transportation); agriculture planning and biotechnology. Packaged food processing and manufacturing. Bio-energy sector (production and marketing of ethanol, other bio-fuels). 				

Phillip Global A.I.R. Fund		
	Natural Resources	<ul style="list-style-type: none"> Ownership, mining/extracting and processing of natural resources: <ul style="list-style-type: none"> Plantations (palm oil, rubber). Timber and forest resources. Minerals (gold, silver, platinum, copper, nickel, tin, iron ore, alumina, zinc). Energy (oil & oil sands, natural gas, coal, uranium). Support and servicing of natural resource sector including provision of capital goods (vehicles, machinery, equipment, transportation and storage, logistics, godowns/warehousing, ship builders).
	Infrastructure	<ul style="list-style-type: none"> Ownership, construction, management and maintenance of the following: <ul style="list-style-type: none"> Toll roads, railroads, tunnels and bridges. Airports and sea ports. Power and water utilities. Telecommunications networks. Waste/waste water management. Other power generation assets – nuclear, wind, solar and hydro. Hospitals and related physical healthcare facilities and services including marketing and manufacturing of pharmaceuticals and medical equipment. Servicing of infrastructure companies including repairs and maintenance and logistic services. Equipment manufacturers of infrastructure companies. Suppliers of building materials (cement, steel and concrete products).
Asset Allocation	<p>The Fund may invest up to 100% (minimum equity allocation is 70%) of its NAV in global equities. Investment in equity-related securities (such as warrants and options) may be up to a maximum of 15% of its NAV. These asset allocations may be reviewed from time to time during temporary defensive position depending on the global economic and stock market conditions.</p> <p>The Fund's NAV that is not in equities and equity-related securities (such as warrants and options) will be invested in fixed income securities, money market instruments and liquid assets up to a maximum of 30% of its NAV.</p> <p>An internal allocation for liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <p>Please also refer to "Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position" at page 44.</p> <ul style="list-style-type: none"> Equity Investment Strategy The Fund may invest in stocks of companies that service companies involved in the above three broad sectors as well as companies that are involved in the trading/marketing of products related to the three broad sectors. <p>A combination of top-down and bottom-up investment approaches will be used in managing the Fund. The Fund will have a preference for investments in companies that are among the largest and best managed in their sectors and that would be able to grow or at least maintain their earnings under various economic climates. Given the more cyclical nature of agriculture and natural resources investments, the Fund will also monitor the broad macro-economic fundamentals of these sectors to minimise the effects of any potential downturn – and in such situations, will endeavour to reallocate a greater portion of the Fund's investments to more defensive investments (including more to the infrastructure sector) or into fixed income and money market securities.</p> <ul style="list-style-type: none"> Targeted Foreign Markets The foreign markets in which the Fund may invest in are Taiwan, Australia, Belgium, Bermuda, Brazil, Canada, Chile, China, Denmark, Finland, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, UK and USA. <p>For investments in China, the Fund's investments will only be confined to class "B" shares, whereby the purchase of these investments do not</p>	

Phillip Global A.I.R. Fund	
	<p>require a Qualified Foreign Institutional Investor ("QFII") Licence. The QFII Licence is applicable only to foreign investors who intend to buy and sell Yuan-denominated class "A" shares in China.</p> <p>While the Fund may not invest directly in markets in Taiwan and India, the Fund may invest in collective investment schemes listed on or available in other approved markets and whose underlying securities are in Taiwan and India. The Fund may also invest in listed and unlisted securities of other foreign markets not listed herein, where the regulatory authority is a member of the IOSCO and where applicable, this will be reported in the interim or annual report of the Fund.</p> <ul style="list-style-type: none"> Fixed Income and Money Market Investment Strategy The Fund may invest in local fixed income securities and money market instruments during periods when the investment strategy favours risk-adjusted returns in fixed income over equity securities. As for investment in money market instruments, the Fund shall invest in money market instruments that carry at least an investment grade credit rating of BBB or P3 assigned by RAM or MARC. Should the credit ratings of the money market instrument be downgraded to lower than BBB or P3, the Investment Manager reserves the right to deal with the said investment in the best interest of the unit holders including to withdraw the invested money market instruments within a reasonable time frame.
Performance Benchmark	<p>The benchmark for the Fund is a composite of 50% MSCI World Net Energy & Materials 10/40 Index (MWNEI), 25% MSCI World Net Telecommunications Services Index (MWNTS) and 25% MSCI World Net Utilities Index (MWNU). These three benchmarks provide the optimal representation of the Fund's portfolio*.</p> <p>These data are available from Bloomberg's website, www.bloomberg.com, and supporting information services and will be published by the Manager as a comparison against the Fund's total return at least on a monthly basis in our publications.</p> <p>* We have excluded the agriculture related equity indices as there are only a few agriculture related equity indices, whose components are proprietary information except by subscription, that match the Fund's investment mandate of agriculture/agribusiness equities. In addition, most available indices track agriculture commodity prices rather than equity prices.</p>

3.17 Phillip Dynamic AsiaPac Fund

Phillip Dynamic AsiaPac Fund	
Fund category	Mixed asset
Fund type	Income and growth
Characteristic	Fairly aggressive
Financial Year End	31 March
Distribution Policy	Subject to the availability of income, distribution of income will be made once a year.
Investment Objective	<p>The Fund aims to generate income[□]* and growth over the medium to long term by investing in a diversified portfolio of Asia Pacific assets, including equities, fixed income securities, and collective investment schemes, including exchange traded funds.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p> <p>□ <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units. Please refer to page 77 for further details on distribution policy and reinvestment policy.</i></p> <p>* <i>The focus will be on income which will be derived from a mix of dividends and interest income. Capital appreciation (growth) will be a lesser focus.</i></p>

Phillip Dynamic AsiaPac Fund	
Investment Policy and Strategy	<p>The Fund will invest in a portfolio of equities, fixed income securities and collective investment schemes (including exchange traded funds) available in Asia Pacific markets. The Fund can invest in the following:</p> <ul style="list-style-type: none"> • Fixed and floating rate bonds, convertible and non-convertible bonds, debentures and other fixed income securities issued by governments, quasi-government, government agencies, supranationals and corporates predominantly in the Asia Pacific region. These may or may not be listed and may be non-investment grade (rated below BBB- by Standard & Poor's or Fitch or an equivalent rating by any other credit rating agency) or unrated, and will be denominated in Asia Pacific currencies, US Dollars and other major currencies (i.e. EURO, UK Pound and Swiss Franc). Investments denominated in US Dollars, EURO, UK Pound and Swiss Franc are issued by companies operating in the Asia Pacific region; • Currency deposits and money market instruments including but not limited to notes, certificates of deposit, variable rate certificates of deposit, bankers' acceptances, commercial paper issued by corporations or government bodies including short term unsecured promissory notes, treasury bills; • Fixed or floating rate instruments or interest rate futures and options for hedging purposes. Only instruments offered by issuers such as financial institutions with at least a credit rating of AA by RAM Rating Services Berhad or A by Standard & Poor's or their equivalent by any other recognised rating agency will be considered; • Equity and equity-related securities of companies in the Asia Pacific region that have a track record of dividend payments; • Real estate investment trusts (REIT); and • Exchange traded funds (ETF) with single country (from the Asia Pacific region) or Asia Pacific markets exposure. The Fund may have a maximum 10% of its NAV invested in China-A shares and the exposure is only via ETF or collective investment schemes.
Asset Allocation	<p>From time to time depending on expectations for the global/regional economy and financial markets, there may be significant shifts into and out of asset classes via a dynamic asset allocation strategy and proactive portfolio risk control measures to:</p> <ul style="list-style-type: none"> • seek return enhancing assets during rising markets to optimise potential returns. • mitigate risk in falling markets by increasing allocation to lower risk assets. <p>The Fund's asset allocation may range from 0% to 100% of its NAV in equities, REIT and ETF and/or, 0% to 100% in fixed income securities and money market instruments.</p> <p>The Fund may employ financial derivative instruments for hedging and efficient portfolio management purposes. Financial derivative instruments can be used for instance to create market exposures through equity, currency, volatility or index related financial derivative instruments that are over-the-counter and/or exchange traded. Derivatives would include but are not limited to options and futures.</p> <p>An internal allocation of liquid assets will be maintained to ensure that the Fund is able to meet redemption requests without jeopardising the Fund's performance.</p> <ul style="list-style-type: none"> • Fixed Income Investment Philosophy And Process <ul style="list-style-type: none"> ▪ Investment Philosophy Both the 'top-down' and 'bottom-up' approaches will be used toward the management of the fixed income segment of the portfolio. The aim is to add value in five principal areas, namely, country, duration, yield curve, currency and credit. Risk management, with an emphasis on portfolio diversification, forms an integral part of the investment process. ▪ Investment Process The investment process incorporates both the 'top-down' and 'bottom-up' approaches. The top-down approach employs three forms of analysis – fundamental, technical and valuation, to add value in the areas of country, duration, yield curve and currency. The bottom-up approach aims to enhance the portfolio's return via active credit selection and to

Phillip Dynamic AsiaPac Fund	
	<p>identify under-valued and over-valued securities for timely investment decisions.</p> <ul style="list-style-type: none"> Equity and Collective Investment Schemes (CIS) Investment Strategy The investment philosophy for managing the equity segment of the Fund is based on the following key principles: <ul style="list-style-type: none"> Low volatility returns for outperformance over the long term. Sustainable dividend payment. Attractive dividend yield. High conviction (i.e. high level of confidence by Managers that the securities selected are expected to perform) portfolio based on fundamental research. Application of both top-down (broad economic, sector and market analysis) and bottom-up (as per research process below*) methodologies. Rigorous portfolio construction disciplines. <p>The investment process encompasses research and portfolio construction.</p> <p>* During the research stage of the process, the stock universe is refined to an investable universe using a number of dividend and price volatility screens. The research process focuses on identifying companies that meet the following criteria:</p> <ul style="list-style-type: none"> Sustainable competitive advantage. Balance sheet strength. High calibre management. Strong culture of corporate governance. Clear evidence of mispricing. Identifiable critical factors and associated catalysts. <p>The portfolio construction process involves dividend and price volatility screens (including historic and forecast dividend yields, stock beta), qualitative criteria (including strong balance sheet, cash flow, high calibre management, sustainable competitive advantage) and, portfolio construction disciplines (including prevailing macro directions, valuation, sector/thematic considerations, sector and country exposure).</p> <ul style="list-style-type: none"> Targeted Foreign Markets The foreign markets in which the Fund may invest in are Australia, China¹, Hong Kong, India, Indonesia, Japan, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam. The Fund may also invest in listed and unlisted securities of other² foreign markets not listed herein, where the regulatory authority is a member of the IOSCO, and where applicable, this will be reported in the interim or annual report of the Fund. <p>Note 1: The Fund may have an exposure of a maximum of 10% of its NAV in China-A shares via ETF or collective investment schemes. While the Fund does not invest directly, its investments in ETF or CIS invested in China-A shares would still be exposed to the following risks:</p> <ul style="list-style-type: none"> There are various requirements and restrictions under the laws and regulations of mainland China relating to China-A share investments (including restrictions on repatriation of capital due to the imposition of a lock-up period) and this will restrict the ability of the Fund to invest freely in mainland China and may expose investors to higher volatility. Investments in mainland China may be less liquid or more volatile than investments in established markets. The uncertainty and change of the laws of mainland China and regulations and policies and rules may adversely impact the Fund with potential retrospective effect. Capital gains tax in mainland China may be imposed and disadvantage an investor if the provisions for tax are inadequate to meet final tax liabilities.

Phillip Dynamic AsiaPac Fund	
	<p>Note 2: The Fund may invest up to a maximum of 20% of its NAV in the following, and which are traded in Canada, France, Germany, Italy, Spain, Switzerland, UK and US (i.e. markets not included in the list of targeted foreign markets above):</p> <ul style="list-style-type: none"> - Equity and fixed income securities that at the point of purchase, the companies issuing said securities have a minimum 50% of their revenues derived from Asia Pacific countries. - Initial public offerings (IPO) to be listed in markets not stated in the above table and provided that at the point of purchase, the companies issuing the IPO have a minimum 50% of their revenues derived from Asia Pacific countries. - ETF listed in markets not stated in the above table where at the point of purchase, at least 50% of the index tracked by an ETF comprises an Asia Pacific component (either single country or regional).
Performance Benchmark	The benchmark for the Fund is Maybank 12-Month Fixed Deposit Rate + 1.5%. The Maybank fixed deposit rates are obtainable at Maybank bank branches and at www.maybank2u.com.my and supporting information services and will also be published by the Manager as a comparison against the Fund's total return at least on a monthly basis in our publications, a copy of which can be found on our website.

3.18 Phillip Global Disruptive Innovation Fund

Note: This Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. Therefore, new Class(es) of units may be established in any future dates without your prior consent.

Phillip Global Disruptive Innovation Fund	
Fund category	Feeder fund (Equity)
Fund type	Growth
Base currency	USD
Class(es) available for subscription	MYR-Hedged
Financial Year End	31 December
Distribution Policy	<p>Incidental, subject to the Manager's discretion.</p> <p><i>Note: Kindly see section 9.16 below for the details on distribution policy.</i></p>
Investment Objective	<p>The Fund aims to provide long term capital growth by investing into the Target Fund.</p> <p>Any material change to the Fund's investment objective would require unitholders' approval.</p>
Investment Policy and Strategy	<p>The Fund will invest at least 95% of the Fund's NAV in the USD Class L of the Target Fund, while up to 5% of the Fund's NAV will be invested in liquid assets such as money market instruments (including fixed income securities which have a maturity period of not more than 365 days) and placement of deposits (current and/or term) with financial institutions for liquidity purposes. Nevertheless, the Fund may, with the concurrence of the Trustee, hold more than 5% of liquid assets to meet redemption requests and to manage expenses of the Fund.</p> <p>The Fund is expected to mirror closely the performance of the Target Fund.</p> <p>As the Fund invests primarily in the Target Fund, the exposure of the Fund will resemble closely the Target Fund's exposure. The Target Fund invests globally and in the equity interest of potential Disruptors. Such companies are often associated with their tendency to focus on growth (as opposed to dividend). Thus, the Fund is expected to be exposed to the merits (e.g. potential of high capital appreciation in share prices) and risks (e.g. potential of high volatility in share prices) associated with such investment.</p> <p>Having said that, the Manager will still play the role in managing the Fund's currency risk; the Fund will employ derivative instruments such as foreign exchange forward contracts and/or cross currency swaps only for hedging purposes for the relevant Class(es). The Fund adopts passive hedging strategy</p>

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	<p>with regards to currency risk. Meaning the Manager aims to hedge the currency risk at all times regardless of the Manager's expectation on currency movement. However, the Manager may choose to unwind its hedging position in the event that the Fund's counter-party for derivative instruments is downgraded or face the risk of being downgraded in its credit rating. In addition, as the Fund's temporary defensive measure, the Manager may reduce its investment in the Target Fund to below 95% of its NAV should the Manager is convinced of any eminent threats of market downturn.</p> <p>As for the risk management adopted by the Manager, the Manager will regularly assess and monitor the Target Fund's conducts and performance to ensure that the Fund's exposure in the Target Fund continues to help the Fund in meeting its investment objective and operate within the relevant investment limits.</p> <p><i>Note: You are advised to read section 7.3 to assess the Target Fund's investment approach before you decide to invest in the Fund.</i></p>
Asset Allocation	<p>The Fund will invest at least 95% of the Fund's NAV in the USD Class L of the Target Fund, while up to 5% of the Fund's NAV will be invested in liquid assets such as money market instruments (including fixed income securities which have a maturity period of not more than 365 days) and placement of deposits (current and/or term) with financial institutions for liquidity purposes. Nevertheless, the Fund may, with the concurrence of the Trustee, hold more than 5% of liquid assets to meet redemption requests and to manage expenses of the Fund.</p>
Performance Benchmark	<p>MSCI World Net Total Return Index</p> <p><i>Note: The performance benchmark is for comparison purpose only. You are advised that the risk profile of the Fund is different from the performance benchmark. Information on the performance benchmark can be obtained from https://www.msci.com.</i></p>

4 PERMITTED INVESTMENTS, INVESTMENT RESTRICTIONS AND LIMITS

4.1 Permitted Investments

Where permitted by the relevant authorities and consistent with the objectives of the respective Funds, the Funds are permitted to invest in the following:

The permitted investments of the Phillip Premier Fund, Phillip Pearl Fund, Phillip Recovery Fund, Phillip Income Fund, Phillip SELECT Balance Fund, Phillip SELECT Income Fund, Phillip Dividend Fund and Phillip Focus18 Fund are as follows:

- Securities traded on the Bursa Malaysia and any other market considered as an eligible market;
- Fixed income securities traded in or under the rules of an eligible market;
- Fixed income securities issued by Bank Negara Malaysia, the Malaysian Government and government related agencies such as Danamodal Nasional Berhad, Pengurusan Danaharta Nasional Berhad, Khazanah Nasional Berhad and Cagamas Berhad;
- Unlisted fixed income securities which are either bank-guaranteed or rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or other recognised rating agencies;
- Liquid assets such as Malaysian currency deposits and money market instruments with licensed financial institutions including Investment Certificates, placement of monies at call with licensed financial institutions, and any other instrument capable of being converted into cash within seven days as may be approved by the respective Trustees;
- Units of other collective investment schemes;
- Structured products, such as those linked to a basket of equity securities or equity indices, options, debt securities, commodities futures, currencies and possibly equity or interest rate swaps (applicable to the Phillip Focus18 Fund only);
- Foreign securities traded in foreign markets under the rules of an eligible market and subject to the limit as may be permitted for investment by the relevant authorities from time to time;
- Futures contracts traded in futures markets of an exchange permitted under the Capital Markets And Services Act 2007, only for hedging purposes; and
- Any other form of investments as may be agreed upon by the Manager and the respective Trustees from time to time and permitted by the relevant authorities.

The permitted investments of the Phillip Dana Aman are as follows:

- Securities that are classified as Shariah-compliant by the SACSC and are traded on the Bursa Malaysia and any other market considered as an eligible market;
- Sukuk traded in or under the rules of an eligible market;
- Sukuk issued by Bank Negara Malaysia and government related agencies;
- Unlisted sukuk which are rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or other recognised rating agencies;
- Islamic liquid assets such as Malaysian currency deposits under Islamic Banking, Islamic money market instruments and any other Shariah-compliant instruments capable of being converted into cash within seven days as may be approved by the Trustee;
- Units of other Islamic collective investment schemes;
- Islamic futures contracts and other permitted Islamic derivative instruments traded in futures markets of an exchange permitted under the Capital Markets And Services Act 2007, only for hedging purposes; and
- Any other form of Shariah-compliant investments as may be agreed upon by the Manager and the Trustee from time to time and permitted by the relevant authorities.

The permitted investments of the Phillip Dana Murni are as follows:

- Sukuk traded in or under the rules of an eligible market;
- Sukuk issued by Bank Negara Malaysia and government related agencies;
- Unlisted sukuk which are either bank-guaranteed or rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or other recognised rating agencies;
- Islamic liquid assets such as Islamic deposits (Malaysian currency) with licensed financial institutions, Islamic money market instruments and any other Shariah-compliant instrument capable of being converted into cash within such time pursuant to the requirement under the relevant laws;
- Units of other Islamic collective investment schemes;
- Islamic futures contracts and other permitted Islamic derivative instruments traded in futures markets of an exchange permitted under the Capital Markets And Services Act 2007, only for hedging purposes; and
- Any other form of Shariah-compliant investments as may be agreed upon by the Manager and the Trustee and permitted by the SACSC and / or the Shariah Adviser from time to time.

The permitted investments of the Phillip Asia Brands Fund, Phillip Global Stars Fund, Phillip AsiaPac Income Fund, Phillip Global A.I.R. Fund and Phillip Dynamic AsiaPac Fund are as follows:

- Securities traded in foreign markets which are allowed by the Securities Commission and within the limits as set by Bank Negara Malaysia (applicable to the Phillip Dynamic AsiaPac Fund only);
- Securities listed on the Bursa Malaysia and any other market considered an eligible market;
- Securities issued by Government and Government related agencies including Malaysian Government Securities, Treasury Bills, Bank Negara Malaysia Certificates and Government Investment Certificates;
- Malaysian currency balances in hand, Malaysian currency deposits with licensed financial institutions including Negotiable Certificates of Deposit, Bankers Acceptance and placement of money at call with investments banks; and any other instrument capable of being converted into cash within such time pursuant to the requirement under the relevant laws;
- Cagamas Bonds, unlisted loan stocks and corporate bonds that are either bank guaranteed or rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or any other permitted rating agency;
- Listed or unlisted fixed income securities issued by governments of Asia Pacific countries (including quasi-government, government agencies) and fixed income securities issued by corporations in the Asia Pacific region (applicable to the Phillip Dynamic AsiaPac Fund only);
- Private debt securities and bonds traded on eligible markets and / or permitted stock exchanges;
- Units of other collective investment schemes;
- Structured products, such as those linked to a basket of equity securities or equity indices, options, debt securities, commodities futures, currencies and possibly equity or interest rate swaps (not applicable to the Phillip Global A.I.R. Fund);
- Futures contracts traded in a futures market of an exchange permitted under the Capital Markets And Services Act 2007 only for hedging purposes;
- Unlisted securities which have been approved by the relevant regulatory authority for listing or quotation on an exchange and are offered directly to the Fund by the issuer (applicable to the Phillip Asia Brands Fund, Phillip Global Stars Fund and Phillip Global A.I.R. Fund. For Phillip AsiaPac Income Fund and Phillip Dynamic AsiaPac Fund, this is applicable in relation to markets within the Asia Pacific region);
- Warrants and options (applicable to the Phillip Dynamic AsiaPac Fund only);
- Foreign securities traded in foreign markets under the rules of an eligible market within the Asia Pacific region, subject to the limit as may be permitted for investment by the relevant authorities from time to time (applicable to the Phillip AsiaPac Income Fund and Phillip Dynamic AsiaPac Fund);
- Foreign securities traded in foreign markets under the rules of an eligible market and subject to the limit as may be permitted for investment by the relevant authorities from time to time (not applicable to the Phillip AsiaPac Income Fund and Phillip Dynamic AsiaPac Fund); and
- Any other form of investments as may be agreed upon by the Manager and the respective Trustees from time to time and permitted by the relevant authorities, where necessary.

The permitted investments of the Phillip Dana Dividen are as follows:

- Foreign Shariah-compliant securities (as approved by the respective Shariah Supervisory Board / Shariah Adviser) traded in foreign markets under the rules of an eligible market and subject to the limit as may be permitted for investment by the relevant authorities from time to time;
- Shariah-compliant securities listed on the Bursa Malaysia and any other market considered as an eligible market;
- Shariah-compliant securities issued by government and government-related agencies including Bank Negara Malaysia negotiable notes, government investment Issues and any other government Islamic papers;
- Malaysian currency balances in hand, Malaysian currency placed with Islamic licensed financial institutions including Islamic negotiable instruments, Islamic accepted bills and Islamic placement of money at call with licensed financial institutions and any other Shariah-compliant instrument capable of being converted into cash within such time pursuant to the requirement under the relevant laws;
- Cagamas sukuk, unlisted sukuk that are either bank guaranteed or rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or any other permitted rating agency;
- Units of other Islamic collective investment schemes;
- Islamic structured products where the underlying securities / instruments are Shariah-compliant, such as those linked to a basket of Shariah-compliant equities or Shariah-compliant equity indices, Islamic options, sukuk, Islamic commodities futures, currencies and possibly Shariah-compliant equity or Islamic profit rate swaps;
- Islamic futures contracts traded in a futures market of an exchange permitted under the Capital Markets And Services Act 2007; and
- Any other form of Shariah-compliant investments as may be agreed upon by the Manager and Trustee from time to time and permitted by the relevant authorities.

The permitted investments of the Phillip Focus China Fund are as follows:

- Securities traded in foreign markets which are allowed by the Securities Commission and within the limits as set by Bank Negara Malaysia;
- Securities of companies listed in the greater China region which covers China, Hong Kong S.A.R. and Taiwan markets and also of securities companies listed in other markets that have significant or potentially significant business in the greater China region;
- Units of other collective investment schemes;
- Fixed income securities traded in or under the rules of an eligible market;
- Fixed income securities issued by Bank Negara Malaysia, the Malaysian Government and government related agencies such as Danamodal Nasional Berhad, Pengurusan Danaharta Nasional Berhad, Khazanah Nasional Berhad and Cagamas Berhad;
- Unlisted fixed income securities which are either bank-guaranteed or rated by RAM Holdings Berhad, Malaysian Rating Corporation Berhad or other recognised rating agencies;
- Liquid assets such as Malaysian currency deposits and money market instruments with commercial banks, finance companies, investment banks and Bank Islam Malaysia Berhad including Investment Certificates, placement of monies at call with investment banks, and any other instrument capable of being converted into cash within seven days as may be permitted by the Trustee; and
- Any other form of investments as may be agreed upon by the Manager and the Trustee from time to time and permitted by the relevant authorities, where necessary.

The permitted investments of the Phillip Global Disruptive Innovation Fund are as follows:

- One collective investment scheme (local or foreign);
- Deposits placed with financial institutions;
- Money market instruments;
- Fixed income securities;
- Derivative instruments for hedging purposes; and
- Any other form of investments as may be determined by us (and concurred by the Trustee) from time to time that is in line with the Fund's investment objective.

4.2 Investment Restrictions and Limits

The purchase of investments for all Funds except Islamic funds and Phillip Global Disruptive Innovation Fund, shall be subject to the following restrictions:

Spread of Investments on Single Issuer

- The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV or any other limit set by the Securities Commission;
- The value of a Fund's investments in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV (not applicable for the Phillip SELECT Income Fund) or any other limit set by the Securities Commission;
- The value of the Phillip SELECT Income Fund's investments in debentures issued by any single issuer must not exceed 20% of the Fund's NAV. This limit may be increased to 30% if the debentures are rated by any domestic or global rating agency to be the best of quality and offer the highest safety for timely payment of interest and principal or any other limit set by the Securities Commission; and
- The aggregate value of a Fund's investments in transferable securities, money market instruments, deposits, over-the-counter (OTC) derivatives and structured products issued by or placed with (as the case may be) any single issuer / institution must not exceed 25% of the Fund's NAV or any other limit set by the Securities Commission. For the Phillip SELECT Income Fund, where the single issuer limit is increased to 30%, the aggregate value of the Fund's investment must not exceed 30%.

Exposure Limits

The value of a Fund's investments in unlisted securities must not exceed 10% of the Fund's NAV or any other limit set by the Securities Commission. However, this exposure limit does not apply to "unlisted securities" that are:

- Equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer;
- Debentures traded on an organised OTC market; and
- Structured products.

Spread of Investments on Groups Of Companies

- The value of a 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 (not applicable for the Phillip SELECT Income Fund) or any other limit set by the Securities Commission; and
- The value of the Phillip SELECT Income Fund's investments in debentures issued by any group of companies must not exceed 30% of the Fund's NAV.

Concentration of Investments

- A Fund's investments in transferable securities (other than debentures) must not exceed 10% of the security issued by any single issuer or any other limit set by the Securities Commission;
- A Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer or any other limit set by the Securities Commission; and
- A Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer or any other limit set by the Securities Commission. However, this limitation does not apply to money market instruments that do not have a pre-determined issue size.

Futures, Options and Derivatives Contracts

- A Fund's exposure from a derivatives position must not exceed the NAV of the Fund at all times;
- The exposure of a Fund to the underlying assets must not exceed the investment spread limits stipulated in the SC Guidelines;
- The value of a Fund's OTC derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV or any other limit set by the Securities Commission; and
- A Fund will only invest in futures, options and other derivatives contracts in accordance with the provisions and limits set by the Securities Commission.

Collective Investment Schemes

- A Fund will only invest in other collective investment schemes in accordance with the provisions and limits set by the Securities Commission;
- The value of a Fund's investments in units/shares of any collective investment schemes must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission; and
- A Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any collective investment scheme or any other limit set by the Securities Commission.

Placement of Deposits

The value of a Fund's placement in deposits with any single licensed financial institution must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission.

Foreign Securities (not applicable to the Phillip SELECT Balance Fund and Phillip SELECT Income Fund)

- Investment in foreign markets is subject to the limits set by relevant authorities; and

- A Fund may invest in securities that are listed or traded in a foreign market where the regulatory authority is a member of the IOSCO.

Structured Products (applicable to the Phillip Focus18 Fund, Phillip Asia Brands Fund, Phillip Global Stars Fund and Phillip AsiaPac Income Fund only)

The value of a Fund's holdings in structured products issued by any single counter-party must not exceed 15% of the Fund's NAV or any other limit set by the Securities Commission. The single counter-party limit may be exceeded if the counter-party has a minimum long-term rating that indicates very strong capacity for timely payment of financial obligations provided by any domestic or global rating agency and the structured product has a capital protection feature.

The purchase of Shariah-compliant investments for the Phillip Dana Aman and Phillip Dana Dividen shall be subject to the following restrictions:

Spread of Investments on Single Issuer

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

Exposure Limits

The value of a Fund's investments in unlisted Shariah-compliant securities must not exceed 10% of the Fund's NAV or any other limit set by the Securities Commission. However, this exposure limit does not apply to "unlisted Shariah-compliant securities" that are:

- Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the Fund by the issuer;
- Sukuk traded on an organised OTC market; and
- Islamic structured products.

Spread of Investments on Groups Of Companies

The value of a Fund's investments in Shariah-compliant transferable securities and the Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission.

Concentration of Investments

- A Fund's investments in Shariah-compliant transferable securities (other than sukuk) must not exceed 10% of the Shariah-compliant security issued by any single issuer or any other limit set by the Securities Commission;
- A Fund's investment in any class of sukuk of any single issuer must not exceed 20% of the sukuk issued by any single issuer or any other limit set by the Securities Commission; and
- A Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer or any other limit set by the Securities Commission. This limitation will not apply to Islamic money market instruments that do not have a pre-determined issue size.

Islamic Futures, Islamic Options and Islamic Derivatives Contracts

- A Fund's exposure from Islamic derivatives position must not exceed the NAV of the Fund at all times;
- The exposure of a Fund to the underlying assets must not exceed the investment spread limits stipulated in the SC Guidelines;
- The value of a Fund's OTC Islamic derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV or any other limit set by the Securities Commission; and
- A Fund will only invest in Islamic futures, Islamic options and other Islamic derivatives contracts in accordance with the provisions and limits set by the Securities Commission.

Islamic collective investment schemes

- A Fund will only invest in other Islamic collective investment schemes in accordance with the provisions and limits set by the Securities Commission;
- The value of a Fund's investments in units/shares of any Islamic collective investment schemes must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission; and
- A Fund's investments in Islamic collective investment schemes must not exceed 25% of the units/shares in any one Islamic collective investment scheme or any other limit set by the Securities Commission.

Placement of Islamic Deposits

The value of a Fund's placement in Islamic deposits with any single licensed financial institution must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission.

Foreign Shariah-Compliant Securities (applicable to the Phillip Dana Dividen only)

- Investment in foreign markets is subject to the limit set by the relevant authorities; and
- A Fund may invest in Shariah-compliant securities that are listed or traded in a foreign market where the regulatory authority is a member of the IOSCO.

Islamic Structured Products (applicable to the Phillip Dana Dividen only)

The value of the Fund's investments in Islamic structured products issued by any single counter-party must not exceed 15% of the Fund's NAV or any other limit set by the Securities Commission. The single counter-party limit may be exceeded if the counter-party has a minimum long-term rating that indicates very strong capacity for timely payment of financial obligations provided by any domestic or global rating agency and the Islamic structured product has a capital protection feature.

The Shariah-compliant investments for the Phillip Dana Murni shall be subject to the following restrictions:**Spread of Investments On Single Issuer**

The value of the Fund's investments in sukuk issued by any single issuer must not exceed 20% of the Fund's NAV. This limit may be increased to 30% if the sukuk are rated by any domestic or global rating agency to be the best of quality and offer the highest safety for timely payment of profit and principal or any other limit set by the Securities Commission and the aggregate value of the Fund's investments in Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, Islamic OTC derivatives and Islamic structured products issued by or placed with (as the case may be) any single issuer/licensed financial institution must not exceed 30% of the Fund's NAV or any other limit set by the Securities Commission.

Spread of Investments on Groups Of Companies

The value of the Fund's investments in sukuk issued by any group of companies must not exceed 30% of the Fund's NAV or any other limit set by the Securities Commission.

Concentration of Investments

- The Fund's investments in Shariah-compliant transferable securities (other than sukuk) must not exceed 10% of the Shariah-compliant securities issued or any other limit set by the Securities Commission;
- The Fund's investment in any class of sukuk must not exceed 20% of the sukuk issued by any single issuer or any other limit set by the Securities Commission; and
- The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer or any other limit set by the Securities Commission. This limitation will not apply to Islamic money market instruments that do not have a pre-determined issue size.

Islamic Futures, Islamic Options and Islamic Derivatives Contracts

- The Fund's exposure from Islamic derivatives position must not exceed the NAV of the Fund at all times; and
- The Fund will only invest in Islamic futures, Islamic options and other Islamic derivatives contracts in accordance with the provisions and limits set by the Securities Commission.

Islamic collective investment schemes

- The Fund will only invest in units/shares of any Islamic collective investment schemes in accordance with the provisions and limits set by the Securities Commission;
- The value of the Fund's investments in Islamic collective investment schemes must not exceed 20% of the Fund's NAV; and
- The Fund's investments in Islamic collective investment schemes must not exceed 25% of the unit/shares in any one Islamic collective investment scheme or any other limit set by the Securities Commission.

Placement of Islamic Deposits

The value of a Fund's placement in Islamic deposits with any single licensed financial institution must not exceed 20% of the Fund's NAV or any other limit set by the Securities Commission.

The Phillip Global Disruptive Innovation Fund shall be subject to the following restrictions and limits:

The Fund, which is established as a feeder fund must not invest in:

- more than one collective investment scheme at the same time;
- a fund-of-funds;
- a feeder fund;
- any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund; and
- a fund managed by the Manager.

The exposure in financial derivatives (if any) of the Fund is strictly for hedging purposes only.

The Fund's investments in a foreign market are limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO.

Note: Should the Fund invests in a sub-fund of an umbrella scheme, the sub-fund of the umbrella scheme should be treated as if it is a separate collective investment scheme.

The investment restrictions and limits must be complied with at all times based on the current value of a Fund's investments. However, the limits above may be breached by up to a maximum of 5% above the restrictions where the restriction is breached through a rise or fall of the NAV of the Fund (which could be due to fluctuations in value of the Fund's investments, or from redemption of units or payments made out of the Fund). No additional investments may be made in the category of investment where the investment limit has been exceeded and the Manager will take all necessary steps and actions to rectify the breach within three months from the date of the breach. The limits and restrictions stated above do not apply to securities/instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

A conventional fund may borrow cash for the purpose of meeting redemption requests for units and lending of its investment as permitted by the SC Guidelines or other relevant laws. For an Islamic fund, it may source for financing from Islamic licensed financial institutions for the purpose of meeting redemption requests for units and lending of securities based on Islamic contract as permitted by the SC Guidelines or other relevant laws.

Note: Transferable securities refer to equities, debentures and warrants.

5 RISK MANAGEMENT STRATEGIES AND TECHNIQUES

5.1 For All Funds Except for the Phillip Global Disruptive Innovation Fund

Risk management is an essential part of our management process. We employ several risk management strategies including the following:

- (a) Conduct fundamental analysis of economic, financial, and social-political factors, both locally and globally, to ascertain the potential risk-reward of different asset classes.
- (b) Individual stocks are extensively screened and analysed before they qualify to be included into our stock universe for investment purposes.
- (c) Regular meetings are held within the investment team, to discuss and analyse investment ideas.
- (d) For Islamic funds, procedures will be made to ensure that all investments are fully in compliance with Shariah requirements.
- (e) Ensuring the portfolio adheres to the Funds' investment objective, policies and strategies, as stated in this Master Prospectus and the Deeds.
- (f) Adheres to the Funds' investment restrictions and limits.
- (g) Use of computer system to assist fund managers to ensure compliance of the limits and restrictions.
- (h) Investment portfolios will be reviewed in the monthly investment committee meeting to ensure the quality and merit of the investments are intact.
- (i) On a daily basis, fund managers will monitor stocks for top-slicing of price overshoots and topping-up to take advantage on price weaknesses.
- (j) In the event of deterioration of equity investments, fund managers will instigate a prompt review to determine whether it triggers a sell call.
- (k) There is no definite cut loss policy on investments. Generally, any stock which has fallen 20% in value will be reviewed and reported to the investment committee together with the proposed actions to be taken.
- (l) Taking temporary defensive positions, if the situation requires it while adhering to the Fund's minimum required investment positions.
- (m) Constantly review the performance of the portfolio, to determine the factors that contributed to its performance.
- (n) Regularly review the existing positions in the portfolio and compare it with new investment opportunities available.

Specific Risk Management for Foreign Investments

- **Country and/or foreign securities risks and currency risk** - Diversification of the foreign portion of the portfolio across several country markets and currencies will facilitate risk management of country and/or foreign securities risks (includes market, political and regulatory risks) and currency risk. This is further enhanced through the implementation of monitoring processes to identify changes in country specific risk premia arising from changes in market, political and/or regulatory environment of the countries to which the Funds have investment exposure.
- **Operational risk** - Operational risk arising from international settlement and custody risks are managed through the appointment of an international global custodian.

5.2 For the Phillip Global Disruptive Innovation Fund

The Manager will regularly assess and monitor the Target Fund's conducts and performance to ensure that the Fund's exposure in the Target Fund continues to help the Fund in meeting its investment objective and operate within the relevant investment limits.

5.3 Minimum and Maximum Levels of Asset Allocation / Temporary Defensive Position

The asset allocation of all equity and fixed income funds (except the Phillip Income Fund, Phillip Dynamic AsiaPac Fund and Phillip Global Disruptive Innovation Fund) may be reduced to below the minimum levels or increased above the maximum levels indicated at our discretion depending on the market, economic, political or other conditions. Such conditions or exceptional circumstances will include but are not limited to the following situations:

- Where there is an expected sharp downturn in the equity market;
- When there is high risk of capital loss on fixed income instruments due to interest rate fluctuations;
- When there is insufficient liquidity in either equity or fixed income instruments for the Funds to transact efficiently;
- When there are insufficient fund assets to form an efficient portfolio; or
- When there is redemption affecting the liquidity position of the Funds.

Investments used for temporary defensive positions will include deposits/ liquid assets and money market instruments. When a Fund is taking a temporary defensive position, we may adopt an investment strategy for capital preservation.

5.4 Frequency of Trading

The Funds, except the Phillip Dana Murni and Phillip Global Disruptive Innovation Fund, may engage in trading activities when opportunities arise. Opportunities would include but are not limited to arbitrage situations, discrepancies in valuation, expected liquidity surges and thematic plays. Where trading activities in the Fund results in an annualised portfolio turnover that exceeds 2.0 times at the end of every month, the Manager will be required to provide justification to the Fund's investment committee.

5.5 Rationale and Justification for Futures Investment Mandate

(Not applicable to the Phillip Focus China Fund)

The Funds may invest in futures contracts/ Islamic futures contracts for hedging purposes only.

During bearish and/or rapid market movements, the Funds may have difficulty reversing some of their positions in a timely fashion. Employing an open short position in the futures/ Islamic futures will hedge the portfolio against such downside risks.

In a falling market, the increasingly profitable short futures/ Islamic futures position may be offset against increasing losses in the remainder of the portfolio. The overall effect of using futures/ Islamic futures for hedging is to limit portfolio fluctuations and therefore risk to unitholders.

The following factors will be taken into account for futures hedging:

- Expected overall direction of a market index;
- Future's tenure, premium/discount and liquidity;
- Portfolio's invested exposure and overall volatility without futures investment; and
- The combined effect of the hedge and portfolio position.

5.6 Bases of Valuation of Investments

Pursuant to the SC Guidelines, all assets of the Funds should be valued in a fair and accurate manner at all times. The Funds are generally valued in accordance with their respective asset classes:

- Listed securities / Shariah-compliant securities and derivatives / Islamic derivatives will be valued based on the last done prices as at the close of the business day of the respective stock exchanges on the same calendar day. Please refer to page 69 for details on the valuation of NAV. However, if a valuation based on the market price does not represent the fair value of securities / Shariah-compliant securities, or no market price is available due to situations beyond the Manager's control or there is a suspension in the quotation of the securities / Shariah compliant securities for a period exceeding 14 days, or such other shorter period as agreed by the Trustees, then the securities / Shariah-compliant securities shall be valued at fair value, as determined by the Manager, based on the methods approved by the Trustees after appropriate technical consultation;
- Money market instruments issued by financial institutions will be valued each day based on the accretion of discount or amortisation of premium on a yield to maturity basis. For investments in local commercial papers, valuation will be performed by reference to the fair value prices quoted by a bond pricing agency registered with the SC;
- Other unlisted securities / Shariah-compliant securities will be valued based on fair value as determined in good faith by the Manager, on methods which are verified by the auditors of the Funds and approved by the Trustees and adequately disclosed in the prospectus;
- Unlisted debt securities / sukuk will be valued on a daily basis based on fair value prices quoted by a bond pricing agency (BPA) registered with the Securities Commission. If the Manager is of the view that the price quoted by the BPA for a specific bond / sukuk differs from the market price by more than 20 basis points, the Manager may use the market price provided that the Manager adheres to the requirements as stipulated in the SC Guidelines;
- Unlisted foreign fixed income securities will be valued based on fair value by reference to the average indicative yield quoted by three independent and reputable institutions;
- In terms of a successful subscription to an Initial Public Offering (IPO), if any, the IPO securities / Shariah-compliant IPO securities will be valued at cost prior to their listing. These IPO securities will then be valued at their last done market price upon listing;
- Unlisted collective investment schemes / Islamic collective investment schemes will be valued based on the last published repurchase price; and
- Cash or deposits / Islamic liquid assets (current account or deposits) or investment accounts / Islamic investment accounts placed with banks and other financial institutions and bank bills are valued on a daily basis by reference to their nominal values and the accrued interest/profit thereon.
- Fixed income securities (which have a remaining maturity period of not more than 365 days) are valued on a daily basis based on fair value prices quoted by a BPA registered with the Securities Commission. If the Manager is of the view that the price quoted by the BPA for a specific fixed income security differs from the market price by more than 20 basis points, the Manager may use the market price provided that the Manager adheres to the requirements as stipulated in the SC Guidelines.

6 RISK FACTORS

This section describes the risk factors that we identified are relevant for you to consider before investing in a fund. The list of risk factors identified is by no means exhaustive. You should be aware that investing in the Fund may expose you to other risk factors from time to time. If in doubt, please consult professional advisers for better understanding of the risk factors.

6.1 General Risks

The following are the general risks for the Funds:

- **Collective investment scheme risk** – The Fund's NAV may be affected by its investments in collective investment schemes (CIS) which may be due to the lack of experience, knowledge, expertise and poor management techniques of the investment manager or even due adverse market condition. These would have an adverse impact on the performance of the CIS. As a result, the performance of the Fund may be adversely impacted.
- **Convertible loan stocks risk** – a convertible loan stocks is generally a debt obligation, preferred stock or other security that pays interest or dividends and may be converted by the holder within a specified period of time into common stock at a specified conversion price. The value of convertible loan stocks may rise and fall with the market value of the underlying stock or, like a debt security, vary with changes in interest rates and the credit quality of the issuer. A convertible loan stocks tends to perform more like a stock when the underlying stock price is high relative to the conversion price (because more of the security's value resides in the option to convert) and more like a debt security when the underlying stock price is low relative to the conversion price (because the option to convert is less valuable). Because its value can be influenced by many different factors, a convertible loan stocks is not as sensitive to interest rate changes as a similar nonconvertible debt security, and generally has less potential for gain or loss than the underlying stock. Convertible loan stocks must be converted to the underlying stock at a predetermined conversion ratio and conversion rate, and in the event the total costs of converting into underlying stock is higher than the market price of that the underlying stock, it will negatively affect the NAV of the Fund.
- **Country and/or foreign securities risk** – This risk refers to the risks of investing in foreign markets. Emerging markets may have relatively underdeveloped capital markets, less stringent regulatory and disclosure standards, concentration in only a few industries, greater adverse political, social and economic risks and general lack of liquidity of securities. The risk of expropriation, nationalisation, exchange control restrictions, confiscatory taxation and limitations on the use or removal of funds also exist in emerging markets. Emerging markets may also have less developed procedures for custody, settlement, clearing and registration of securities transactions. Developed markets while not possessing similar levels of risks as emerging markets, may experience risks such as: changes in economic fundamentals, social and political stability; monetary policy and currency fluctuations. This risk may be mitigated by conducting thorough research on the respective markets, their regulatory framework, economics, companies, politics and social conditions as well as minimising or omitting investments in markets that are economically or politically unstable or lack a regulatory financial framework and adequate investor protection legislation.
- **Credit and default risk** – Credit risk relates to the creditworthiness of the issuers of the debt instruments and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a debt instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the debt instruments. This could adversely affect the value of a fund.
- **Currency risk** – As the investments of a fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
- **Dividend policy risk** – This is a risk particular to a fund which has heavy focus on high dividend yielding stocks. This risk may occur when the company's business or fundamentals deteriorate or if there is a change in the management policy resulting in a lower or even a removal of the company's dividend policy. This risk may be mitigated by investing mainly in companies with a consistent historical record of paying dividends, strong cash flow or operate in fairly stable industries.
- **Equity related securities risk** - Equity related securities such as preference shares, warrants, options, convertible loan stocks and listed structured product carry its own risk depending on the nature of the securities, its structure and features which may affect the performance of the Funds. Preference shares for example are not listed but directly impacted by the business performance of the company. Option and warrant on the other hand can be listed but have a limited life and will depreciate in value as they approach

their maturity date. As for structured product is very much reliance on the underlying assets of the structured product. Please refer to the respective risk subject for more explanation of the risk.

- **ETF risk** – Exchange traded funds (“ETF”) are collective investment schemes designed to track a particular index or portfolio of securities, and are listed on a stock exchange. The following are the key risks of investing in ETF:

- **Tracking error**
ETF are in general, designed to track or replicate the performance of a particular index. However, exact replication may not be possible owing to factors such as:
 - i) fees and expenses of the ETF;
 - ii) foreign exchange movements;
 - iii) the ETF may not have been constructed to be exactly the same as the index, thus resulting in differences between the weighting of securities in the index and the ETF. This is due to the fact that certain securities in the index may have been omitted from the ETF's holdings or securities not in the index may be included in the ETF. Consequently, there is some divergence between the return of the ETF and the index; and
 - iv) corporate actions such as rights issues.
- **ETF trading at a premium or discount**
ETF are traded on both a primary (not a publicly traded market and only via participating dealers) and secondary market (generally on a stock exchange). While the NAV of the ETF is a key factor influencing the price of the ETF, it is also determined by the investors' supply and demand on the secondary market. Thus, an ETF may be traded on the secondary market at a price that is a discount or a premium to the net asset value (NAV) of the ETF portfolio. This discrepancy may be accentuated in uncertain or volatile financial/economic conditions.

The ETF tracking error risk is mitigated by the unit trust fund manager by selecting ETF which have a lower tracking error to reduce the possibility of larger divergence of returns versus the index tracked. The criteria used in determining ETF with lower tracking error are the expense ratios of the ETF and the extent to which an ETF tracks its index. The second risk is reduced by focusing on ETF that generally trade at narrower premiums or discounts to the NAV – to ensure that no excessive premiums are paid upon purchase and the ETF are not sold at significant discounts upon exit.

- **Futures risk** – As futures are conducted on an initial margin basis, a relatively small price movement in a futures contract may result in an immediate and substantial loss (or gain) for a fund. Adverse price movements can create additional losses over and above the initial futures contract costs. This risk may be mitigated by entering into futures contracts only for hedging purposes. Specifically, a fund will only enter into futures sales contracts to hedge against declines in the value of stocks in the portfolio.

Futures contracts can play a part in reducing the risk of a fund's investment portfolio by providing a hedge against shorter-term volatility of financial markets. However, futures carry certain additional risks which if not properly managed can result in significant losses or underperformance. These include:

- **Futures liquidity risk** – This category of risk includes:
 - Risk that fair price or firm bid cannot be obtained from a market counterpart;
 - Risk that funds are unable to unwind illiquid positions; and
 - Market price stability affecting funds' ability to meet margin payments.
- **Gearing risk** – Futures contracts may involve a high degree of "gearing" or "leverage". This means that a small movement in the price of the underlying asset may have a very large magnifying effect in the price of the futures contracts, in both an upward or a downward direction.
- **Mismatch risk** – Risk that arises when the terms of underlying investments and the instrument used to hedge its risks do not match. Such mismatches could be due to:
 - Mismatch of derivative parcel size (or multiple of this) versus actual physical portion.
 - Mismatch of maturity, e.g. 3-month Kuala Lumpur Interbank Offer Rate (KLIBOR) interest rates futures contract versus 1-year bond holding.
 - Mismatch of component constituting an index, e.g. FTSE Bursa Malaysia KLCI Index (FBM KLCI) versus actual equity portfolio of fund.
- **Inflation risk** – This is the risk that investors' investment in a 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.
- **Interest rate risk** – This risk refers to the effect of interest rate changes on the market value of a bond/sukuk portfolio and money market portfolio. In the event of rising interest rates, prices of fixed income securities / demand for sukuk and prices of money market instruments will generally decrease and vice versa. Debt securities / sukuk with longer maturity and lower coupon/profit rate are more sensitive to interest rate changes. Interest rate movements can lead to fluctuations in bond/sukuk prices resulting in fluctuations in the value of a fund. In terms of sukuk, particularly those based on contract of exchange such as Murabahah Bai' Bithaman Ajil and Ijarah, any fluctuations in conventional interest rates will also affect the indicative/profit rates of these sukuk, hence, will also lead to a rise or fall in prices of sukuk. This

risk will be mitigated* via the management of the duration structure of the portfolio of debt securities / sukuk.

The interest rate is a general indicator that will have an impact on the management of funds regardless of whether it is an Islamic unit trust fund or otherwise. It does not in anyway suggest that the Islamic Funds will invest in conventional financial instruments.

** The duration of the fixed income portfolio or the fixed income / sukuk portfolio segment will be kept low by buying more short-term to medium-term fixed income securities / money market instruments / sukuk. The value of these short-term to medium-term fixed income securities / money market instruments / sukuk are less sensitive to interest rates movements – i.e. in the situation where interest rates rise, their values, as compared to investments with a long duration, will fall less if at all.*

- **Liquidity risk** – This risk occurs in thinly traded or illiquid securities. If a fund needs to sell a relatively large amount of such securities, the act itself may significantly depress the selling price resulting in a decrease in the value of a fund's assets. As such, a fund is managed in such a way that a portion of the investments is in equity securities and money market instruments that are highly liquid and this allows a fund to meet sizeable redemptions without jeopardising potential returns.
- **Manager's risk** – This risk refers to the day-to-day management of a fund by the unit trust fund manager which will impact the performance of the fund. For example, investment decisions undertaken by the unit trust fund manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.
- **Market risk** – This risk refers to developments in the equity market environment which typically includes changes in regulations, politics, technology and the economy of the country. Market developments can result in equity market fluctuations which in turn affect a fund's underlying investments and hence its unit price. In terms of a fund's concentration in a single equity market*, this risk is reduced by undertaking active* asset allocation, where in periods of heightened risk, there will be greater allocation in fixed income securities / sukuk and Islamic money market instruments and cash. Where a fund is invested in multiple markets, a higher, if not, full allocation will be in markets that have a track record of economic, political and regulatory stability – allocation between markets and asset classes will also help mitigate risk.

** This refers to a fund having the mandate to invest in only one country (i.e. Malaysian market). For example – in the event of a fall in Malaysian equities, a fund cannot diversify into equities of other countries to mitigate equity market risk but can shift (asset allocate) its investments to local fixed income securities / sukuk and Islamic money market instruments. The term 'active' refers to the fund manager periodically adjusting equity allocations (and by default fixed income securities / sukuk and money market allocations) depending on market situations rather than passively leaving allocations to fluctuate based solely on market prices.*
- **Non-compliance risk** – This risk refers to the risk that the unit trust fund manager does not adhere to legislation or guidelines that govern the investment management and operations of a fund or to a fund's investment mandate stated in the deed. This risk also concerns non-compliance with internal operating policies and the unit trust fund manager acting fraudulently or in a manner that is unfair to unitholders. This risk could result in disruptions to the operations of a fund and potentially lead to reduced income/gains or even losses to unitholders. The unit trust fund manager has in place stringent internal policies and procedures to ensure a fund is managed to the full benefit of investors and in compliance with the relevant fund regulations or guidelines. There is also separation of fund management duties such as investment decision making, execution of trades and accounting for/valuation of such trades. A compliance team is in place to monitor such operational and investment activities.
- **Participatory Notes (P-Notes) risk** – A P-Note is a market access financial instrument that replicates the financial return of an underlying asset - for example, equity securities. P-Notes issued by financial institutions, can either be listed on a stock exchange or unlisted and are generally denominated in USD. Investors of P-Notes enjoy the rights to corporate actions including dividends, rights issues, bonus shares and mergers which usually does not come with voting rights. P-Notes are in general issued for securities traded in restricted markets (such as India, Taiwan and China) where there are one or more complicated and time-consuming administrative hurdles such as foreign exchange controls, controlled regulatory environment and requirement for local licensing for securities trading, among others. P-Notes bear the risk of the single issuer of the instrument, specifically the potential insolvency of the issuer of the P-Note. This risk will be mitigated by investing in P-Notes issued by a globally renowned financial institution with a good investment grade credit rating by Standard & Poor's or Moody's or Fitch or any other global credit rating agency. P-Notes also carry with it risks inherent in the underlying asset which it replicates, such as country and/or foreign security risk, foreign exchange risk and market risk. These risks will be mitigated by conducting extensive overall market and macro-economic analysis, as well as fundamental security research and by spreading investments in different sectors to reap the benefits of diversification.
- **Preference shares risk** – Preference shares, more commonly referred to as preferred stock, are shares of a company's stock with dividends that are paid out to shareholders before common stock dividends are issued. If the company enters bankruptcy, preferred stockholders are entitled to be paid from company assets before common stockholders. Most preference shares have a fixed dividend, while common stocks

generally do not. Preferred stock shareholders also typically do not hold any voting rights, but common shareholders usually do.

Preference shares risk referring to the risk that could be a result of changes to the business performance of the company, consumer tastes and demand, lawsuits, competitive operating environment and management practices. Developments in a particular company which a fund has invested in would result in fluctuations in the share price of that company as well as its preference shares and thus the value of a fund's investments. This risk is mitigated by diversification in a portfolio comprised of preference shares of many companies on a selective basis.

- **Real estate investment trusts (REIT)-related risk** – The value of REIT can fluctuate up or down depending on market forces, the general financial and real estate markets and the interest rate environment, among other factors. A fund which invests in REIT will also be subject to the risks associated with direct ownership of real estate, whose values can be adversely affected by increases in real estate taxes, government policy restricting rental rates, other changes in real estate laws, rising interest rates and a cyclical downturn in the real estate market. In selecting REIT, a fund manager will undertake detailed analysis, selecting REIT with a consistent track record, run by reputable managers from the property sector, owning properties with income and/or growth potential which are located in countries with a stable economic, political and regulatory environment.
- **Reclassification of Shariah status risk**
 1. Shariah-compliant equity securities – The risk refers to the risk that the currently held Shariah-compliant equity securities in the portfolio of Islamic Funds may be reclassified as Shariah non-compliant in the periodic review of the securities by the SACSC, the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Funds to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Funds are required:

- i) to dispose of such securities if the value of the securities exceeds or is equal to the investment cost on the last trading day on the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SACSC or date of review ("Review") by the Shariah Adviser or the Shariah Supervisory Boards of relevant Islamic indices. The Funds are allowed to keep dividends received and capital gains from the disposal of the securities up to the last trading day on the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser;
 - ii) to hold such securities if the value of the said securities is below the investment cost on the last trading day before and/or on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place, capital gains (if any) from the disposal of the securities should be channeled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser; or
 - iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Funds' value.
2. Sukuk or Islamic money market instruments or Islamic deposits – This risk refers to the risk of a possibility that the currently held Shariah-compliant instruments invested by the Islamic Funds may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such instruments.

Note: Please refer to the Cleansing Process for the Islamic Funds on page 91 for details.

- **Regulatory risk** – Regulatory risk arises when a change of law(s) resulting in negative impact on a unit trust fund. Take for example, if capital control is abruptly introduced and applicable to the fund (that is established in foreign countries), then the fund may have difficulty to place its investment in foreign countries. Such constraint may render the fund to be no longer operational in the way that it was originally intended.
- **Reinvestment risk** – This is a risk that future proceeds (interest/profit and/or capital) are reinvested at a lower interest/profit rate. Reinvestment risk is especially evident during periods of falling rates where the coupon/profit payments (from existing fixed income / sukuk investments) are reinvested at less than the yield to maturity (actual profit rate) at the time of purchase. Such risk may be mitigated by purchasing zero coupon (deep discount) debt securities / sukuk which do not pay profits and holding these debt securities through duration management / holding these sukuk to maturity (note however, there is still reinvestment risk upon maturity of the zero coupon sukuk). Risk is also potentially reduced by duration* management – i.e. increasing duration of the sukuk segment where rates are falling or expected to fall, and vice versa.

** Duration is used as a measure of sensitivity to profit rates, which takes into account the maturity and profit rate of a sukuk.*

- **Stock specific risk** – This risk refers to prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock in a fund will adversely affect the fund's NAV.
- **Structured products risk** – Structured products are financial instruments that generally offer capital protection if held to maturity and whose yields or returns are tied to one or more global or local securities or derivatives, which include single or a basket of equity securities or equity indices, options, debt securities, commodities futures, currencies and possibly equity or interest rate swaps. A key risk is potentially high downside price fluctuations (relative to traditional investments) owing to the use of derivative instruments which can amplify market movements of the underlying index or investment used and thus adversely affecting the valuation of the structured product. Another key risk is counter party risk i.e. where the issuer of the structured product is unable to make payments or repay obligations in a timely manner and thus leading to a lower or even zero valuation. The risk of higher volatility is managed by undertaking in-depth fundamental and technical analysis of the securities or derivatives that will be employed to provide returns while counter party risk will be mitigated by ensuring that the counter party / issuer of the structured products carries a minimum A1 rating by RAM Rating Services Berhad or its equivalent. For Islamic structured products, the instruments used for the same must comply with Shariah requirements.
- **Timing of asset allocation risk** – This is the risk that, given the prevailing economic and financial market conditions, the unit trust fund manager makes the inappropriate asset allocation decisions between equities and fixed income securities / sukuk, potentially resulting in lower returns to a fund. To mitigate such risk, the unit trust fund manager conducts vigorous fundamental macro research and technical analysis. Factors such as economic conditions, interest rate environment, valuations of markets, liquidity, and investor sentiment are taken into account before making asset allocation decisions.
- **Warrants, options and right issue risk** – Warrants and options are a leveraged form of investment. A movement in the prices of the equity securities of the warrants and options will generally result in a larger movement in the prices of the warrants and options themselves, that is, higher volatility. The geared effect implies substantial outperformance when the prices of equity securities rise. Conversely, in a falling market, warrants and options can lose a substantial amount of their values, far more than equity securities.

Warrants and options have a limited life and will depreciate in value as they approach their maturity date. If a warrant's exercise price is above the share price at any time during its remaining subscription period, the warrant is effectively "out of the money" and theoretically has little value. Warrants that are not exercised at maturity become worthless.

Warrants and options do not participate in dividends or cash flows that accrue from the underlying equity securities.

This risk may be mitigated by conducting extensive fundamental analysis of the warrants' equity securities to ensure their viability as an investment for a fund. The percentage allocation of warrants held by a fund will generally mirror the allocation of the equity securities, that is, higher when there is an anticipated market rise and vice versa.

Privately negotiated over-the-counter (OTC) options that are not traded on an exchange or through a broker, are subject to the credit or counterparty risk of the issuer of the option. The risk level will be dependent on the financial standing and creditworthiness of the party issuing the options and their ability to fulfil the terms of the options contract. Thus, any default by the issuer will have an adverse impact on a fund's NAV. To mitigate this risk, only OTC options offered by issuers such as financial institutions with at least a credit rating of AA by RAM Rating Services Berhad or A by Standard & Poor's or their equivalent by any other recognised rating agency will be considered.

Should the counterparty's credit rating fall below the minimum as stated subsequent to entering into an OTC option, all option positions with the counterparty will be unwound within three months of the credit rating downgrade, subject to the unwinding of the position being in the best interests of the fund.

Rights issue is a group of rights offered to existing shareholders to purchase additional stock shares in proportion to their existing holdings. Companies generally offer rights when they need to raise money.

Examples include when there is a need to pay off debt, purchase equipment, or acquire another company. In some cases, a company may use rights offering to raise money when there are no other viable financing alternatives. Right does not carry any risk as it is the decision of the Manager as to whether to subscribe or not to subscribe to the right.

6.2 Specific Risks

The Funds below are subject to the following specific risk respectively:

Fund	Specific Risk
Phillip Premier Fund Phillip Dana Aman Phillip Income Fund Phillip SELECT Balance Fund	Stock specific risk – This risk refers to prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock in a fund will adversely affect the fund's NAV.
Phillip Pearl Fund	Liquidity risk – This risk occurs in thinly traded or illiquid securities. If the fund needs to sell a relatively large amount of such securities, the act itself may significantly depress the selling price resulting in a decrease in the value of the fund's assets. The fund is managed in such a way that a portion of the investments is in equity securities and money market instruments that are highly liquid and this allows the fund to meet sizeable redemptions without jeopardising potential returns.
Phillip Recovery Fund	Expectation risk – This risk refers to the fact that the following circumstances may lessen the prospects for recovery: <ul style="list-style-type: none"> • An unexpected serious global economic downturn. • A company's proposed restructuring plan fails for various reasons. • Management's inability to turn around the company within a reasonable period of time due to factors beyond their control. • The initial cyclical nature of the problem becomes structural. A structural issue refers to internal or external issues that have a longer term or permanent adverse impact on a company's business as opposed to a cyclical issue which would only temporarily affect the business during a down cycle. <p>Should a recovery situation not turn out as expected due to the above reasons, there may be a loss or reduction of profits/income resulting in a reduction in a fund's assets. This risk may be mitigated by a thorough study of potential recovery situations (economic, industry and company specific) taking into account the favourable probability of a positive outcome, risks and returns before making any investment in such situations. Continuous monitoring of developments in potential recovery situations may be conducted to ensure that these pan out as expected.</p>
Phillip Dana Murni Phillip SELECT Income Fund	Credit risk – This risk refers to changes in the financial conditions of deposit-taking financial institutions as well as financial institutions issuing debt securities / sukuk / money market instruments and deposit placements / Islamic money market instruments and Islamic deposit placements, which may affect their credit worthiness. This in turn may lead to default in the repayment/payment of principal and interest/profit. These events can lead to loss of capital and/or delayed or reduced income for the fund resulting in a reduction in a fund's asset value and thus unit price. This risk is mitigated by active credit analysis and diversification of the bond / sukuk / Islamic money market instruments issued by different companies, deposit-taking financial institutions and financial institutions.
Phillip Dividend Fund Phillip Dana Dividen	Dividend policy risk – This is a risk particular to the fund which has heavy focus on high dividend yielding stocks. This risk may occur when the company's business or fundamentals deteriorate or if there is a change in the management policy resulting in a lower or even a removal of the company's dividend policy. This risk may be mitigated by investing mainly in companies with a consistent historical record of paying dividends, strong cash flow or operate in fairly stable industries.
Phillip Focus18 Fund	Concentration risk – This is the risk of the fund focusing a greater portion of its assets in a smaller selection of investments. The fall in price of a particular equity investment will have a greater impact on the fund and thus cause greater losses. This risk may be mitigated

Fund	Specific Risk
	by the unit trust fund manager conducting even more rigorous fundamental analysis before investing in each security.
Phillip Asia Brands Fund Phillip Global Stars Fund Phillip AsiaPac Income Fund	Currency risk – Investing globally means assets are denominated in currencies other than Malaysian Ringgit. Hence, fluctuations in the exchange rates of these foreign currencies may have an impact on the fund's income and asset valuations. Adverse fluctuations in exchange rates can result in a decrease in returns and loss of capital. This risk may be mitigated by hedging against foreign exchange rate movements.
Phillip Global Disruptive Innovation Fund	<p>Currency risk – As the investments of the Fund principally consist of the Target Fund's units (which are denominated in USD), the fluctuation in the exchange rate between (a) USD; and (b) currency in which the Class that you invested in, may have an impact on your investment in the Fund. Take for example, if your investments in the Fund consist of a class denominated in MYR, the weakening of USD against MYR will negatively impact your investment in MYR term.</p> <p>As the Fund is established as a multi-class fund, the Fund may in any future date offer Class(es) denominated in other foreign currencies (e.g. AUD, SGD, etc). Such Class(es) are also exposed to the same currency risk as described above.</p> <p>To mitigate the currency risk, the Fund will utilise derivative instruments for hedging purposes in relation to the relevant Class(es) of the Fund. Take for example, for Class MYR-Hedged, the Fund will utilise derivative instruments to hedge against the potential weakening of the USD (in respect to MYR).</p> <p>Currency hedging involves additional transactional cost, which will be reflected in your investment. Besides, currency hedging may also prevent you from enjoying any potential up-side due to currency fluctuation.</p> <p>The Fund adopts passive hedging strategy in regards to currency risk. Meaning the Manager aims to hedge the currency risk at all times regardless of the Manager's expectation on currency movement. Currency hedging will be carried out by the Manager on best-effort basis. Thus, currency risk cannot be fully mitigated.</p> <p>It is also important to note that the Target Fund which invests globally and their assets may consist of investments denominated in various currencies. As such, the Target Fund is also exposed to currency risk. You are advised to read the currency risk of the Target Fund as disclosed in section 6.3 below.</p>
Phillip Focus China Fund	Country and/or foreign securities risk – This risk refers to the risks of investing in foreign markets and in particular emerging markets such as the People's Republic of China that may have relatively underdeveloped capital markets, less stringent regulatory and disclosure standards, concentration in only a few industries, greater adverse political, social and economic risks and general lack of liquidity of securities. The risk of expropriation, nationalisation, exchange control restrictions, confiscatory taxation and limitations on the use or removal of funds also exist in emerging markets. Emerging markets may also have less developed procedures for custody, settlement, clearing and registration of securities transactions. The risk is partly mitigated by the Fund's investments in developed markets such as Hong Kong (which is part of the Greater China Region) in particular, where legal and regulatory standards are significantly more developed and securities trading is more active.
Phillip Global A.I.R. Fund	Sector specific risk – The agriculture and resources sectors are cyclical; depending on climate/weather conditions, supply and demand factors leading to potentially volatile pricing of agricultural, energy and other resource commodities. The infrastructure sector is also subject to its own set of risks including unexpected construction delays leading to cost overruns, high financing costs, environmental issues impacting the operations of utilities and pricing of volatile

Fund	Specific Risk
	commodity inputs. All these sectors may also be subject to unexpected changes in government and regulatory policies which include unexpected tariffs and regulation/restriction of prices of goods and services. Adverse conditions related to these factors have the potential to significantly impact company earnings and hence reduce the performance of the Fund. Due to the concentration of the Fund in a narrow segment of sectors, the Fund may be more disadvantaged by these adverse economic and regulatory factors as opposed to general and broadly diversified equity funds. These risks will be mitigated by in-depth fundamental and technical analysis of the agriculture, resources and infrastructure sectors, investing in a broad segment of each sector and largely in markets and countries where there is transparency and a longstanding history of good and predictable government policies.
Phillip Global Disruptive Innovation Fund	<p>Target Fund risk – the Fund is designed to mirror closely the performance of the Target Fund. In general, the Fund adopts a passive strategy, where it invests a minimum of 95% of its NAV in the Target Fund. As such, the Fund is exposed to the potential risk of the Target Fund's non-performance.</p> <p>Notwithstanding the above, the Manager will manage the Fund's currency hedging activity in respect of the relevant Class(es) to mitigate the currency risk of the Fund. In addition, as the Fund's temporary defensive measure, the Manager may also reduce its investment in the Target Fund below 95% of its NAV should the Manager be convinced of any eminent threats of market downturn.</p>
Phillip Dynamic AsiaPac Fund	<p>Timing of asset allocation risk – This is the risk that, given the prevailing economic and financial market conditions, the unit trust fund manager makes the inappropriate asset allocation decisions between equities and fixed income securities / sukuk, potentially resulting in lower returns to the fund. To mitigate such risk, the unit trust fund manager conducts vigorous fundamental macro research and technical analysis. Factors such as economic conditions, interest rate environment, valuations of markets, liquidity, and investor sentiment are taken into account before making asset allocation decisions.</p>

6.3 Risks Associated with the Target Fund (for Phillip Global Disruptive Innovation Fund only)

The following are the risks associated with the Target Fund:

- **Market risk** – The risk of investing and participating in listed and unlisted securities apply. Prices of securities may go up or down in response to changes in economic conditions, interest rates, and the market's perception of securities. These may cause the price of units in the Target Fund to go up or down as the price of units in the Target Fund is based on the current market value of the investments of the Target Fund.
- **Derivatives risk** – Subject the Code and compliance with the limits and/or restrictions (if any) applicable to EIP, the Target Fund may from time to time invest in derivatives, which are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Such assets, rates and indices may include bonds, shares, interest rates, currency exchange rates, bond indices and stock indices.

While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than the risks presented by more traditional securities investments. Some of the risks associated with derivatives are market risk, management risk, credit risk, liquidity risk and leverage risk.

As clarified by the Target Fund Manager, the Target Fund Manager only seeks to use derivatives transactions only for hedging in the Target Fund.

Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations and expose the Target Fund to potential gains and losses. Where such instruments are used, the Target Fund Manager will ensure that the risk management and compliance procedures and controls

adopted are adequate and have been or will be implemented and that the Target Fund Manager has the necessary expertise to manage the risks relating to the use of these financial derivative instruments.

The global exposure of the Target Fund to financial derivatives will not exceed 100% of the Target Fund's net asset value. The Target Fund Manager may modify the risk management and compliance procedures and controls at any time as the Target Fund Manager deems fit and in the interests of the Target Fund.

- **Liquidity risk** – Liquidity exists when particular investments are difficult to purchase or sell. The Target Fund's investment in illiquid securities may reduce the returns of the Target Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Illiquid securities may be highly volatile and difficult to value.
- **Currency risk** - The net asset value per unit of the Target Fund will be computed in its base currency, i.e. USD, whereas the investments held for the account of the Target Fund may be acquired in other currencies. The base currency value of the investments of the Target Fund designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The Target Fund Manager may from time to time employ currency hedging techniques to manage the impact of the exchange rate fluctuations on the Target Fund. If the Target Fund Manager intends to hedge foreign currency risks, the Target Fund Manager will adopt an active currency management approach.

The investments of the Target Fund may be hedged into its base currency. In addition, currency hedging transactions, while potentially reducing the currency risks to which the Target Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.

Where the Target Fund enters into "cross hedging" transactions (e.g., utilising currency different than the currency in which the security being hedged is denominated), the Target Fund will be exposed to the risk of changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the Target Fund's securities.

- **Growth style investment risk** – Growth stocks can perform differently from the market as a whole and from other types of stocks (e.g. dividend stocks). Growth stocks may be designated as such and purchased based on the premise that the market will eventually reward a given company's long-term earnings growth with a higher stock price when that company's earnings grow faster than both inflation and the economy in general.

Thus, a growth style investment strategy attempts to identify companies whose earnings may or are growing at a rate faster than inflation and the economy. While growth stocks may react differently to issuer, political, market and economic developments than the market as a whole and other types of stocks by rising in price in certain environments, growth stocks also tend to be sensitive to changes in the earnings of their underlying companies and are more volatile than other types of stocks, particularly over the short term (i.e. on a regular day-to-day and/or month-to-month basis).

Furthermore, growth stocks may be more expensive relative to their current earnings or assets, compared to the values of other types of stocks, and if earnings growth expectations moderate, their valuations may return to more typical norms, causing their stock prices to fall. Finally, during periods of adverse economic and market conditions, the stock prices of growth stocks may fall despite favourable earnings trends.

- **Small and mid-capitalisation company risk** – The Target Fund may potentially invest in small and mid-capitalisation companies. Investments in small and mid-capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies and less liquidity. The result may be greater volatility in the share prices.
- **Newly established companies risk** – The Target Fund may potentially invest in companies that are newly established and do not have prior or established track record. Consequently, there can be no assurance that the Target Fund Manager's assessment of the short-term or long-term prospects of such investment will prove accurate, or that the Target Fund will achieve its investment objective.
- **Stock Connect risks** – In order to achieve its investment objective, the Target Fund intends to invest in and have direct access to certain eligible China A-shares through the Stock Connect. Investments through the Stock Connect are subject to additional risks, including but not limited to, daily quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-shares and regulatory risk.

(i) Daily quota limitations

The Stock Connect is subject to daily quota limitations on investments, which are set at RMB 13 billion for each Northbound Trading link and may be adjusted in light of actual operational performance or revised by the relevant authority from time to time. Daily quota may restrict the Target Fund's ability to invest in China A-shares through the Stock Connect on a timely basis, and the Target Fund may not be able to effectively pursue its investment policy.

(ii) Suspension risk

The SEHK and SSE / SZSE (as the case may be) reserve the right to suspend trading if necessary for ensuring an orderly and fair market and managing risks prudently which could adversely affect the Target Fund's ability to access the Mainland China market.

(iii) Differences in trading day

The Stock Connect only operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So, it is possible that there are occasions when it is a normal trading day for the Mainland China market but overseas investors (e.g. the Target Fund) via Hong Kong cannot carry out any China A-shares trading. The Target Fund may be subject to a risk of price fluctuations in China A-shares during the time when the Stock Connect is not trading as a result.

(iv) Restrictions on selling imposed by front-end monitoring

Mainland China regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE / SZSE (as the case may be) will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. For investors who usually keep their China A-shares outside of brokerage firms, if they want to sell certain China A-shares they hold, they must transfer those China A-shares to the respective accounts of brokerage firms before the market opens on the day of selling (T day). Therefore, if the Target Fund intended to keep their holdings of China A-shares outside of brokerage firms, the Target Fund may not be able to sell their holdings in a timely manner.

(v) Recalling of eligible stocks

When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategy of the Target Fund, for example, when the Target Fund wishes to purchase a stock which is recalled from the scope of eligible stocks.

(vi) Foreign shareholding restrictions and forced sale arrangement

The CSRC stipulates that, when holding China A-Shares, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- shares held by a single foreign investor (e.g. the Target Fund) is not allowed to exceed 10% of the company's total issued shares; and
- total China A-shares held by all foreign investors (i.e. all Hong Kong and overseas investors) in a listed company is not allowed to exceed 30% of its total issued shares.

When Hong Kong and overseas investors carry out strategic investments in listed companies in accordance with the rules, the shareholding of the strategic investments is not capped by the above-mentioned percentages.

Should the shareholding of the Target Fund in a China A-Share listed company exceed the above restriction, the Target Fund may be required to unwind its position on the excessive shareholding within 5 trading days for Northbound Trading, otherwise SEHK participants shall apply the forced-sale arrangement on the Target Fund.

As there are limits on the total shares held by all Hong Kong and overseas investors in a listed company in Mainland China, the capacity of the Target Fund to make investments in China A-shares will be affected by the activities of all Hong Kong and overseas investors investing through the Stock Connect or any other permissible ways to obtain China A-shares investment exposures. If the aggregate foreign shareholding limit is exceeded, SSE / SZSE will notify SEHK the number of shares that are subject to forced sale within 5 trading days for Northbound Trading. On a last-in-first-out basis, SEHK will identify the relevant trades involved and request the relevant SEHK participants to require the Hong Kong and overseas investors concerned to sell the shares within the timeframe as stipulated by SEHK. If the relevant investors fail to sell the shares before the stipulated deadline, SEHK participants will be required to force-sale the shares for the relevant investors (e.g. the Target Fund).

SSE / SZSE (as the case may be) will publish a notice if the percentage of total foreign shareholding in a listed company reaches 26% and the buy orders are not allowed for the related China A-shares if the aggregate foreign shareholding reaches 28%.

(vii) Clearing, settlement and custody risks

The HKSCC, a wholly-owned subsidiary of HKEx and ChinaClear establish the clearing links and each is a participant of the other to facilitate clearing and settlement of cross-boundary trades. As the national central counterparty of the Mainland China's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Target Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

(viii) Operational risk

The Stock Connect provides new channels for investors from Hong Kong and overseas, such as the Target Fund, to access the Mainland China stock market directly. The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. China Stock Connect System) to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Target Fund's ability to access the China A-share (and hence to pursue its investment strategy) will be adversely affected.

(ix) Nominee arrangements in holding China A shares

HKSCC is the "nominee holder" of the SSE securities / SZSE securities (as the case may be) acquired by overseas investors (including the Target Fund) through the Stock Connect. The CSRC's Stock Connect rules expressly provide that investors such as the Target Fund enjoys the rights and benefits of the SSE securities acquired through the Stock Connect in accordance with applicable laws. The CSRC has clarified and restated in Frequently Asked Questions published on 30 September 2016 that (i) the concept of nominee shareholding is recognised in Mainland China, (ii) overseas investors shall hold SSE securities / SZSE securities (as the case may be) through HKSCC and are entitled to proprietary interests in such securities as shareholders, (iii) Mainland China law does not expressly provide for a beneficial owner under the nominee holding structure to bring legal proceedings, nor does it prohibit a beneficial owner from doing so, (iv) as long as certification of holding issued by HKSCC and its participants is treated as lawful proof of a beneficial owner's holding of SSE securities / SZSE securities (as the case may be) under the Hong Kong Special Administrative Region law, it would be fully respected by CSRC and (v) as long as an overseas investor can provide evidential proof of direct interest as a beneficial owner, the investor may take legal actions in its own name in Mainland China courts.

Under the rules of the CCASS operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE securities / SZSE securities (as the case may be) in Mainland China or elsewhere. Therefore, although the Target Fund's ownership may be ultimately recognised, the Target Fund may suffer difficulties or delays in enforcing its rights in China A-shares. Moreover, whether Mainland China courts will accept the legal action independently initiated by the overseas investor with the certification of holding in SSE securities / SZSE securities (as the case may be) issued by HKSCC and its participants has yet to be tested.

(x) Participation in corporate actions

HKSCC will keep CCASS participants informed of the corporate actions of SSE securities / SZSE securities (as the case may be), in particular those that require CCASS participants / investors to take actions. Hong Kong and overseas investors (e.g. the Target Fund) should note and comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants) in order to participate in the corporate actions relating to their SSE securities / SZSE securities (as the case may be). The time for the Target Fund to take actions for some types of corporate actions of SSE securities / SZSE securities (as the case may be) may be very short. Therefore, the Target Fund may not be able to participate in some corporate actions in a timely manner.

(xi) Investor compensation

Investments of the Target Fund through Northbound Trading under the Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound Trading via the Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund. Therefore, the Target Fund is exposed to the risk of default of the broker(s) it engages in its trading in China A-shares through the Stock Connect. On the other hand, since the Target Fund is carrying out trading through securities brokers in Hong Kong but not Mainland China brokers, therefore it is not protected by the China Securities Investor Protection Fund in Mainland China.

(xii) Trading costs

In addition to paying trading fees and stamp duties in connection with China A-shares trading, the Target Fund may be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

(xiii) Regulatory risk

The CSRC Stock Connect rules are departmental regulations having legal effect in Mainland China. However, the application of such rules is untested, and it is uncertain how the Mainland China courts will apply such rules, e.g. in liquidation proceedings of Mainland China companies.

The Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in Mainland China and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect.

The regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The Target Fund which may invest in the Mainland China markets through the Stock Connect may be adversely affected as a result of such changes.

• Risk associated with investment outside of the Target Fund's domicile country (particularly in emerging markets)

(a) Political risk

Countries outside of the Target Fund's domicile country, especially in emerging markets, may be subject to higher than usual risks of political changes, government regulations, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries. There is also the risk that nationalisation or other similar action that could lead to confiscation of assets under which shareholders in those companies would get little or no compensation.

The emerging economies may be heavily dependent on international trade and accordingly, may be adversely affected by trade barriers, or other protectionist measures and international economic developments generally.

(b) Liquidity risk

Trading volume on stock exchanges in emerging markets can be substantially less than on the stock exchanges of the major markets, so that acquisition and disposal of holdings may be time consuming and/or may need to be conducted at unfavourable prices.

(c) Repatriation risk

Investments in emerging markets could be adversely affected by delays in, or refusal to grant, relevant approvals for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Consents granted prior to investment being made in any particular country may be varied or revoked, and new restrictions may be imposed.

(d) Regulatory risk

The Target Fund's investments in emerging markets are also subject to regulatory risks, for example, the introduction of new laws, the imposition of exchange controls, the adoption of restrictive provisions by individual companies or where a limit on the holding of the Target Fund in a particular company, sector or country by non-residents (individually or collectively) has been reached.

7 THE TARGET FUND (APPLICABLE TO PHILLIP GLOBAL DISRUPTIVE INNOVATION FUND ONLY)

7.1 LionGlobal New Wealth Series - LionGlobal Disruptive Innovation Fund (“Target Fund”)

Party managing the Target Fund	: Lion Global Investors Limited (“Target Fund Manager”)
Country of origin of the Target Fund	: Singapore
Regulatory authority which regulates the Target Fund	: Monetary Authority of Singapore
Date of establishment of the Target Fund	: 28 March 2017
Legislation applicable to the Target Fund	: Securities and Futures Act, Chapter 289 of Singapore

7.2 Investment Objective of the Target Fund

The Target Fund aims to provide long-term capital growth by investing primarily in equities or equity linked securities (including but not limited to, preference shares, real estate investment trusts and depositary receipts) of companies globally, which are potential Disruptors with strong growth prospects.

7.3 Investment Approach of the Target Fund

The Target Fund invests in a portfolio of globally diversified Disruptors. To construct the portfolio, the Target Fund Manager uses the five factors below to mechanically screen and distil 100 stocks from the investible universe. The investible universe comprises companies that challenge the existing business models and whose innovative ideas have been proven and commercialised. There is no target country or sector allocation.

- Market capitalisation
- Price-to-sales ratio
- Price volatility
- Long-term earnings-per-share growth
- Sales growth

The portfolio will be rebalanced quarterly.

The Target Fund manager may use financial derivative instruments for hedging purposes only.

7.4 The Target Fund Manager

The Target Fund Manager is Lion Global Investors Limited (Company Registration Number 198601745D), with its registered office at 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513. The Target Fund Manager holds a capital markets services licence for fund management issued by the MAS and are regulated by the MAS.

The Target Fund Manager is a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group with total assets under its management of Singapore dollar 57.8 billion (US dollar 40.6 billion) as at 31 March 2020. Established as an Asian asset specialist since 1986, its core competencies are in managing Asian equities and fixed income strategies and funds to both institutional and retail investors.

The Target Fund Manager's large and experienced investment team of more than 40 investment professionals averaging 17 years of financial industry experience is firmly dedicated to Asian and global equities and fixed income markets. Besides Singapore, the Target Fund Manager has a regional office in Brunei.

The Target Fund Manager is 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, both subsidiaries of OCBC Bank.

The Target Fund Manager has been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996.

7.5 The Permissible Investments, Limits and Restrictions Applicable to the Target Fund

As a Singapore-domiciled collective investment scheme, the Target Fund's permissible investments, limits and restrictions are subject to the provisions of the Code.

The Target Fund is established as an equity fund. The following describes the permissible investments, limits and restrictions relevant to the Target Fund (with the Target Fund Manager's internal constraints for the Fund taken into account):

1. **Permissible Investments**

1.1 The Target Fund's underlying investments may only consist of the following permissible investments:

- a) transferable securities;
- b) money market instruments;
- c) eligible deposits;
- d) units in other collective investment schemes;
- e) financial derivatives; and
- f) shares or securities equivalent to shares that are not listed for quotation or quoted and have not been approved for listing for quotation or quotation on an organised exchange.

1.2 For the purpose of paragraph 1.1,

a) "transferable securities" refer to:

- i) shares or securities equivalent to shares; and

Guidance

Shares include units in a business trust.

- ii) bonds or other securitised debt instruments,

Note: The Target Fund does not seek to invest in bonds or other securitised debt instruments.

that meet the requirements of paragraph 1.3 but do not include:

- A) money market instruments; or
 - B) any security the title to which cannot be transferred or can be transferred only with the consent of a third party.
- b) "eligible deposits" refer to deposits with banks licensed under the Banking Act (Cap. 19), finance companies licensed under the Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.

Requirements of transferable securities

1.3 Transferable securities should meet the following requirements:

- a) the maximum potential loss which may be incurred as a result of the investment is limited to the amount paid for it;
- b) the investment is liquid;
- c) the investment is subject to reliable and verifiable valuation on a daily basis; and
- d) there is appropriate information available to the market on the investment or, where relevant, on the portfolio.

Guidance

In determining whether information on a transferable security is appropriate, the Target Fund Manager should consider if the information available on the market is regular and accurate, as well as sufficient to analyse the investment. For example, reliance on annual or financial reports is acceptable if the Target Fund Manager is of the view that it is appropriate.

Requirements on investments in other collective investment schemes

1.4 The Target Fund may invest in other collective investment schemes only if the underlying collective investment scheme is:

- a) an authorised or recognised collective investment scheme;

Guidance

Notwithstanding paragraph 1.4(a), the Target Fund should not invest in an underlying collective investment scheme which is a hedge fund or fund-of-hedge funds even if the underlying collective investment scheme complies with Appendix 3 of the Code¹.

- b) a collective investment scheme which:

- i) is constituted and regulated in a jurisdiction where the laws and practices afford to participants

¹ Appendix 3 of the Code discloses the relevant guidelines applicable to hedge funds authorised by MAS.

- in Singapore protection at least equivalent to that afforded to participants of collective investment schemes which are wholly managed in Singapore;
- ii) adheres to investment and borrowing guidelines which are substantially similar to those set out in the relevant Appendices of the Code²; and
- iii) has a manager that is reputable and supervised by an acceptable financial supervisory authority; or
- c) a collective investment scheme which is invested in permissible investments, real estate, meets the requirements set out in paragraph 1.3(a) to (d) above and, for the purposes of this paragraph, the units in the collective investment schemes are listed for quotation and traded on an organised exchange.

Guidance

Restricted collective investment schemes may be acceptable as underlying investments if they can meet the conditions in paragraph 1.4(b) or (c).

Requirements of financial derivatives

1.5 Financial derivatives should meet the following requirements:

- a) the underlying consists of instruments referred to in paragraph 1.1, indices, interest rates, foreign exchange rates or currencies;
- b) the financial derivatives are liquid;
- c) the financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value; and
- d) the financial derivatives should not result in the delivery of investments other than those described in paragraph 1.1(a) to (f).

OTC financial derivatives

1.6 In the case of OTC financial derivatives, reliable and verifiable valuation stated in paragraph 1.5(c) above refers to:

- a) a valuation made by the Target Fund Manager based on a current market value; or
- b) where such value is not available, a fair value based on an appropriate valuation model which is checked at an appropriate frequency by an independent party.

The valuation by the Target Fund Manager should not be based solely on a valuation provided by the counterparty to the transaction.

Guidance

The party who carries out the verification should be independent of the counterparty as well as the Target Fund Manager's fund management function.

2. Spread of Investments

Single entity limit and group limit

2.1 The Target Fund should comply with the following limits:

- a) Investments in:
 - i) transferable securities; or
 - ii) money market instruments issued by a single entity should not exceed 10% of the Target Fund's net asset value ("single entity limit").
- b) Aggregate investments in, or exposures to, a group of entities through:
 - i) transferable securities;
 - ii) money market instruments;
 - iii) eligible deposits; and
 - iv) counterparty risk exposures arising from the use of OTC financial derivatives should not exceed 20% of the Target Fund's net asset value ("group limit"). For the purposes of this paragraph, a group of entities refers to an entity, its subsidiaries, fellow subsidiaries and its holding company.

² Refers to the relevant sections of the Code that discloses the borrowing guidelines of funds authorized by MAS.

Guidance 1

Investments in transferable securities and money market instruments issued by a trust should be included in the single entity limit and group limit.

Guidance 2

The group of entities referred to in the group limit also applies to aggregate investments in, or exposures to, special purpose vehicles (SPVs) where the substance of the relationship between a sponsor and its SPV, determined in accordance with the Interpretation of Financial Reporting Standard 12, indicates that the SPV is controlled by that sponsor.

Short-term deposits

- 2.2 The group limit does not apply to placements of eligible deposits arising from liquidation of investments prior to the termination of the Target Fund, where the placing of these monies with various institutions would not be in the interests of participants.

Investment in other collective investment schemes

- 2.3 The Target Fund may invest up to 20% of its net asset value in another collective investment scheme only if the underlying collective investment scheme satisfies paragraph 1.4(a) or (b).
- 2.4 Investments in an underlying collective investment scheme which does not satisfy paragraph 1.4(a) or (b) but satisfies paragraph 1.4(c) and is invested in permissible investments or real estate should not exceed 10% of the Target Fund's net asset value.

Guidance

For example, investments in a real estate investment trust which do not satisfy paragraph 1.4(a) or (b) but satisfy the requirements in paragraph 1.3(a) to (d) should not exceed 10% of the Target Fund's net asset value.

Alternative exposure limit

- 2.5 Investments in shares or securities equivalent to shares that are not listed for quotation or quoted, and have not been approved for listing for quotation or quotation, on an organised exchange are subject to an aggregate limit of 10% of the Target Fund's net asset value.

Concentration limit

- 2.6 The Target Fund should not invest in more than:
- a) 10% of the total outstanding shares, or securities equivalent to shares, of any single entity or trust; and
 - b) 10% of the money market instruments of a single issuing entity or trust.

3. Global Exposure

- 3.1 The global exposure of the Target Fund to financial derivatives should not exceed 100% of the Target Fund's NAV at all times.

Note: the utilisation of financial derivatives (if any) by the Target Fund is only for hedging purpose.

- 3.2 The Target Fund Manager should calculate the global exposure of the Target Fund based on the commitment approach.

Commitment Approach

- 3.3 The global exposure of the Target Fund is calculated as the sum of:
- a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
 - b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
 - c) the sum of the values of cash collateral received pursuant to the reduction of exposure to counterparties of OTC financial derivatives and that are reinvested.

Netting arrangements

- 3.4 Netting arrangements may be taken into account to reduce the Target Fund's exposure to financial derivatives.
- 3.5 The Target Fund may net positions between:

- a) financial derivatives on the same underlying assets, even if the maturity dates are different; or
- b) financial derivatives and the same corresponding underlying asset, if those underlying assets are transferable securities, money market instruments or units in other collective investment schemes.

Hedging arrangements

- 3.6 Hedging arrangements may be taken into account to reduce the Target Fund's exposure to financial derivatives.
- 3.7 The marked-to-market value of transferable securities, money market instruments or units in collective investment schemes involved in hedging arrangements may be taken into account to reduce the Target Fund's exposure to financial derivatives.
- 3.8 For the purposes of paragraphs 3.6 and 3.7, the hedging arrangement should:
- a) not be aimed at generating a return;
 - b) result in an overall verifiable reduction of the risk of the Target Fund;
 - c) offset the general and specific risks linked to the underlying being hedged;
 - d) relate to the same asset class being hedged; and
 - e) be able to meet its hedging objective in all market conditions.

Guidance

Strategies which seek to offset the beta (market risk) but do not aim to offset the specific risks linked to the underlying investment and keep the alpha would not comply with the requirements in paragraph 3.8. Such strategies would include market neutral or long/short strategies.

- 3.9 Notwithstanding paragraph 3.8, financial derivatives used for the purposes of hedging currency exposure may be netted when calculating the global exposure.

4. Use of Financial Derivatives

Spread of underlying assets

- 4.1 The exposure of the Target Fund to the underlying assets of financial derivatives should be sufficiently diversified on a portfolio basis.
- 4.2 In the case where the underlying assets are:
- a) transferable securities, money market instruments, eligible deposits or units in other collective investment schemes, the limits in section 2, except for the concentration limits, apply; and
 - b) indices, paragraphs 4.2(a) apply to each constituent of the index, where applicable, on a portfolio basis.

Cover

- 4.3 A transaction in financial derivatives which gives rise, or may give rise, to a future commitment on behalf of the Target Fund should be covered as follows:
- a) in the case of financial derivatives which will, or may at the option of the Target Fund, be cash settled, the Target Fund should hold, at all times, liquid assets sufficient to cover the exposure;

Guidance 1

The term "exposure" refers to any transaction in financial derivatives that may give rise to a future commitment by the Target Fund to make contractually required payments. As such, exposure would include, among others, any cash settlement of contracts, margin calls, and interest payments.

Guidance 2

Liquid assets refer to cash or permissible investments that can satisfy the requirements in chapter 1.2(i) of the Code³. The quantity of such liquid assets held as cover should however be determined after the application of appropriate safeguards such as haircuts.

- b) in the case of financial derivatives which will, or may at the option of the counterparty, require physical delivery of the underlying assets, the Target Fund should hold the underlying assets in sufficient quantities to meet the delivery obligation at all times. If the Target Fund Manager deems the underlying assets to be sufficiently liquid, the Target Fund may hold as coverage other liquid

³ The provision that defines what constituted as liquid asset(s) in the context of the Code.

assets in sufficient quantities, provided that such alternative assets may be readily converted into the underlying asset at any time to meet the delivery obligation.

5. Counterparty of Financial Derivatives

OTC financial derivatives

- 5.1 The counterparty of an OTC financial derivative should be subject to prudential supervision by a financial supervisory authority in its home jurisdiction.
- 5.2 Subject to the group limit in paragraph 2.1, the maximum exposure of the Target Fund to the counterparty of an OTC financial derivative may not exceed 10% of the Target Fund's NAV.

Note: The Target Fund only seeks to enter into OTC financial derivative contract with eligible financial institutions as set out in paragraph 5.3 below.

- 5.3 For the purpose of paragraph 5.2, an eligible financial institution should have a minimum long-term rating of A by Fitch, A by Moody's or A by Standard and Poor's (including sub- categories or gradations therein). Alternatively, where the financial institution is not rated, the Target Fund should have the benefit of a guarantee by an entity which has a long-term rating of A (including sub- categories or gradations therein).
- 5.4 The exposure to a counterparty of an OTC financial derivative should be measured based on the maximum potential loss that may be incurred by the Target Fund if the counterparty defaults and not on the basis of the notional value of the OTC financial derivative.

Margins

- 5.5 Any exposure arising from initial margin posted and the variation margin receivable from a counterparty relating to OTC, which is not protected against insolvency of the counterparty, is to be included in the counterparty limit.

Guidance

The exposures from margins held with brokers need not be included if the margins are maintained in trust accounts.

6. Borrowings

- 6.1 The Target Fund may borrow, on a temporary basis, for the purposes of meeting redemptions and bridging requirements.
- 6.2 The Target Fund may only borrow from banks licensed under the Banking Act (Cap. 19), finance companies licensed under the Finance Companies Act (Cap. 108), merchant banks approved as financial institutions under section 28 of the Monetary Authority of Singapore Act (Cap. 186) or any other deposit-taking institution licensed under an equivalent law in a foreign jurisdiction.
- 6.3 The borrowing period should not exceed one month.
- 6.4 Aggregate borrowings for the purposes of paragraph 6.1 should not exceed 10% of the Target Fund's NAV at the time the borrowing is incurred.

Guidance

Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding.

8 FEES, CHARGES AND EXPENSES

8.1 Sales Charge

The sales charge is a fee levied on the purchase of units of a Fund, and is used to pay for marketing, advertising and distribution expenses of a Fund. The sales charge is deducted upfront from the purchase amount, leaving only the net amount invested in a Fund. The sales charge is calculated based on the NAV per unit of a Fund as at the next valuation point after the original application is received and accepted by the cut-off time of 4.00 p.m. on any business day. The following table outlines the maximum sales charge[^] to be imposed by us and our authorised distributors for the respective Funds:

Fund	Maximum Rate of Sales Charge To Be Imposed By The Manager and Its Authorised Distributors [^] (Please refer to page 79)		
	The Manager	Unit Trust Consultants	IUTA*
Low Sales Charge Fund: Phillip Dana Murni Phillip SELECT Income Fund	2.00% of the Fund's NAV per unit	2.00% of the Fund's NAV per unit	2.00% of the Fund's NAV per unit
Reduced Sales Charge Fund: Phillip Income Fund Phillip SELECT Balance Fund Phillip Dividend Fund Phillip AsiaPac Income Fund Phillip Dana Dividen	5.00% of the Fund's NAV per unit	5.00% of the Fund's NAV per unit	5.00% of the Fund's NAV per unit
Normal Sales Charge Fund: Phillip Premier Fund Phillip Pearl Fund Phillip Dana Aman Phillip Recovery Fund Phillip Focus18 Fund Phillip Asia Brands Fund Phillip Global Stars Fund Phillip Focus China Fund Phillip Global A.I.R. Fund Phillip Dynamic AsiaPac Fund	5.50% of the Fund's NAV per unit	5.50% of the Fund's NAV per unit	5.50% of the Fund's NAV per unit
Phillip Global Disruptive Innovation Fund	5.00% of the Fund's NAV per unit of the respective Class(es)	5.00% of the Fund's NAV per unit of the respective Class(es)	5.00% of the Fund's NAV per unit of the respective Class(es)

Despite the maximum sales charge disclosed here, investors may negotiate for a lower sales charge.

* Our IUTA may not carry the complete range of the Manager's Funds. Investments made via our IUTA may be subject to different terms and conditions of the respective IUTA, including those for switching between Funds.

For illustration on the calculation of sales charges, please refer to page 68.

The sales charge quoted is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

8.2 Redemption Charge

There is no redemption charge imposed on unitholders for all the Manager's Funds stated in this prospectus.

Note: By default, redemption proceeds will be paid out via bank transfer. Thus, it is important for you to furnish us your bank account detail upon your subscription of the Fund(s). The request for payment of redemption proceeds via cheque is treated on a case-to-case basis only and subject to the Manager's approval. You will be charged a service fee of up to RM50 for each cheque requested and you will receive your redemption proceeds net of the service fee. You are encouraged to opt for bank transfer for redemption as there will be no fee imposed. Kindly contact us at 03-2783 0300 for details.

8.3 Annual Management Fee

The annual management fee is a fee charged for the ongoing portfolio management and administration of a Fund (e.g. to maintain unitholders' register, proper records of a Fund and to administer the investments). The

following table outlines the annual management fees of the respective Funds:

Fund	Annual Management Fee
Phillip Premier Fund Phillip Pearl Fund Phillip Dana Aman Phillip Recovery Fund Phillip Income Fund Phillip SELECT Balance Fund Phillip SELECT Income Fund Phillip Dividend Fund Phillip Focus18 Fund Phillip Asia Brands Fund Phillip AsiaPac Income Fund Phillip Dana Dividen	Up to 1.50% p.a. of the NAV of the Fund
Phillip Dana Murni	Up to 1.00% p.a. of the NAV of the Fund
Phillip Global Stars Fund	Up to 1.70% p.a. of the NAV of the Fund
Phillip Focus China Fund	Up to 1.60% p.a. of the NAV of the Fund
Phillip Global A.I.R. Fund	Up to 1.50% p.a. of the NAV of the Fund
Phillip Dynamic AsiaPac Fund	Up to 1.70% p.a. of the NAV of the Fund
Phillip Global Disruptive Innovation Fund	Up to 1.80% p.a. of the NAV of the Class

The annual management fee is calculated based on the NAV of the Funds or Class(es), whichever applicable, accrued on a daily basis and is paid out of the respective Funds. The annual management fee is payable on a monthly basis.

The annual management fee quoted is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

8.4 Annual Trustee Fee

The annual trustee fee is a fee paid to the Trustee for the custodial management and administration of a Fund's assets (e.g. transaction settlement, custody and administration costs). The following table outlines the annual trustee fees of the respective Funds:

Fund	Annual Trustee Fee
Phillip Premier Fund	Up to 0.01% - 0.06% p.a. of the NAV (excluding custodian fee of RM25,000 p.a.)
Phillip Pearl Fund Phillip Dana Murni Phillip Dividend Fund	Up to 0.06% p.a. of the NAV
Phillip Dana Aman Phillip Recovery Fund Phillip Income Fund	Up to 0.06% p.a. of the NAV subject to a minimum of RM 12,000 p.a.
Phillip SELECT Balance Fund	Up to 0.03% p.a. of the NAV subject to a minimum of RM9,000 p.a., whichever is higher.
Phillip SELECT Income Fund	Up to 0.06% p.a. of the NAV subject to a minimum of RM9,000 p.a., whichever is higher.
Phillip Focus18 Fund Phillip Asia Brands Fund Phillip Global Stars Fund Phillip AsiaPac Income Fund Phillip Dana Dividen	Up to 0.06% p.a. of the NAV subject to a minimum of RM8,400 p.a. (excluding foreign custodian fees and charges)
Phillip Focus China Fund Phillip Global A.I.R. Fund Phillip Dynamic AsiaPac Fund	Up to 0.06% p.a. of the NAV subject to a minimum of RM12,000 p.a. (excluding foreign custodian fees and charges).
Phillip Global Disruptive Innovation Fund	Up to 0.05% p.a. of the NAV of the Fund, subject to a minimum of RM8,400 p.a. (excluding foreign custodian fees and charges).

The annual trustee fee is calculated based on the NAV of the Funds at the respective Funds' annual trustee

fee rates, calculated and accrued on a daily basis and is paid out of the respective Funds. The annual trustee fee is payable on a monthly basis.

The annual trustee fee quoted is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

8.5 Switching Fee

The Manager does not intend to charge any switching fee; however, under certain circumstances, unitholders performing a switching transaction will have to pay the applicable difference in sales charge between the Funds to be switched from and the Funds to be switched into.

Our IUTA may not carry the complete range of the Manager's Funds. Investments made via our IUTA may be subject to different terms and conditions of the respective IUTA, including those for switching between Funds.

Please refer to pages 73 to 74 for the terms and conditions of the switching facility of the Funds.

The switching fee quoted is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

8.6 Transfer Fee

There is no transfer fee imposed on unitholders of the Funds.

8.7 Fund Expenses

Expenses directly related to the Funds are management fee, trustee fee and other administrative expenses (e.g. commission paid to brokers, auditor's fee, courier and handling charges, etc).

The total annual expenses of a Fund are expressed as a percentage of the average NAV of the Fund for a financial year/period calculated on a daily basis. Please refer to the Funds' annual report and interim report for the management expense ratio.

Other expenses, which are directly related and necessary to the business of the Funds, may be charged to the Funds. These will include (but are not limited to) the following:

- commission or fees paid to brokers or dealers;
- fees and other expenses properly incurred by the auditor and tax agent;
- custodian fees;
- taxes and other duties charged on the Funds by the government and other authorities;
- printing and postage expenses; and
- any other legitimate administration expenses or relevant professional fees approved by the Trustees.

8.8 Costs for Investing in the Target Fund by the Fund (Applicable to Phillip Global Disruptive Innovation Fund only)

The Fund will be investing into **USD Class L units** of the Target Fund. The following are the fees, charges and expenses involved:

Direct Costs	
Preliminary charge (sales charge equivalent)	Waived
Realisation charge (redemption charge equivalent)	Nil
Indirect Costs	
Annual management fee	Nil
Annual trustee fee	Up to 0.1% p.a. (subject always to a minimum of SGD8,000.00 p.a.)
Administrative expenses incurred by the Target Fund	Including audit fee, custodian fees, professional fees, registration fee, valuation and administration fees, preliminary expenses, transaction costs and miscellaneous expenses.
Explanatory Note:	
Even though the preliminary charge is waived, and both the realisation charge and annual management fee are nil, the Fund's investment in the Target Fund incurs other indirect costs (e.g. annual trustee fee and administrative expenses) as shown above. In other words, you are effectively subject to certain costs twice – e.g. trustee fee incurred at both the Fund and the Target Fund.	

Warning: It is important for you to note that given the Fund is a feeder fund (i.e. primarily investing in the Target Fund), you will be subjected to higher cost of investment and fees arising from the layered investment structure.

THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUNDS. ALL FEES AND CHARGES PAYABLE TO THE MANAGER AND/OR THE TRUSTEES ARE SUBJECT TO ANY APPLICABLE TAXES AND/OR DUTIES AS MAY BE IMPOSED BY THE GOVERNMENT OR OTHER AUTHORITIES FROM TIME TO TIME. ALL FEES, CHARGES AND EXPENSES ARE ROUNDED TO TWO DECIMAL PLACES.

8.9 The Manager's Policy on Rebates and Soft Commissions

The Manager, Investment Manager, Trustee or Trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund.

However, soft commissions may be retained by us if:

- (i) the goods and services are of demonstrable benefit to unitholders and in the form of research and advisory services that assist in the decision making process relating to the Fund's investments such as fundamental databases, financial wire services, technical analysis software and stock quotation system incidental;
- (ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- (iii) the practice of the Manager or the fund manager in relation to soft commissions is adequately disclosed in this Master Prospectus and Fund reports, including a description of the goods and services received by the Manager or the fund manager.

Note: As Phillip Global Disruptive Innovation Fund is a feeder fund, the Manager does not expect to derive any rebates and/or soft commission from managing Phillip Global Disruptive Innovation Fund.

9 TRANSACTION INFORMATION

9.1 NAV of a Fund

The NAV per Unit of a Fund is calculated by dividing the total NAV of that Fund by the total number of units of the same Fund in circulation at the end of each Business Day rounded to 4 decimal places. The illustration is shown below:

		RM
	Securities Investment	47,500,000
Add :	Cash	1,000,000
(Less) :	Assets / (Liabilities)	(1,000,000)
	NAV	<u>47,500,000</u>

If the units in circulation for the above Fund were to be 100,000,000 at the point of valuation, the NAV per Unit of that Fund would be RM47,500,000 divided by 100,000,000 units to result in RM0.4750 per unit.

The NAV per unit may be rounded to four decimal places. An incorrect valuation and/or pricing of a Fund shall be considered of minimal significance if the error involves a discrepancy of less than 0.5% of the NAV per unit of the Fund. Any pricing discrepancy of 0.5% or more of the NAV per unit of a Fund will be rectified as stated in the Fund's deed unless the total impact of the discrepancy on an individual account is less than RM10.00 as the transaction cost may be more than the amount adjusted.

If we receive your duly completed and accepted original application form to purchase/redeem/switch any Fund(s) by the cut-off time of 4.00 p.m. on any business day, the NAV per unit will be calculated based on the NAV per unit at the end of that business day. Any application form (original copy) received after this cut-off time will be considered as being transacted on the next business day and will be subjected to the NAV per unit of the Fund on the next business day.

9.2 Forward Pricing

The prices of units of the Funds are determined by using the forward pricing formula where prices are based on the NAV per unit of the relevant Fund at the end of a business day after the application for units is received by us.

9.3 Single Pricing Policy

The SC has implemented a single-pricing regime since 2007. The single pricing which equates to sales and redemptions quoted and transacted on a single price (i.e. NAV per unit) offer many advantages to investors. Under this practice, distribution charge (sales charge) is separately disclosed, therefore it is easier to understand and fairer to investors as they can see what they are being charged. Such transparency would also facilitate the investor in comparing the different charges imposed by various distribution channels and assist investors in making an informed decision about their choice of investment products as well as the preferred distribution channel. In addition, with all charges separately stated, investors are able to clearly gauge or ascertain the performance of their investment.

An illustration on how the sales charge is calculated when making an investment. Figures and examples are meant for illustration purposes only.

The Price of a Unit

The price of each unit is calculated based on the NAV per unit of a Fund or Class, as the case may be, as at the next valuation point after the original application form and payment is received by the Manager ("forward pricing").

Example:

NAV per unit	RM0.5000
Sales charge	5.50% of NAV per unit

Assuming the NAV per unit on a business day is RM0.5000 and if you make a payment of RM10,000.00, the amount to be invested in a Fund or a Class, as the case may be, and the sales charge to be paid by you are calculated as follows:

Total amount invested	=	RM10,000.00
Total sales charge (5.50%) incurred (5.50% x RM10,000.00)	=	RM550.00
Total amount to be paid by you	=	<u>RM10,550.00</u>

$$\text{Units issued to you} = \text{RM}10,000.00 / \text{RM}0.5000 = 20,000.00 \text{ units}$$

Note to the example:

The above example shows that the sales charge is calculated separately from the amount invested, whereas the sales charge imposed by a Fund are deducted upfront from the total amount paid by the investors.

9.4 Valuation For All Funds Except Phillip Global Disruptive Innovation Fund

The buying and selling price of units is quoted based on a single price i.e. the NAV per unit of a Fund. All other transactions charges, if any, will be expressed separately from the price of a unit.

Valuation of NAV

Fund without foreign exposure	The valuation of NAV for local Funds will be conducted at the end of each business day after the close of business of Bursa Malaysia. The daily unit price of the Funds will be published on the next business day.
Fund with foreign exposure	The valuation of NAV for global Funds or Funds with foreign exposure will be conducted on each business day after the close of respective foreign stock exchanges on the same calendar day. Due to the different time zone of the foreign stock exchanges, the valuation point will be extended to 5.00 p.m. on the following business day. The daily unit price of the Funds will be published on the next business day after the valuation (T+2).

9.5 Valuation (For Phillip Global Disruptive Innovation Fund only)

The buying and selling price of a Class of the Fund is quoted based on a single price i.e. the NAV per unit of the Class of the Fund. All other transaction charges, if any, will be expressed separately from the price of the Class.

Valuation of NAV of the Fund

As the Target Fund is domiciled outside Malaysia, the valuation of the Fund's investment in the Target Fund on a business day is only available on the next business day (T+1). As such, the valuation of the Fund will be conducted on the following business day based on the last available net asset per unit of the Target Fund. Daily prices of the Fund's Class(es) will be published on the next business day after the valuation (T+2).

Valuation of the Class(es) of the Fund

The Fund adopts "forward pricing" in its valuation method for its Class(es). This means that we will process your transactions request based on the unit pricing on a business day (i.e. the NAV per unit of a Class) that we receive and accept the duly completed and original application forms from you. Take for example, if the transactions are made by 4:00 p.m. on a business day, we will process the transactions using the unit pricing for that business day. For transactions made after 4:00 p.m., we will process the transactions using the unit pricing on the next business day.

The Fund's base currency is USD. As such, all the assets and liabilities of each Class will be translated into USD for valuation purposes. Valuation of the Class(es) is based on the NAV of the respective Class(es), and is **calculated at the end of every business day**.

The NAV per unit of a Class is determined based on the formula as illustrated below:

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

The NAV per unit of a Class may be rounded to four decimal places. An incorrect valuation and pricing of the Class shall be considered of minimal significance if the error involves a discrepancy of less than 0.5% of the NAV per unit of the Class. Any pricing discrepancy of 0.5% or more of a Class will be rectified as stated in the Deed unless the total impact of the discrepancy on an individual account is less than RM10.00 as the transaction cost may be more than the amount adjusted.

Multi-class Structure

As mentioned, the Fund is established as a fund with multi-class. Despite the fact that the Fund only launch one (1) Class (i.e. Class MYR-Hedged) initially and may launch more Class(es) only on later dates, it is important for you to understand how a fund with more than one (1) class of unit is valued. The following illustrates how the valuation is carried out on a business day for a multi-class fund:

note	Fund (USD) [#]	Class ABC Denominated In USD (USD)	Class XYZ Denominated In MYR (USD)
Net asset value of the fund before income and expenses	200,000,000	180,000,000	20,000,000
% of the total net asset value of the fund	100%	90.00%	10.00%
Add: Income	10,000	9,000	1,000
Less: Expenses	-1,000	-900	-100
a Benefits or costs of hedging (if any)	400	-	400
Net asset value of the fund before management fee and trustee fee	200,009,400	180,008,100	20,001,300
b Less: management fee (1.8% p.a)	-9,863	-8,877	-986
c Less: trustee fee (0.05% p.a)	-274	-247	-27
Net asset value of the fund	199,999,263	179,998,976	20,000,287
Units in circulation	249,000,000	170,000,000	79,000,000
d Net asset value per unit (in USD)		1.0588	0.2532
e Currency exchange rate (USD to MYR)		N/A	4.0000
f Net asset value per unit (in respective class(es))		\$1.0588	RM1.0127
Notes: <i>a - this assumes that Class XYZ is a class with currency hedging feature. The USD400 is the benefit (receivable for hedging).</i> <i>b & c - Management fee and trustee fee are proportionately shared (by the respective class(es) of the fund based on the respective class(es)' net asset value size. As both management fee and trustee fee are quoted in per annum basis, the fees will be converted into daily* basis first before the payable fees are derived.</i> <i>d – refers to net asset value per unit denominated in the fund's base currency (USD). It is derived by dividing the net asset value of the fund with units in circulation.</i> <i>e – the prevailing exchange rate is assumed to be RM4.00 to USD1.00.</i> <i>f – refers to net asset value per unit of the respective class of the fund in the currencies of which each class(es) are denominated. As Class ABC's currency is the same as the fund's base currency, no conversion of currency is required. Class XYZ's net asset value per unit (in MYR) is calculated by multiplying its net asset value per unit (in base currency) with the currency exchange rate, which is 4.0000 as shown above.</i> <i>#base currency of the fund.</i> <i>*[fee in p.a ÷ (365 or 366)] × net asset value before management fee and trustee fee.</i>			

9.6 Minimum Initial Investment

We offer you a choice of two investment plans namely, Cash Plan and Regular Savings Plan. These plans have been carefully developed to cater for various types of investors with differing financial objectives. To invest, please complete our account application form and investment form and forward it to any of our offices or our authorised representatives, the details of which can be found on page 109.

Fund	Cash Plan	Regular Savings Plan
Phillip Premier Fund Phillip Pearl Fund Phillip Dana Aman Phillip Recovery Fund Phillip Income Fund Phillip Dana Murni Phillip SELECT Balance Fund Phillip SELECT Income Fund Phillip Dividend Fund Phillip Focus18 Fund Phillip Asia Brands Fund Phillip Global Stars Fund	Lump Sum Cash RM500 minimum investment.	You may fix your own time frame for saving, starting with a minimum of five years. Your initial investment must be two times the monthly investment amount subject to a minimum of RM200.

Phillip AsiaPac Income Fund Phillip Dana Dividen Phillip Focus China Fund Phillip Global A.I.R. Fund Phillip Dynamic AsiaPac Fund Phillip Global Disruptive Innovation Fund		
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We have the discretion to accept a lower amount than that disclosed in the prospectus as we deem fit. All amounts referred here include the sales charge and applicable tax (if any) on sales charge of the Funds. For more explanation on the sales charge, please refer to page 64.

9.7 Minimum Additional Investment

If you are already a unitholder of our Funds and wish to purchase additional units, please complete our investment form, indicating your existing unit trust account number. In the event, a new account application form is received by us for the purchase of additional units, we may at our discretion credit the additional units appropriately into your existing account of the Fund. The following are the minimum additional investments for the respective investment schemes:

Fund	Cash Plan	Regular Savings Plan
Phillip Premier Fund Phillip Pearl Fund Phillip Dana Aman Phillip Recovery Fund Phillip Income Fund Phillip Dana Murni Phillip SELECT Balance Fund Phillip SELECT Income Fund Phillip Dividend Fund Phillip Focus18 Fund Phillip Asia Brands Fund Phillip Global Stars Fund Phillip AsiaPac Income Fund Phillip Dana Dividen Phillip Focus China Fund Phillip Global A.I.R. Fund Phillip Dynamic AsiaPac Fund	Lump Sum Cash RM100 minimum investment.	Monthly investment amount: Minimum RM100 via a standing instruction with our appointed bank or financial process exchange (FPX) direct debit service.

We have the discretion to accept a lower amount than that disclosed in the prospectus as we deem fit. All amounts referred here include the sales charge and applicable tax (if any) on sales charge of the Funds. For more explanation on the sales charge, please refer to page 64.

9.8 How to Purchase

Investor need to complete the Fund Master Form when he/she makes an initial investment in the Funds. Investor has the convenience of maintaining all his/her investments in one account regardless of the number of Funds he/she invests in. He/she will be able to buy, sell, switch and transfer units by simply completing the Fund Master Form. Please refer to the table on "How to Buy, Sell, Switch & Transfer" on page 75 for further details. Fund Master Form and Transfer Form can be obtained from any of our sales offices and institutional sales agent as listed in Chapter 18 or downloaded from <https://www.phillipmutual.com> or <http://www.eunittrust.com.my>. All our sales offices and institutional sales agents as listed in Chapter 18 adhere to the same instruction/procedure on application and redemption as detailed in Sections 9.8 – 9.9.

Your purchase application for units and payment must reach our office by 4.00 p.m. on any business day. Any duly completed and accepted original application form and payment received after this cut-off time is considered as being transacted on the next business day. In addition to the submission of the above form, you may be required to forward to us additional documents to authenticate your identity when transacting units of a Fund. We may for any reason at any time, waive existing procedures, and/or prescribe applications for units in any other form or manner whether for all/any particular investor, at our discretion.

If you are an existing the Manager's customer (i.e. individual(s) with valid investment account(s) with us), you may top up your investment (including in the Fund(s) you don't currently hold) with us via fax or email (i.e. faxed or soft-copy documentation) with the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in the instances that are beyond our control (e.g. our email or fax is unreachable or busy).
- You accept we reserve the right to carry out the due verification via phone, of which the call may be recorded.
- You accept that your subscription instruction will only be carried out upon the receipt of your payment, proof of payment, the necessary documentation, and the completion of the due verification (if any) before the same cut-off time indicated above.
- You accept that your risk profile (in our record) must at least match or higher than the risk classification of the Fund(s) you wish to invest.
- You accept that this value-added service is only available for Cash Plan, and for Regular Savings Plan, where you need to perform the monthly payment via ad-hoc bank transfer.

It is important to note that this is a value-added service for your convenience, we shall not be held responsible for the authenticity of your instructions, which we reasonably believe to be genuine. You may always opt for subscription via hard-copy documentation (as shown above) if you find the value-added service is not for you.

You are advised to contact us at 03-2783 0300 to understand the details (e.g. documents required) for this value-added service before utilising it.

THERE ARE FEES AND CHARGES INVOLVED AND INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUNDS. ALL FEES AND CHARGES PAYABLE TO THE MANAGER AND/OR THE TRUSTEES ARE SUBJECT TO ANY APPLICABLE TAXES AND/OR DUTIES AS MAY BE IMPOSED BY THE GOVERNMENT OR OTHER AUTHORITIES FROM TIME TO TIME.

INVESTORS ARE ADVISED NOT TO MAKE PAYMENT IN CASH TO ANY INDIVIDUAL CONSULTANT WHEN PURCHASING UNITS OF A FUND.

9.9 Redemption

Upon receipt of the duly completed and accepted original transaction form, which must reach our head office by 4.00 p.m. on any business day, we will repurchase the units at the respective Fund's NAV per unit (or of a Class of the Fund, as the case may be) calculated at the end of that business day. Payment will be made to you within 10 days. We will not be held responsible for any loss/delay in the events below (which are beyond the control of the Manager and Trustee):

1. Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems; and
2. Inaccurate details, including but not limited to identity card number and account number furnished by you.

You will also be able to redeem your investment via fax or email (i.e. faxed or soft-copy documentation) with the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in the instances that are beyond our control (e.g. our email or fax is unreachable or busy).
- You accept that we reserve the right to carry out the due verification via phone, of which the call may be recorded.
- You accept that your redemption instruction will only be carried out upon the receipt of the necessary documentation and the completion of the due verification (if any) before the same cut-off time indicated above.

It is important to note that this is a value-added service for your convenience, we shall not be held responsible for the authenticity of your instructions, which we reasonably believe to be genuine. You may always opt for subscription via hard-copy documentation (as shown above) if you find the value-added service is not for you.

You are advised to contact us at 03-2783 0300 to understand the details (e.g. documents required) for this value-added service before utilising it.

There is no minimum redemption amount for the Funds. For partial redemption, the minimum balance to be maintained in your unit trust account must be 500 units or such other lower sum as may be decided by the Trustees and the Manager from time to time. If units in your account are less than the minimum holding after the redemption application is made, all units in your account will be redeemed automatically.

9.10 Switching Facility

There are no restrictions on the number of switching transactions that you may carry out; however, all switching transactions are subject to the following conditions:

- You may switch your investments into all other Funds managed by the Manager;
- The minimum number of units to be switched is 1,000 units and the value of units switched must meet the minimum investment amount of the switch-in Funds, whichever is higher;
- The minimum number of units required to be held in the switch-out Fund is 500 units for a partial switch; and
- For the avoidance of doubt, if you have purchased units of the Funds through our IUTA, the switching transaction is subject to the terms and conditions of the IUTA.

Switching will be carried out at the respective prevailing NAV per unit of a Fund to be switched from and a Fund to be switched into on a business day, when we receive the switching request by 4.00 p.m. on any business day (subject to availability and terms of the Fund to be switched into).

You will also be able to switch your investment from one Fund to another Fund via fax or email (i.e. faxed or soft-copy documentation) with the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in the instances that are beyond our control (e.g. our email or fax is unreachable or busy).
- You accept that we reserve the right to carry out the due verification via phone, of which the call may be recorded.
- You accept that your switching instruction will only be carried out upon the receipt of the necessary documentation the completion of the due verification (if any) before the same cut-off time as indicated above.
- You accept that your risk profile (in our record) must at least match or higher than the risk classification of the Fund(s) you wish to switch into.

It is important to note that this is a value-added service for your convenience, we shall not be held responsible for the authenticity of your instructions, which we reasonably believe to be genuine. You may always opt for subscription via hard-copy documentation (as shown above) if you find the value-added service is not for you.

You are advised to contact us at 03-2783 0300 to understand the details (e.g. documents required) of this value-added service before utilising it.

Should the sales charge of a Fund to be switched into is higher than the sales charge imposed on a Fund to be switched from, then the difference in the sales charge between the two (2) Funds shall be borne by you. There will be no sales charge imposed if the Funds to be switched into has a lower sales charge than the Fund you are switching out from.

Current Fund	Target Fund			
	Zero Sales Charge Fund (Fund with no sales charge)	Low Sales Charge Fund (Fund with maximum sales charge of 2.00% of NAV per unit)	Reduced Sales Charge Fund (Fund with maximum sales charge of 5.00% of NAV per unit)	Normal Sales Charge Fund (Fund with maximum sales charge of 5.50% of NAV per unit)
Low Sales Charge Fund: Phillip Dana Murni Phillip SELECT Income Fund	Nil	Nil	3.00%	3.50%
Reduced Sales Charge Fund: Phillip Income Fund Phillip SELECT Balance Fund Phillip Dividend Fund Phillip AsiaPac Income Fund Phillip Dana Dividen	Nil	Nil	Nil	0.50%

	Target Fund			
Normal Sales Charge Fund: Phillip Premier Fund Phillip Pearl Fund Phillip Dana Aman Phillip Recovery Fund Phillip Focus18 Fund Phillip Asia Brands Fund Phillip Global Stars Fund Phillip Focus China Fund Phillip Global A.I.R. Fund Phillip Dynamic AsiaPac Fund Phillip Global Disruptive Innovation Fund	Nil	Nil	Nil	Nil

Our IUTA may not carry the complete range of the Manager's Funds. Investments made via our IUTA are subject to different terms and conditions of the respective IUTA, including those for switching between Funds.

Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim unitholders. The term 'discouraged' is not a Shariah ruling imposed by the Shariah Adviser of the fund to the investor, rather a suggestion for the Muslim investor to continue practicing the Islamic conducts, i.e.: Shariah investing.

Fees and charges quoted are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

9.11 Transfer

The transfer form must be completed in the presence of a witness. For partial transfer, the minimum balance to be maintained in your unit trust account must be 500 units or such sum as decided by the Trustee and the Manager from time to time.

9.12 Payment Methods for Investment

We provide various payment methods to investors who wishes to purchase units. Application for units will be processed on the date, which the completed documents are received or deemed to have received by us (dealing cut off time will apply).

Investors can may make payment to PMB via:

1. Cheques/ bank drafts – cheques and bank drafts must be drawn at a bank located in Malaysia in Ringgit Malaysia (RM), crossed and made payable to “**Phillip Mutual Berhad**” and attached to the application. **Post-dated cheques will not be accepted.**

Cheques/ bank drafts can be deposited directly into our account at any Malayan Banking Berhad branches. Please fax or post a copy of the deposit slip (proof of payment) to us. Please note that the instruction to purchase units will be executed on the date on which the completed documents are received or are deemed to have been received by us. It will not necessarily be executed on the date on which the payment is deposited into our bank account.

2. Telegraphic transfers – telegraphic transfers should be remitted in Ringgit Malaysia (RM) to the bank account stated below. A copy of the receipt from the forwarding bank must be sent together with the application. Please note that any bank charges and/or other fees levied by the remitting bank for undertaking a telegraphic transfer will have to be borne by the transferor.
3. Online payment – investors can make online third party payment to the account mentioned below and fax or email the transaction slip to us. For transactions done via our websites, <http://www.eunitrust.com.my> and <https://www.fame.com.my>, payment can be made through the online payment facility offered therein.
4. Auto debit – instructions can be given to debit the investors bank account by filling up a FPX Form. This regular auto debit facility is a service provided to investors who opt for a regular savings plan.

*We strictly prohibit the acceptance of cash payment from walk-in clients or cash payment from clients who directly bank-in via ATM Machine/ Cash Deposit Machine into our bank accounts for unit trust funds' purchase.

Payable to: PHILLIP MUTUAL BERHAD				
Bank Details	Malayan Banking Bhd, KL Main Office	Public Bank Berhad, Jalan Ampang	CIMB Islamic Bank Berhad, Jalan Raja Chulan	AMIslamic Bank Berhad, Jalan Yap Kwan Seng
Account No.	514011379755	3169402106	8600048985	0662022016234
Website	www.maybank2u.com.my	www.pbebank.com.my	www.cimbclicks.com.my	www.ambankgroup.com.my

You may also execute the transaction with any of our agents or IUTA (as disclosed in Chapter 18). The same policy applies.

HOW TO BUY, SELL, SWITCH AND TRANSFER

How to	Documents Required	Minimum Amount	What the investor will receive
Make Initial Investment	a) For new investors: <ul style="list-style-type: none"> Completed and signed Fund Master Form, Legible photocopy of identity card or passport of each applicant Proof of payment b) For existing PMB investors: <ul style="list-style-type: none"> Completed and signed Transaction Form (clearly stating the Fund's name, and the amount to be invested) Proof of payment 	RM500	Statement of Account Receipt Notification Trade Confirmation
Make Additional Investments	<ul style="list-style-type: none"> Completed and signed Transaction Form (clearly stating investors account number, the Fund's name, and the amount to be invested) Proof of payment 	RM100	Statement of Account Receipt Notification Trade Confirmation
Sell	<ul style="list-style-type: none"> Completed and signed Transaction Form (clearly stating the account number, the Fund's name, the value or units to be sold and settlement instructions) 	There is no minimum repurchase requirement	Statement of Account Trade Confirmation Redemption Cheque
Switch	<ul style="list-style-type: none"> Completed and signed Transaction Form (clearly stating the account number, the Fund's names, the value or units to be switched) 	1000 Units	Statement of Account Trade Confirmation
Transfer	<ul style="list-style-type: none"> Completed and signed Transfer Form 	500 Units	Statement of Account Trade Confirmation
Reversal of Transaction (cooling off)	<ul style="list-style-type: none"> Completed and signed Transaction Form (clearly stating the intention to cool off the transaction, the Fund's name and the value of investment) 	There is no minimum value required	Statement of Account
Regular Savings Plan (RSP)	a) For new investors: <ul style="list-style-type: none"> Completed and signed Fund Master Form 	RM100	Statement of Account

	<ul style="list-style-type: none"> • Legible photocopy of identity card or passport of each applicant • FPX Direct Debit Authorisation Form or CIMB Autodebit – Direct Debit Instruction Application Form or Public Bank Autodebit – Direct Debit Instruction Application Form • Proof of payment (for 1st investment only) <p>b) For existing PMB investors:</p> <ul style="list-style-type: none"> • Completed and signed Transaction Form • FPX Direct Debit Authorisation Form or Public Bank Autodebit – Direct Debit Instruction Application Form or CIMB Autodebit – Direct Debit Instruction Application Form <p>* Deduction date: every 15th or 28th of the month</p>		<p>Receipt Notification</p> <p>Trade Confirmation</p>
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9.13 Cooling-Off Right

The cooling-off right refers to the right of the investor to obtain a refund if he should change his mind about an investment he has made in any of the Funds if he so requests within the cooling-off period i.e. within 6 business days of the date of his application. The cooling-off right is only given to an individual investor, other than those listed below, who is investing in any Fund managed by us for the first time:

- a staff of the Manager; and
- persons registered with a body approved by the Securities Commission to deal in unit trusts.

Refunds for every unit held following a request for a reverse of an application would be based on:

- the NAV per unit on the day the units were purchased; and
- the sales charge per unit originally imposed on the day the units were purchased.

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 the following business day. Withdrawal proceeds will only be paid when we have received cleared funds for the original investment.

9.14 Online Unit Trusts

To facilitate our unitholders, we have launched the online trading facilities to enable investors to purchase the Funds via online. The online facilities have been approved by SC on 9 June 2005, the electronic Master Prospectus and electronic trading is intended only to be made available in Malaysia and to any person in Malaysia. Investors may log on to <https://www.eunitrust.com.my> and <https://www.fame.com.my> to obtain a copy of the Master Prospectus and Fund Master Form. Alternatively, the printed copy of the Master Prospectus is available at our office at B-2-7, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur.

9.15 Unit Trust Offering Online

The Funds and services referred in <https://www.eunitrust.com.my> and <https://www.fame.com.my> are intended to be made available in Malaysia and to Malaysian resident only. The website and the site will not be considered as a solicitation for or offering of any investment product or service to any person in any jurisdiction other than Malaysia where such solicitation or offering would be illegal.

HOW TO BUY, SELL, SWITCH AND TRANSFER THROUGH <https://www.eunitrust.com.my> and <https://www.fame.com.my>

How to	1. Procedures and Documents Required	Minimum Amount	What you will receive
Open an Account	<p>For new investors and existing investors:</p> <ul style="list-style-type: none"> • Click on "Account Opening"; • Fill up the particulars, attach supporting identification documents and make a minimal online payment via FPX; • Click "Submit". You may "Save" or "Print" the Account Opening Form for your future reference. 	RM1	An email confirmation. You will be advised to perform "first time login" at the online portal and start

	Email: phillipmutual@poems.com.my Fax: 603-2711 3036		doing transactions.
Perform Investment	<ul style="list-style-type: none"> • Enter ID and password to log in; • Click on “Transaction” page and select “buy”; • Select the Fund and key in the amount to buy and select the payment method; • If successful, a “Transaction Confirmation Receipt” will be displayed; 	Subject to the minimum investment amount of the Fund selected.	Receipt Confirmation and Trade Confirmation via email
Sell	<ul style="list-style-type: none"> • Enter ID and password to log in; • Click on “Transaction” page and select “Sell”; • Select the Fund to sell and key in the unit to be redeemed and select the payment method; • If successful, a “Transaction Confirmation Receipt” will be displayed; 	Subject to the minimum repurchase unit/amount of the Fund selected.	Trade Confirmation via email. Redemption proceed will be credited into your account via online banking within 10 days;
Switch	<ul style="list-style-type: none"> • Enter ID and password to log in; • Click on “Transaction” page and select “Switch”; • Select the Fund to switch-out, key in the unit and select the Fund to switch-in; • If successful, a “Transaction Confirmation Receipt” will be displayed. 	Subject to the minimum repurchase unit/amount of the switch-out Fund selected and the minimum investment amount of the switch-in Fund.	Trade Confirmation via email.
Sales Charges	Up to 5.5%* <i>* The above fees and charges are negotiable at our sole discretion only.</i>	RM5.50 (based on minimum investment of RM100)	N/A
Cut-Off Time	Purchase transaction and payment – 3:00 p.m. Sell transaction – 3:00 p.m.	N/A	N/A

9.16 Distribution of Income & Reinvestment Policies

Distribution Policy	Funds
Annually*	Phillip Premier Fund, Phillip Pearl Fund, Phillip Dana Aman, Phillip Recovery Fund, Phillip Income Fund, Phillip Dana Murni, Phillip SELECT Balance Fund, Phillip SELECT Income Fund, Phillip Focus18 Fund, Phillip Asia Brands Fund, Phillip Global Stars Fund, Phillip AsiaPac Income Fund, Phillip Dana Dividen, Phillip Focus China Fund, Phillip Global A.I.R. Fund and Phillip Dynamic AsiaPac Fund
Twice a year*	Phillip Dividend Fund
Incidental	Phillip Global Disruptive Innovation Fund

* Subject to availability of income

Distribution of income is in the form of cash or units. When there are stock market corrections, bear markets or economic downturns, realised capital losses may outweigh realised gains, dividends and interest/profit sharing income received and thus result in no income distributions being possible.

You may opt for income distributions to be paid out to you directly in cash by way of any relevant mode of payments as determined by the Manager (i.e. By default, the Manager doesn't pay income distribution via cheque. All income distribution proceeds will be paid out via bank transfer. Thus, it is important for you to furnish us your bank account details upon your subscription of the Fund(s). We will reinvest your income distribution proceeds if the bank detail you provided is inaccurate resulting failed bank transfer.

In the absence of written instructions to the contrary, distributions declared by a Fund will be automatically reinvested into additional units of the Fund based on the NAV per unit of the Fund by the fourth business day (T+4) after the declaration of distributions at no cost.

Income distribution amounting to less than or equal to the amount of RM200 will be automatically reinvested into additional units of the Fund based on the NAV per unit by the fourth business day after the declaration of distributions.

The request for payment of income distribution proceeds via cheque is treated on a case-to-case basis and subject to the Manager's approval. You will be charged a service fee of up to RM50 for each cheque requested and you will receive your income distribution proceeds net of the service fee. A returned cheque through mail (if any) will be reinvested based on the respective Fund's NAV per unit on the date that we received the cheque. You are encouraged to opt for bank transfer for income distribution as there will be no fee imposed. Kindly contact us at 03-2783 0300 if you need further clarification.

If income is distributed, a tax voucher and reinvestment statement will be sent to the unitholders to the latest address or email recorded in the unitholder's register. There are no costs incurred by investors when exercising the option

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

9.17 Unclaimed Income Policy

Distribution cheques which are left uncashed will become void after 6 months from the date of issuance of cheque. If those cheques are not encashed within 6 months of issue, we will reinvest the amount unrepresented into additional Units of the Fund at the NAV per unit after 6 months, unless the investor no longer holds any Units in the Fund.

The unrepresented cheques of investors who no longer hold any Units in the Fund will be deemed as unclaimed monies and shall be managed in accordance with the Unclaimed Moneys Act 1965.

10 SALIENT TERMS OF THE DEED

10.1 Your Rights as a Unitholder

Your units in a Fund give you an equal interest in the Fund as a whole. Under the deed, each unitholder will receive a sum proportionate to his or her unitholdings upon termination of the Fund. In a distribution of income, if any, we will recognise unitholders who are registered as at the date a distribution of income is declared. You have the right, amongst others, to the following:

- To receive any distribution of income of the Fund, to participate in any increase in capital value of the units and to all rights and privileges under the Fund's deed;
- To exercise the cooling-off right (please refer to page 76);
- To receive annual and interim reports; and
- To call for a meeting of unitholders (as set out below) and to vote for the removal of the Trustee or the Manager by way of a special resolution.

You are entitled to attend meetings which the Trustee or the Manager may convene at any time in accordance with the provisions of the deed. Meetings of unitholders may be called in certain circumstances, including approving certain amendments to the deed or winding-up the Fund. The Trustee or the Manager may call a meeting of unitholders, or you can also request the Manager to call for a meeting of unitholders.

10.2 Your Liabilities as a Unitholder

You are not expected to be under any personal obligation to indemnify the Trustee or Manager of the Fund if the liabilities incurred by the Trustee and/or Manager on behalf of the Fund exceed the value of the assets of the Fund. Your liabilities are limited only to the purchase price of your units (at the time of purchase) plus any related charges for the purchase of the units.

The Trustee shall be indemnified out of the Fund against all losses or expenses incurred by the Trustee in performing any of its duties or exercising any of its power under the deed in relation to the Fund. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the deed.

10.3 Your Limitations and Restrictions as a Unitholder

No unitholder shall be entitled to require the transfer to him or her of any of the investments or assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of such investment and assets.

No unitholder, other than the Manager, shall have any right by reason of his being a unitholder to attend any meeting of shareholders, stockholders or debenture holders or to vote or take part in or consent to any company or action of shareholders, stockholders or debenture holders.

10.4 Maximum Fees and Charges

The deed provides information on the maximum fees and charges for the Fund payable by the unitholder either directly or indirectly such as annual management fee, annual trustee fee, sales charge and redemption charge.

Please refer to the table below on the maximum fees and charges as disclosed in the deeds of the Funds:

Fund	Maximum Sales Charge	Maximum Redemption Charge	Maximum Rate Of the Annual Management Fee	Maximum Rate of the Annual Trustee Fee
Phillip Premier Fund	10% of the NAV per unit	5% of the NAV per unit	1.5% p.a. of the NAV of the Fund	Rate p.a. of the NAV of the Fund based on size of Fund*
Phillip Pearl Fund	10% of the NAV per unit	5% of the NAV per unit	1.5% p.a. of the NAV of the Fund	0.06% p.a. of the NAV of the Fund, calculated and accrued on a daily basis and payable monthly in arrears.
Phillip Dana Aman	10% of the NAV per unit	2% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.10% p.a. of the NAV of the Fund
Phillip Recovery Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.08% p.a. of the NAV of the Fund
Phillip Income Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.10% p.a. of the NAV of the Fund subject to a minimum of RM35,000 p.a., whichever is higher which shall accrue daily
Phillip Dana Murni	10% of the NAV per unit	Nil	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund, calculated and accrued on a daily basis and payable monthly in arrears.

Fund	Maximum Sales Charge	Maximum Redemption Charge	Maximum Rate Of the Annual Management Fee	Maximum Rate of the Annual Trustee Fee
Phillip SELECT Balance Fund	10% of the NAV per unit	Nil	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund, calculated and accrued on a daily basis and payable monthly in arrears, subject to a minimum of RM9,000 p.a., whichever is higher.
Phillip SELECT Income Fund	10% of the NAV per unit	Nil	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund, calculated and accrued on a daily basis and payable monthly in arrears, subject to a minimum of RM9,000 p.a., whichever is higher.
Phillip Dividend Fund	10% of the NAV per unit	Nil	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund, calculated and accrued on a daily basis and payable monthly in arrears.
Phillip Focus18 Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 and a maximum of RM400,000 p.a.
Phillip Asia Brands Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 p.a. (excluding foreign custodian fees and charges)
Phillip Global Stars Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.50% p.a. of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 p.a.
Phillip AsiaPac Income Fund	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 p.a. (excluding foreign custodian fees and charges)
Phillip Dana Dividen	10% of the NAV per unit	5% of the NAV per unit	2.0% p.a. of the NAV of the Fund	1.00% p.a. of the NAV of the Fund before the deduction of the management fee and trustee fee for the relevant day subject to a minimum of RM18,000 p.a. (excluding foreign custodian fees and charges)

Fund	Maximum Sales Charge	Maximum Redemption Charge	Maximum Rate Of the Annual Management Fee	Maximum Rate of the Annual Trustee Fee
Phillip Focus China Fund	5.50% of the NAV per unit	Nil	1.60% p.a. of the NAV of the Fund	0.10% p.a. of the NAV of the Fund subject to a minimum of RM18,000 p.a. calculated and accrued daily (excluding foreign custodian fees and charges)
Phillip Global A.I.R. Fund	10% of the NAV per unit	Nil	5.0% p.a. of the NAV of the Fund	0.20% p.a. of the NAV of the Fund subject to a minimum of RM18,000 p.a. calculated and accrued daily (excluding foreign custodian fees and charges)
Phillip Dynamic AsiaPac Fund	5.50% of the NAV per unit	Nil	5.00% p.a. of the NAV of the Fund	0.10% p.a. of the NAV of the Fund subject to a minimum of RM18,000 p.a. calculated and accrued daily (excluding foreign custodian fees and charges)
Phillip Global Disruptive Innovation Fund – Class MYR-Hedged	6% of the NAV per unit of the Class	Nil	1.80% p.a. of the NAV of the Class	0.05% p.a. of the NAV of the Fund subject to a minimum of RM8,400.00 p.a. calculated and accrued daily (excluding foreign custodian fees and charges)

*

Size Of Fund	Rate Per Annum of The Net Asset Value Of The Fund
First RM20 million	0.06% and shall be calculated and accrued daily (excluding any custodian fee)
Next RM20 million	0.05% and shall be calculated and accrued daily (excluding any custodian fee)
Next RM20 million	0.04% and shall be calculated and accrued daily (excluding any custodian fee)
Next RM20 million	0.03% and shall be calculated and accrued daily (excluding any custodian fee)
Next RM20 million	0.02% and shall be calculated and accrued daily (excluding any custodian fee)
Any amount above RM100 million	0.01% and shall be calculated and accrued daily (excluding custodian fee)

Despite the maximum fees and charges permitted by the deed, all current fees and charges are disclosed in the prospectus. (Please refer to pages 64 to 67).

Procedures for An Increase in The Fees and Charges from The Maximum Rate Provided in The Deed

The maximum sales charge, redemption charge, annual management fee or annual trustee fee set out in the deed can only be increased if a meeting of unitholders has been held in accordance with the deed. Thereafter, a supplemental deed proposing a modification to the deed to increase the aforesaid maximum charges and fees is required to be submitted for registration with the Securities Commission accompanied by a resolution of not less than two-third (2/3) of all unitholders present and vote at the meeting of unitholders sanctioning the proposed modification to the deed.

Procedures for An Increase in The Fees and Charges from The Level Disclosed in The Prospectus

- **Sales Charge and Redemption Charge**

The Manager may not charge a sales charge or redemption charge at a rate higher than that disclosed in the prospectus unless:

- the Manager has notified the Trustee of the higher rate and the date on which such higher rate is to become effective;
- a supplementary or replacement prospectus stating the higher rate is issued thereafter; and
- such time as may be prescribed by the relevant law shall have elapsed since the supplementary or replacement prospectus is issued.

- **Annual Management Fee and Annual Trustee Fee**

The Manager may not charge an annual management fee or annual trustee fee at a rate higher than that disclosed in the prospectus unless:

- the Manager has come to an agreement with the Trustee on the higher rate;
- the Manager has notified the unitholders of the higher rate and the date on which such higher rate is to become effective;

- such time as may be prescribed by any relevant law shall have lapsed since the notice is sent;
- a supplementary or replacement prospectus stating the higher rate is issued thereafter; and
- such time as may be prescribed by the relevant law shall have elapsed since the supplementary or replacement prospectus is issued.

10.5 Permitted Expenses Payable Out of a Fund's Property

Only the expenses (or part thereof) which are directly related and necessary to the business of a Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:

- commission or fees paid to brokers or dealers;
- fees and other expenses properly incurred by the auditor and tax agent;
- custodian fees;
- taxes and other duties charged on the Fund by the government and other authorities; and
- any other legitimate administration expenses or relevant professional fees approved by the Trustee.

10.6 Removal, Replacement and Retirement of the Management Company

Subject to the approval of the Securities Commission and the provisions of the deed, we may retire in favour of some other corporation upon giving the Trustee three months' (or such other period as the Manager and the Trustee may agree upon) written notice of our desire to do so.

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

- goes into liquidation (except for the purposes of amalgamation or reconstruction or some other purpose approved by the relevant authorities); or
- has had a receiver appointed; or
- has ceased to carry on business; or
- is in breach of its obligations under the deed, Capital Markets And Services Act 2007 or the SC Guidelines or has ceased to be eligible to be a management company under the relevant laws; or
- has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of unitholders for it to do so after the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, has considered any representations made by the Manager in respect of that opinion and after consultation with the Securities Commission and with the approval of the unitholders by way of a special resolution.

10.7 Removal, Replacement and Retirement of a Trustee

A Trustee may retire upon giving three months' (or such other period as the Manager and the Trustee may agree upon) written notice to the Manager of its desire to do so, and may by deed appoint in its stead a new trustee approved by the Securities Commission. The Trustee may be removed and another trustee may be appointed by special resolution of the unitholders at a meeting of unitholders convened in accordance with the deed or as stipulated in the Capital Markets And Services Act 2007.

We may remove the Trustee or appoint another trustee by special resolution of the unitholders at a meeting of unitholders convened in accordance with the deed.

We shall take all reasonable steps to replace a Trustee as soon as possible 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 to act as Trustee under any relevant law;
- The Trustee has failed or refused to act as Trustee in accordance with the provisions or covenants of the deed or the provisions of the Capital Markets And Services Act 2007;
- A receiver is appointed over the whole or a major part of the assets or undertaking of the Trustee and has not ceased to act under that 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 existing Trustee becomes or is declared 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.

10.8 Termination of a Fund and/or the Class(es)

Termination of a Fund

A Fund may be terminated or wound-up by the Manager or Trustee by way of a special resolution of the unitholders at a meeting of unitholders convened in accordance with the deed, the Capital Markets And Services Act 2007 and the SC Guidelines.

Termination of a Class

The Manager may terminate a particular Class via the passing of a special resolution by the unitholders of such Class at a meeting of such unitholders, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests

of unitholders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class of the Fund.

10.9 Meetings of Unitholders

Unitholders may apply to the Manager to summon a meeting of unitholders for any purpose including, without limitation, for purposes of:

- Requiring the retirement or removal of the Manager;
- Requiring the retirement or removal of the Trustee;
- Considering the most recent financial statements of a Fund;
- Giving to the Trustee such directions as the meeting thinks proper; or
- Considering any matter in relation to the deed.

However, 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 unitholders and the application has been made in accordance with the provisions of the deed.

11 ALL ABOUT THE MANAGER – PHILLIP MUTUAL BERHAD

11.1 The Manager

Our company, Phillip Mutual Berhad (PMB) was incorporated in Malaysia on 31 January 2002 with a paid up capital of RM20,290,932. The shareholders are Phillip Capital Holdings Sdn Bhd (70%) and Ehsan Astaka Sdn Bhd (30%).

We have a staff strength of 65 executives as at 15 November 2020 with extensive experience in the unit trust industry within their respective areas of specialization.

We are essentially part of the PhillipCapital Group of companies, a financial conglomerate with interests in stockbroking, futures broking and fund management and information technology. The group was established in 1975, providing a comprehensive range of financial services to retail and institutional customers. Today PhillipCapital Group is firmly established in the financial hubs of 16 countries, with offices in Singapore, Malaysia, Cambodia, Indonesia, Thailand, Hong Kong, China, Japan, India, Sri Lanka, United Arab Emirates, United Kingdom, France, Turkey, Australia, and United States of America. The group's more than 36 years of experience in equities, futures and fund management will be harnessed to produce results consistent with each of the Fund's objectives.

As at 15 November 2020, we have three funds with assets under management of above RM 5.5 billion.

11.2 Board of Directors

- 1) Prof. Tan Sri Dato' (Dr.) Ir. Jamilus Bin Md Hussin (*Independent Director*)
- 2) Datuk Ir. Hamzah Bin Hasan (*Independent Director*)
- 3) Datin Hajjah Nona Binti Salleh CFP (*Non-Independent Director*)
- 4) Mr. Andy Lim Say Kiat, CFA, CFP (*Non-Independent Director*)
- 5) En. Mohd Fadzli Bin Mohd Anas (*Non-Independent Director*)
- 6) Mr. Lim Wen Sheong (*Non-Independent Director*)
- 7) Mr. Jeffrey Lee Chay Khiong CFA (*Alternate Director*)

11.3 Roles and Functions of the Manager

As the Manager, we are responsible for the daily management and administration of the Funds in accordance with the provisions of the deeds. Our main duties include:

- maintaining a register of unitholders
- monitoring of the Investment Manager in implementing appropriate investment strategies to achieve the Fund's objective
- distribution of income or additional units to unitholders
- arranging for the sale and repurchase of units
- keeping of proper records of the Funds and reporting to unitholders
- promoting the Funds

In keeping with the regulatory requirements of the SC, we have established a compliance unit under a Compliance Officer to ensure that all compliance requirements (for example, investment types and limits) are rigidly adhered to at all times. The Compliance Officer reports directly to the Board of Directors and is responsible for ensuring that all relevant regulations are adhered to.

11.4 Material Litigation

As at 15 November 2020, there is no material arbitration or litigation, including those pending or threatened, nor are there any facts which are likely to give rise to any proceedings which might materially affect the business/ financial position of PMB or any of our delegates.

11.5 Investment Committee

The investment committee is responsible for formulating, implementing and monitoring the investment management policies of the Funds in accordance with the objectives of each of the Funds and the provisions of the deeds. Formal investment committee meetings are held every 2 months and more frequently when required to approve and decide the following:

- establish appropriate strategies to achieve the proper performance of the Funds in line with their respective investment objectives;
- ensure proper and efficient implementation of that strategies by the Manager or any delegate;
- actively monitor, measure and evaluate the investment management performance of the Manager; and
- ensure compliance with the provisions of the deeds, Capital Markets and Services Act 2007, the SC Guidelines, securities law and internal investment restrictions and policies by the Investment Manager of the Funds.

11.6 Investment Manager – Phillip Capital Management Sdn Bhd (“PCM”)

11.6.1 Background of Investment Manager

The Manager delegates the investment management of the Funds to PCM, a wholly owned subsidiary of the Manager. PCM is a fund management company licensed by Securities Commission Malaysia to carry out regulated activities of fund management. Incorporated in Malaysia in 1995, PCM offers investment management services to institutions, corporations and high net-worth individuals. PCM has more than 25 years of experience in the fund management industry. The Manager strongly believe that by delegating the investment function, the Funds would be best managed to achieve its objective.

PCM offers investment management expertise to institutions, corporations and high net-worth individuals and Employees' Provident Fund (EPF) contributors under the EPF Member Investment Scheme. As at 15 November 2020, PCM's total shareholders' funds are above RM17.3 million and the total funds under management are above RM6.8 billion.

PCM combines top-down macroeconomic approach for asset allocation decision and bottom-up research for optimum stock selection. As at 15 November 2020, the company has total staff strength of 40 comprising 10 fund managers and 30 support staff.

11.6.2 Roles and Responsibilities of Investment Manager

PCM is a licensed fund manager and responsible for managing the investment and dealing of the Funds so as to meet the investment objectives of the Funds. As the investment manager, PCM shall have discretionary authority over the investment of the Funds under its management subject to the Guidelines on Unit Trust Funds and other relevant applicable regulations. PCM will meet and report to the investment committee of the Funds on a regular basis pertaining to the status of the Funds, proposed investment strategy and discuss matters relating to the Funds. Apart from the regular meetings, the investment committee will meet with PCM more frequently should the circumstances require. The remuneration of the PCM is borne by us.

11.6.3 Material Litigation

As at 15 November 2020, there is no material arbitration or litigation, including those pending or threatened, nor are there any facts which are likely to give rise to any proceedings which might materially affect the business/ financial position of PMB or any of our delegates.

11.6.4 Investment Teams

Mr. Ang Kok Heng CFA
Chief Investment Officer
B. Eng. In (Mechanical), University of Malaya,
MBA, Universiti Kebangsaan Malaysia.

Mr. Ang joined PhillipCapital Group in January 2007. He graduated with a Bachelor of Engineering in Mechanical, from University of Malaya in 1980 and holds a Master Degree in Business Administration from Universiti Kebangsaan Malaysia. He is also a Fellow Member of the Chartered Institute of Management Accountants and Charter holder of CFA Institute. He started his career as a design engineer before joining Malaysian Industrial Authority (MIDA) where he spent 7 years there. Mr. Ang started the Research Department of TA Securities Berhad in 1988 and headed the department for 7 years. He was subsequently transferred and appointed as the Chief Investment Officer of TA Asset Management in 1995. He is also a regular speaker in stock market and investment seminars. Mr. Ang holds a Capital Markets Representative License (CMSRL/A3984/2007).

As the Chief Investment Officer, Mr. Ang is responsible for the oversight of the overall management of the Funds.

Ms. Tan Sze Nee
Senior Manager, Fixed Income
Bachelor of Business Administration, University of Malaya

Ms. Tan was appointed as Fixed Income Manager of PCM in January 2015. She began her career with Phillip Mutual Berhad in August 2008 and was transferred to PCM in 2011 to grow the corporate and institutional business. Ms. Tan has a total of more than 12 years of experience in the financial industry. She holds a Capital Markets Services Representative License (CMSRL/B3906/2013).

Ms. Tan is the designated fund manager for the Phillip Dana Murni and the fixed income portion of the Phillip AsiaPac Income Fund, Phillip Income Fund, Phillip SELECT Balance Fund and Phillip SELECT Income Fund.

Mr. Foong Wai Mun

Manager, Equity

Bachelor of Commerce (Hons) Accounting, University Tunku Abdul Rahman

Mr. Foong joined PCM in November 2017 as Fund Manager. He has been working in the capital market industry since 2007 including as an equity analyst with CIMB Investment Bank, ECM Libra Investment Bank and Public Mutual Berhad. As an equity analyst, he has covered various sectors, such as consumer, property, REIT, technology, telecommunications and utilities sector both on the sell as well as buy-side. Prior to joining PCM, Mr Foong was an investment manager at BRDB Capital, a family office under BRDB Development managing the private wealth of the Group office. Graduated from University Tunku Abdul Rahman with a Bachelor of Commerce (Hons) Accounting, Mr Foong brought with him over 10 years of experience in the capital market industry and currently holds a Capital Markets Services Representative License (eCMSRL/B8207/2018).

Mr. Foong is the designated fund manager for Phillip Pearl Fund, Phillip Recovery Fund and the equity portion of the Phillip Dividend Fund and Phillip Income Fund.

Ms. Atifa Faiqa Md Alier

Manager, Equity

Bachelor of Finance (Hons), Universiti Teknologi MARA

Msc in Finance, Cardiff University

Ms. Atifa Faiqa Md Alier joined PCM in July 2019 as fund manager. She has over 5 years of experience in fund management industry. Prior to joining PCM, she has been working with several fund management companies including AmFunds Management Berhad and Kenanga Investors Berhad as investment risk analyst where she analyses the exposures and performance across different portfolios and at an aggregate level. Graduated from Universiti Teknologi MARA with a Bachelor of Finance (Hons) and a holder of Master of Finance from Cardiff University, Ms Atifa holds a Capital Markets Services Representatives License (eCMSRL/B9347/2019).

Ms. Atifa is the designated fund manager for the equity portion of the Phillip SELECT Balance Fund and Phillip SELECT Income Fund.

Ms. Mutiara Binti Zulkifli

Manager, Equity

Bachelor of Finance (Hons), Universiti Teknologi MARA

Ms. Mutiara joined PCM in September 2020 as fund manager. Before joining PCM, she was the portfolio manager managing Dana Makmur Pheim in Pheim Asset Management for more than 2 years. During her tenure there, she also covered sectors such as auto, aviation, REITs, conglomerates, manufacturing, consumer sectors; as well as overlooking various portfolios' foreign countries exposure. Prior to joining Pheim Asset Management, she was attached to Phillip Research Sdn. Bhd. (PRSB) as an investment analyst for 3 years. Graduated from Universiti Teknologi MARA with a Bachelor of Finance (Hons), Ms. Mutiara brought with her over 6 years of experience in the capital market industry and currently holds a Capital Markets Representative License (eCMSRL/B7869/2018).

Ms. Mutiara is the designated fund manager for Phillip Global A.I.R. Fund, Phillip Global Disruptive Innovation Fund, Phillip Dynamic AsiaPac Fund, Phillip Global Stars Fund, Phillip Asia Brands Fund, Phillip Dana Dividen, Phillip Focus China Fund, Phillip Dana Aman, Phillip Premier Fund, Phillip Focus18 Fund and the equity portion of the Phillip AsiaPac Income Fund.

Further information on the Manager, investment committee and PCM is provided in the manager's website at www.phillipmutual.com

12 TRUSTEES OF THE FUNDS, THEIR DUTIES AND RESPONSIBILITIES

A Trustee serves mainly as the custodian of the Fund and to safeguard the interest of the unitholders. The assets of the Funds are registered in the name of the respective Trustees who function independently from the Manager. The Trustees exercise all due diligence and vigilance when carrying out their functions and duties to safeguard the rights and interests of all unitholders. The Trustees are responsible in ensuring that we perform our responsibilities in accordance with the provisions of the deeds.

Below are the details of the Trustees of the respective Funds:

12.1 Universal Trustee (Malaysia) Berhad 197401000629 (17540-D) (For Phillip Premier Fund)

Name Of Trustee: Universal Trustee (Malaysia) Berhad 197401000629 (17540-D)

Corporate Information

Universal Trustee (Malaysia) Berhad was incorporated on the 5th day of March 1974 and is registered as a trust company under the Trust Companies Act 1949. It's registered address is at Suite 11.1A, Level 11, Menara Weld, 76 Jalan Raja Chulan, 50200 Kuala Lumpur. Universal Trustee (Malaysia) Berhad is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

Experience as Trustee for Unit Trust Funds

Universal Trustee (Malaysia) Berhad has been a trustee for various unit trust funds for more than 30 years

Delegation Of Share Custodial Functions

Share custodial functions are not delegated to any other parties.

Material Litigation And Arbitration

As at 15 November 2020 there is no current material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business or financial position of Universal Trustee (Malaysia) Berhad.

12.2 MTrustee Berhad 198701004362 (163032-V)

(For Phillip Pearl Fund, Phillip Dana Murni, Phillip SELECT Balance Fund, Phillip SELECT Income Fund and Phillip Dividend Fund)

Name Of Trustee: MTrustee Berhad 198701004362 (163032-V)

Corporate Information

MTrustee Berhad was incorporated on 28 July 1987 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at B-2-9 (2nd Floor), Pusat Perdagangan Kuchai, No. 2, Jalan 1/127, Off Jalan Kuchai Lama, 58200 Kuala Lumpur. MTrustee Berhad is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

Experience as Trustee to Unit Trust Funds

MTrustee Berhad has been involved in unit trust industry as trustee since 1997. It acts as Trustee to various unit trust funds and real estate investment trust funds.

Delegation Of Share Custodial Functions*

MTrustee Berhad has delegated its custodian of quoted and unquoted local investments of the Funds to Malayan Banking Berhad ("MBB"). The assets of the local Funds are held through MBB's nominee company, It was set up to act as custodian for investment advisers, managers of large portfolios, lending banks and international custodians.

MTrustee Berhad retains control of the assets of the respective Funds at all times.

Material Litigation And Arbitration

As at 15 November 2020, MTrustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business or financial position of MTrustee Berhad.

12.3 CIMB Islamic Trustee Berhad 198801000556 (167913-M) (For Phillip Dana Dividen and Phillip Dana Aman)

Name Of Trustee: CIMB Islamic Trustee Berhad 198801000556 (167913-M)

Corporate Information

CIMB Islamic Trustee Berhad was incorporated on 19 January 1988 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

Experience as Trustee to Unit Trust Funds

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

Delegation of Share Custodial Functions

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

For the local Ringgit assets, they are held through its wholly owned nominee subsidiaries CIMB Group Nominees (Tempatan) Sdn Bhd and CIMB Islamic Nominees (Tempatan) Sdn Bhd respectively. For foreign non-Ringgit assets, CIMB Bank and CIMB Islamic Bank appoint global custodian as their agent banks to clear, settle and safekeep on their behalf and to their order.

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

Material Litigation and Arbitration

As at 15 November 2020, CIMB Islamic Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business or financial position of CIMB Islamic Trustee Berhad, or any of its delegates.

12.4 CIMB Commerce Trustee Berhad 199401027349 (313031-A)

(For Phillip Recovery Fund, Phillip Income Fund, Phillip Focus18 Fund, Phillip Asia Brands Fund, Phillip Global Stars Fund, Phillip AsiaPac Income Fund, Phillip Focus China Fund, Phillip Global A.I.R. Fund, Phillip Dynamic AsiaPac Fund and Phillip Global Disruptive Innovation Fund)

Name Of Trustee: CIMB Commerce Trustee Berhad 199401027349 (313031-A)

Corporate Information

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

Experience as Trustee to Unit Trust Funds

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

Delegation of Share Custodial Functions

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

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

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

Material Litigation and Arbitration

As at 15 November 2020, there is no current material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business or financial position of CIMB Commerce Trustee Berhad, or any of its delegates.

12.5 The Trustees' Responsibilities

The Trustees have agreed willingly to assume all their obligations under the respective deeds and all written laws and SC Guidelines which cover the following:

- Take into custody the investments of the respective Funds and hold the investments in trust for the unitholders.
- Ensure that the Manager operates and administers the Funds in accordance with the provisions of the respective deeds, SC Guidelines and acceptable business practice within the unit trust industry.

- As soon as practicable notify the Securities Commission of any irregularity or breach of the provisions of the deeds, SC Guidelines and any other matters which in the Trustees' opinions may indicate that the interests of unitholders are not served.
- Exercise reasonable diligence in carrying out their functions and duties, in actively monitoring the operation and management of the Funds by the Manager to safeguard the interests of unitholders.
- Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Funds to be formed and to ensure that the Funds are operated and managed in accordance with the deeds of the respective Funds, prospectus, the SC Guidelines and securities law.
- Require that the accounts be audited at least annually.

12.6 Trustees' Statement of Responsibility

Universal Trustee (Malaysia) Berhad, MTrustee Berhad, CIMB Islamic Trustee Berhad and CIMB Commerce Trustee Berhad, are willing to assume the position and all obligations that come with it under the deeds, all relevant written laws and rules of laws.

Universal Trustee (Malaysia) Berhad, MTrustee Berhad, CIMB Islamic Trustee Berhad and CIMB Commerce Trustee Berhad have given their consent to be named as trustee in relation to the respective Funds and have not withdrawn such consent before the date of issue of this Prospectus.

13 SHARIAH ADVISER

13.1 Profile of the Shariah Adviser

Amanie Advisors Sdn Bhd

Amanie Advisors Sdn Bhd ("Amanie") is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

The company is led by Datuk Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of seven (7) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. As at 15 November 2020, Amanie has acquired over fifteen (15) years of experience in the advisory role of unit trusts with 97 funds which Amanie acts as Shariah Adviser.

Amanie meets every quarter to address Shariah advisory matters pertaining to our Islamic fund. Amanie also review the Fund's investment on a monthly basis to ensure compliance with Shariah principles at all times.

The Shariah Adviser is independent from the Manager and none of its consultants are members of the investment committee of the Fund or any other funds managed by the Manager.

The role of Shariah Adviser are:

- (1) To ensure that the Fund is managed and administered in accordance with Shariah Principles.
- (2) To provide expertise and guidance in all matters relating to Shariah Principles, including on the Fund's deed and prospectus, its structure and investment process, and other operational and administrative matters.
- (3) To consult with SC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process.
- (4) To act with due care, skill and diligence in carrying out its duties and responsibilities.
- (5) Responsible for scrutinizing the Fund's compliance report as provided by the compliance officer and investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund's investments are in line with Shariah Principles.
- (6) To prepare a report to be included in the Fund's interim and annual reports certifying whether the Fund have been managed and administered in accordance with Shariah Principles for the period concerned.

The designated person responsible for Shariah advisory matters of the Fund is Datuk Dr. Mohd Daud Bakar as the Chairman.

Other consultants are:

- i) Suhaida Mahpot
- ii) Muhammad Hafizuddin Abd Hamid
- iii) Salmi Salwana Selamat

The Consulting Team

Datuk Dr. Mohd Daud Bakar **Shariah Adviser**

Datuk Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He serves as the Chairman of the Shariah Advisory Council (SAC) at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank, and Permodalan Nasional Berhad (PNB).

Datuk Dr Daud is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Oasis Asset Management (South Africa), Noor Islamic Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.

In the corporate world, Datuk is currently a member of the PNB Investment Committee. He also served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). Currently in the academic side, he is the 8th President of the International Islamic University of Malaysia (IIUM) due to his vast skill and experience serving the university. Previously, his last post there was as the Deputy Vice-Chancellor. He was also the third Chair Professor in Islamic Banking and Finance of Yayasan Tun Ismail Mohamed Ali Berdaftar (YTI) PNB at Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB.

In 2016, he received the “Award of Excellence for Outstanding Contribution for Shariah Leadership & Advisory” at London Sukuk Summit Awards and “Shariah Adviser Award” at The Asset Triple A Islamic Finance Award. In 2014, he received the “Most Outstanding Individual” award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad’s birthday. Under his leadership, Amanie Advisors received the “Islamic Economy Knowledge Infrastructure Award” at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015.

He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

His first book entitled “Shariah Minds in Islamic Finance: An Inside Story of A Shariah Scholar” has won the “Islamic Finance Book of the Year 2016” by the Global Islamic Finance Award (GIFA) 2016. Then, his book on sukuk entitled “An Insightful Journey to Emirates Airline Sukuk: Pushing The Boundaries of Islamic Finance” has also won the “Best Islamic Finance Case 2017” by the GIFA 2017 in Kazakhstan.

13.2 Shariah Investment Guidelines, Cleansing Process and Zakat for the Islamic Funds

1. Shariah Investment Guidelines

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

a. Equity

For investment in Malaysia, the Fund(s) will invest based on a list of Shariah-compliant equities issued by the SACSC.

For investment in foreign markets, the Fund(s) shall invest in securities listed under the list of Shariah-compliant securities issued by any Shariah indices commonly accepted and recognised internationally including but not limited to Dow Jones Islamic Index.

For Initial Public Offering (IPO) companies that have yet to be determined the Shariah status by the SACSC, the Shariah Adviser adopts the following analysis as a temporary measure in determining its Shariah status until the SACSC releases the Shariah status of the respective companies.

(1) Qualitative analysis

In this analysis, the Shariah Adviser will look into aspects of general public perception of the companies’ images, core businesses which are considered important and maslahah (beneficial) to the Muslim ummah (nation) and the country. The 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 under the Shariah.

(2) Quantitative analysis

Companies which passed the above qualitative analysis will be further subjected to quantitative analysis. The Shariah Adviser deduces the following to ensure that they are less than the Shariah tolerable benchmarks:

(a) Business activity benchmarks:

- ❖ The 5 per cent 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;
- Tobacco and tobacco-related activities;
- Interest income from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);
- Dividends from Shariah non-compliant investments; and
- Other activities considered non-compliant according to Shariah principles as determined by the SACSC.

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

- ❖ The 20 per cent benchmark would be applicable to the following activities:
 - Share trading
 - Stockbroking business;
 - Rental received from Shariah non-compliant activities; and
 - Other activities considered non-compliant according to Shariah principles as determined by the SACSC.

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

(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.
- Debt over total assets
Debt will only include interest-bearing debt whereas Islamic financing or Sukuk will be excluded from the calculation.

Both ratios, which are intended to measure riba' and riba'-based elements within a company's statement of financial position, must be less than 33 per cent.

Should any of the above deductions fail to meet the benchmarks, the Shariah Adviser will not accord Shariah-compliant status for the companies.

b. Sukuk

Sukuk are certificates that provide evidence of an investment into an underlying asset or a project which is typically an income generating asset or project. The Fund(s) will only invest in Sukuk which is approved by the SACSC and/or other Shariah boards/standards acceptable to the Shariah Adviser.

c. Islamic money market instruments

For investment in Malaysia, the Fund(s) will invest in Islamic money market instruments approved by by Shariah Advisory Council of Bank Negara Malaysia ("**SACBNM**") based on the data available at:

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

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

d. Investment in Islamic Deposits

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

e. Investment in Islamic CIS

For Islamic CIS, the Fund(s) shall invest in Shariah compliant target fund which has to be regulated and registered or authorized or approved by the relevant authority in its home jurisdiction.

f. Islamic Derivative Instruments

Islamic financial derivative that are endorsed by other Shariah Advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

Note: Islamic liquid assets refer to Islamic deposits (Malaysian currency) with licensed financial institutions, Islamic money market instruments and any other Shariah-compliant instrument capable of being converted into cash within such time pursuant to the requirement under the relevant laws. Please refer to page 92.

Rules of Divestment of Shariah non-compliant securities

(a) Wrong Investment

This refers to Shariah non-compliant investment made by the Manager and the Investment Manager, if applicable. The said investment will be disposed of or withdrawn with immediate effect or within a month of knowing the status of the investment. In the event of the investment resulted in gain (through capital gain and/or dividend) before or after the disposal of the investment, the gain is to be channeled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

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

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

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

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

2. Zakat for the Islamic Funds

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

The investment portfolio of the Islamic Funds will comprise instruments that have been classified as Shariah-compliant by the SACSC and, where applicable the SACBNM. For instruments that are not classified as Shariah-compliant by the SACSC and, where applicable the SACBNM, the status of the instruments has been determined in accordance with the ruling issued by the Shariah Adviser.

Amanie Advisors Sdn Bhd has given consent to be named as Shariah adviser in relation to the respective Funds and has not withdrawn such consent before the date of issue of this Prospectus.

14 TAX ADVISER'S LETTER



Private & Confidential / Sulit

26 November 2020

The Board of Directors
Phillip Mutual Berhad
B-2-7, Block B Level 2 Unit 7
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

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Taxation of the Fund and Unit Holders

- The Funds are as listed in Appendix II

1. This letter has been prepared for inclusion in the Master Prospectus (hereinafter referred to as "the Prospectus") in connection with the offer of units in the Funds as listed in Appendix II (hereinafter each of the Fund is referred to as "the Fund").

The following is general information based on Malaysian tax law in force at the time of lodging the Prospectus with the Securities Commission Malaysia ("SC") and investors should be aware that the tax law may be changed at any time. To an extent, the application of tax law depends upon an investor's individual circumstances. The information provided below does not constitute tax advice. The Manager therefore recommends that an investor consult his accountant or tax adviser on questions about his individual tax position.

2. Taxation of the Fund

2.1 Income Tax

As the Fund's Trustee is resident in Malaysia, the Fund is regarded as resident in Malaysia. The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 ("MITA").

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

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income (other than income which is exempt from tax) derived from or accruing in Malaysia is liable to income tax. The Fund may be receiving income such as exit fee which will be subject to tax at the prevailing tax rate applicable on the Fund. Gains on disposal of investments by the Fund will not be subject to income tax.

The income tax rate applicable to the Fund is 24%.

..2/-

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms and their affiliated entities are legally separate and independent entities. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Tax exempt interest as listed in the Appendix I attached received by the Fund are not subject to income tax.

With effect from 1 January 2014, Malaysia has fully moved to a single-tier income tax system. The Fund is not liable to tax on any Malaysia sourced dividends paid, credited or distributed to the Fund under the single tier tax system, where the company paying such dividend is not entitled to deduct tax under the MITA. The tax deductibility of other deductions by the Fund against such dividend income will be disregarded in ascertaining the chargeable income of the Fund.

In addition to the single-tier dividend that may be received by the Fund, the Fund may also receive Malaysian dividends which are tax exempt from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Fund is not subject to income tax on such tax exempt dividend income.

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

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into. Generally, any gain or loss relating to the principal portion will be treated as capital gain or loss. Gains or losses relating to the income portion would normally be treated as revenue gains or losses. The gain or loss on revaluation will only be taxed or claimed upon realisation. Any gain or loss on foreign exchange is treated as capital gain or loss if it arises from the revaluation of the principal portion of the investment.

Generally, income from distribution by the Malaysia Real Estate Investment Trusts ("REIT") will be received net of withholding tax of 10%. No further tax will be payable by the Fund on the distribution. Distribution from such income by the Fund will also not be subject to further tax in the hands of the Unit Holders.

Expenses being manager's remuneration, maintenance of register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage, which are not allowed under the general deduction rules, qualify for a special deduction, subject to a minimum of 10% and a maximum of 25% of such expenses pursuant to Section 63B of the MITA.

2.2 Gains on Disposal of Investments

Gains on disposal of investments by the Fund will not be subject to income tax but where the investments represent shares in real property companies, such gains may be subject to Real Property Gains Tax ("RPGT") under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

...3/-

2.3 Service Tax

The issuance of units by the Fund to investors will not be subject to Service Tax. Any distributions made by the Fund to unitholders are also not subject to Service Tax. The Fund would not be required to pay Service Tax on the acquisition of fund management services from the Fund Manager.

To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

If the Fund acquires any imported taxable services from a service provider outside of Malaysia, these services would be subject to 6% Service Tax. The Fund would be required to file an SST-02A return on an ad hoc basis and report and pay this amount of tax to the Royal Malaysian Customs Department.

3. Taxation of Unit Holders

3.1 Taxable Distribution

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent such income is distributed to them. Unit Holders are also liable to pay income tax on the taxable income distributions paid by the Fund. Taxable income distributions carry a tax credit in respect of the tax chargeable on that part of the Fund. Unit Holders will be subject to tax on an amount equal to the net taxable income distribution plus attributable underlying tax paid by the Fund.

Income distributed to Unit Holders is generally taxable as follows in Malaysia :-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2020
Malaysian tax residents: <ul style="list-style-type: none">▪ Individual and non-corporate Unit Holders▪ Co-operative societies	<ul style="list-style-type: none">▪ Progressive tax rates ranging from 0% to 30%▪ Progressive tax rates ranging from 0% to 24%
Malaysian tax residents: <ul style="list-style-type: none">▪ Trust bodies	<ul style="list-style-type: none">▪ 24%

...4/-

Unit Holders	Malaysian Tax Rates for Year of Assessment 2020
<ul style="list-style-type: none"> • Corporate Unit Holders <ul style="list-style-type: none"> i. A company with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment) and having gross income from source or sources consisting of a business of not more than RM50 million for the basis period of a year assessment. ii. Companies other than those in (i) above. <p>Non-Malaysian tax residents:</p> <ul style="list-style-type: none"> iii. Individual and non-corporate Unit Holders iv. Co-operative societies 	<ul style="list-style-type: none"> ▪ 17% for every first RM600,000 of chargeable income ▪ 24% for chargeable income in excess of RM600,000 ▪ 24% • 30% • 24%

The tax credit that is attributable to the income distributed to the Unit Holders will be available for set off against tax payable by the Unit Holders. There is no withholding tax on taxable distributions made to non-resident Unit Holders.

Non-resident Unit Holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaties with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

3.2 Tax Exempt Distribution

Tax exempt distributions made out of gains from realisation of investments and other exempt income earned by the Fund will not be subject to Malaysian tax in the hands of Unit Holders, whether individual or corporate, resident or non-resident. All Unit Holders do not pay tax on that portion of their income distribution from the Fund's distribution equalisation account.

3.3 Distribution Voucher

To help complete a Unit Holder's tax returns, the Manager will send to each Unit Holder a distribution voucher as and when distributions are made. This sets out the various components of the income distributed and the amount of attributable income tax already paid by the Fund.

...5/-

3.4 Sale, Transfer or Redemption of Units

Any gains realised by a Unit Holder on the sale, transfer or redemption of his units are generally tax-free capital gains unless the Unit Holder is an insurance company, a financial institution or a person trading or dealing in securities. Generally, the gains realised by these categories of Unit Holders constitute business income on which tax is chargeable.

3.5 Reinvestment of Distribution

Unit Holders who receive their income distribution by way of investment in the form of the purchase of new units will be deemed to have received their income distribution after tax and reinvested that amount in the Fund.

3.6 Unit Splits

Unit splits issued by the Fund are not taxable in the hands of the Unit Holders.

Yours faithfully


Mark Chan Keat Jin
Executive Director

Tax Exempt Income of Unit Trusts

1. Interest or discount paid or credited to any individual, unit trust and listed closed-end fund in respect of the following will be exempt from tax: -
 - Securities or bonds issued or guaranteed by the Government; or
 - Debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the SC; or
 - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
2. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 ("FSA") or the Islamic Financial Services Act 2013 ("IFSA") or any development financial institution regulated under the Development Financial Institutions Act 2002 ("DFIA").

Provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.

In addition to the above, the Minister of Finance ("MoF") has informed vide their letter dated 23 January 2020 to the SC that the tax exemption on interest income received by corporate investors for investment in retail money market fund will be withdrawn with effective from 1 July 2020. However, the MoF has agreed to defer the expiry date to 1 July 2021 vide its letter to SC dated 17 April 2020.
3. Interest in respect of any savings certificates issued by the Government.
4. Interest paid or credited to any person in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the SC or approved by the Labuan Financial Services Authority.
5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
6. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad ("MESDAQ") (now known as Bursa Malaysia Securities Berhad ACE Market).
7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.
8. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia.
9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.
10. Gain or profit received from the investment in Islamic securities, other than convertible loan stock, which are issued in accordance with the principles of *Mudharabah*, *Musarakah*, *Ijarah*, *Istisna'* or any other principle approved by the Shariah Advisory Council established by the SC under the Capital Markets and Services Act 2007.

...2/-

11. Gains or profits in lieu of interest, derived from the Sukuk Wakala in accordance with the principle of *Al-Wakala Bil Istithmar*, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.
12. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) (No. 10) Order 2013. For the purpose of this order, "Sukuk Kijang" means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD\$250,000,000) issued or to be issued in accordance with the Shariah principle of *Ijarah* by BNM Kijang Berhad.
13. Gains or profits derived, in lieu of interest, derived from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of *Wakala Bil Istithmar*, other than a convertible loan stock, issued by the Malaysia Sovereign Sukuk Berhad.
14. Gains or profits derived, in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (US\$1,500,000,000.00) in accordance with the principle of *Wakala*, other than a convertible loan stock, issued by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).
15. Income received by the Fund from Malaysia Building Society Berhad ("MBSB").

List of Funds in the Master Prospectus in connection with the offer of units in the Funds

1. Phillip Premier Fund
2. Phillip Pearl Fund
3. Phillip Dana Aman
4. Phillip Recovery Fund
5. Phillip Dividend Fund
6. Phillip Income Fund
7. Phillip Select Balance Fund
8. Phillip Select Income Fund
9. Phillip Dana Murni
10. Phillip Focus18 Fund
11. Phillip Asia Brands Fund
12. Phillip Global Stars Fund
13. Phillip Dana Dividen
14. Phillip Focus China Fund
15. Phillip Global Agriculture, Infrastructure And Resources Fund
16. Phillip Dynamic AsiaPAC Fund
17. Phillip AsiaPAC Income Fund
18. Phillip Global Disruptive Innovation Fund

15 RELATED PARTY TRANSACTIONS / CONFLICT OF INTERESTS

15.1 Related Party Transactions

The holding company of PhillipCapital Group in Malaysia, our employees and the employees of other PhillipCapital Group companies in Malaysia are allowed to invest in any of the Funds managed by us. Transactions made by the holding company and other Phillip Group companies are processed as per any transactions made by other corporate clients. Transactions from employees of PhillipCapital Group companies in Malaysia are processed as per any transactions made by retail investors.

Our Director, Mr. Lim Wen Sheong Linus also sits on the Board of Directors of Phillip Capital Management (S) Limited carrying on a similar business. Mr. Jeffrey Lee Chay Khiong is also our alternative Director for Phillip Capital Management (S) Limited for Mr. Lim Wen Sheong Linus.

15.2 Conflict of Interest

15.2.1 Conflict of Interest Between Unitholders

As the Manager, we shall act in the best interests of the unitholders at all times. Conflicts of interest that may arise between unitholders and us shall be avoided at all costs.

We have in place policies and procedures to deal with any conflict of interest situation that may arise, such as the full disclosure of securities dealing by all employees to its compliance officer for verification.

The directors and members of the investment committee shall avoid conflicts of interest arising, or if a conflict arises, ensure that the Funds are not disadvantaged by the transaction concerned. In the event any of the directors or members of the investment committee are directly or indirectly involved, he or she would have to abstain from being involved in any decision making process of the said transaction. We have in place sufficient segregation of duties to ensure that there is proper check and balance in the areas of investment, operation and marketing.

15.2.2 Conflict of Interest Between the Manager and the Investment Manager

Both we as the Manager and the Investment Manager will maintain high standards of integrity and fair dealing in the best interest of the unitholders. The Investment Manager and us will not conduct transaction in any manner that will result in unnecessary cost and risk to the Funds.

To the best of our knowledge as the Manager and of the Investment Manager, transaction undertaken by or on behalf of the Funds is done in the interest of unitholders. Where a conflict of interest arises due to a director holding substantial shareholding or directorship of a company and the Funds invest in that particular company's securities, the said member shall refrain from any decision-making relating to that particular company's securities.

In addition, all employees of the Manager and the Investment Manager must disclose their shareholding interest or personal dealings, which are monitored by a Compliance Officer. The Manager and the Investment Manager shall ensure that the following are strictly adhered to:

- 1) Any transaction carried out by or on behalf of each of the Funds shall be executed on terms which are the best available for the Fund concerned and which are no less favourable to that Fund than arm's length transaction between independent parties. In addition, any event or transaction in which a conflict of interest arises or could arise shall be adequately disclosed in this Master Prospectus and/or reports of that Fund.
- 2) We shall not make improper use of our position in managing the Funds to gain directly or indirectly, an advantage for ourselves or for any other person or to cause detriment to the interests of any unitholders of the Funds.
- 3) Cash and other liquid assets of the Funds may only be placed in any current or deposit accounts with licensed financial institutions or other institutions licensed or approved to accept deposits.
- 4) The appointment or renewal of appointment of any investment manager related to us must be made in terms which are best for the Funds and which are no less favourable to the Funds than arm's length transaction between independent parties and approved by our independent directors.
- 5) The appointment or renewal of any investment manager or investment adviser related to the Manager shall be in accordance with SC requirement.

15.3 Universal Trustee (Malaysia) Berhad's Policy on Dealing with Conflict of Interest Elements

Universal Trustee (Malaysia) Berhad is the trustee for the Phillip Premier Fund.

The Trustee confirms that it does not have any existing or proposed related party transactions involving or in connection with the Fund.

15.4 MTrustee Berhad's Policy on Dealing with Conflict of Interest Elements

MTrustee Berhad is the trustee for the Phillip Pearl Fund, Phillip Dana Murni, Phillip SELECT Balance Fund, Phillip SELECT Income Fund and Phillip Dividend Fund. The Trustee confirms that it does not have any existing or proposed related party transactions involving or in connection with the Funds.

15.5 CIMB Islamic Trustee Berhad's Policy on Dealing with Conflict of Interest Elements

CIMB Islamic Trustee Berhad is the trustee for the Phillip Dana Aman and Phillip Dana Dividen and there may be proposed related party transactions involving or in connection with this Fund in the following circumstances:

- where this Fund invests in instrument(s) offered by the CIMB Group;
- where this Fund is being distributed by the CIMB Group as IUTA; and
- where the assets of this Fund are being custodised by the CIMB Group as sub-custodian of this Fund (i.e. Trustee's delegate).

15.6 CIMB Commerce Trustee Berhad's Policy on Dealing with Conflict of Interest Elements

CIMB Commerce Trustee Berhad is the trustee for the Phillip Recovery Fund, Phillip Income Fund, Phillip Focus China Fund, Phillip Global A.I.R. Fund, Phillip Dynamic AsiaPac Fund, Phillip Focus18 Fund, Phillip Asia Brands Fund, Phillip Global Stars Fund, Phillip AsiaPac Income Fund and Phillip Global Disruptive Innovation Fund and there may be proposed related party transactions involving or in connection with these Funds in the following circumstances:

- where these Funds invest in instrument(s) offered by the CIMB Group;
- where these Funds are being distributed by the CIMB Group as IUTA; and
- where the assets of these Funds are being custodised by the CIMB Group as sub-custodian of these Funds (i.e. Trustee's delegate).

15.7 Other Experts

There are currently no existing experts who have any potential interest or conflict of interest in an advisory capacity with the Manager.

16 ADDITIONAL INFORMATION

16.1 Publication of Prices, Fees and Charges

To enable you to keep track on how the Funds are performing, the NAV per unit, the management fee and the sales charge will be published on the Manager's website at www.eunittrust.com.my every business day.

16.2 Customer Services Available

Kindly refer to the directory of offices on page 109.

Customer services offices (9:00 a.m. – 6:00 p.m.)

16.3 Performance of the Funds

Detailed half-yearly reports on the performance of the Funds are issued to all our unitholders after the close of the financial year-end i.e. 30 June or interim period. As one of our unitholders, you would also receive personal half-yearly statements detailing your investment. Our services are structured to allow you easy access to information relating to your investment. Additionally, independent international fund rating agencies like Morning Star and Lipper provide performance ratings for Malaysian unit trust funds.

16.4 Customer Identification Programme

In order to comply with relevant regulations aimed at the prevention of money laundering the Fund will be required to conduct detailed verification of identity by including but not limited to the name, date of birth, national registration card number, residential, business address and mailing address (if different identity from business address) in relation to any dealing in units. To do so, the Fund or its distributors will inspect the abovementioned original documents or certified true copies.

We reserve the right to request for such information, either at the time an application is made for units or thereafter, as is necessary to verify the identity of an investor (or each of the investor in the case of joint investors). We also reserve the right to request additional information including the source of the Funds and identity of any beneficial owner as may be required to support the verification information and to allow it to complete adequate due diligence. In the event of delay or failure by the investor to produce any information required for verification purpose, we may refuse to accept the dealing request and, if so, in relation to a subscription, any monies received will be returned without interest to the account from which the monies were originally debited, and in relation to redemption, no Units will be redeemed or monies paid to the investor.

As permitted by applicable laws, we reserve the right to place limits on transaction in your account until your identity is verified. In the event of any breaches to the applicable laws on money laundering, we have a duty to notify the relevant authority on the said breaches.

16.5 Distribution Channels Premises

Units of the Funds can be purchased or redeemed at our offices at B-2-7, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur or alternatively through our authorised sales agent listed in Chapter 18.

16.6 List of Master Deeds and Supplemental Deeds

The Funds are governed by their respective deeds and supplemental deeds as follows:

Fund	Deed(s)
Phillip Premier Fund	Master Deed: 28 July 1995 First Supplemental Deed: 31 January 1996 Second Supplemental Deed: 20 January 1998 Third Supplemental Deed: 30 August 2007 Fourth Supplemental Deed: 15 June 2009 Fifth Supplemental Deed: 7 August 2020 Sixth Supplemental Deed: 6 November 2020 Seventh Supplemental Deed: 25 November 2020
Phillip Pearl Fund	Master Deed: 18 December 1996 First Supplemental Deed: 11 December 1998 Second Supplemental Deed: 29 June 2000 Third Supplemental Deed: 16 May 2001 Fourth Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 14 December 2009 Third Supplemental Master Deed: 26 April 2010 Fourth Supplemental Master Deed: 8 January 2014 Fifth Supplemental Master Deed: 7 July 2017 Sixth Supplemental Master Deed: 22 November 2018 Seventh Supplemental Master Deed: 22 January 2019 Eighth Supplemental Master Deed: 17 June 2020 Ninth Supplemental Master Deed: 6 November 2020 Tenth Supplemental Master Deed: 25 November 2020
Phillip Dana Aman	Master Deed: 15 April 1998 First Supplemental Trust Deed: 3 December 1999 Second Supplemental Trust Deed: 29 June 2000 Third Supplemental Deed: 11 September 2002 Fourth Supplemental Deed: 30 August 2007 Supplemental Master Deed: 11 February 2011 Second Supplemental Master Deed: 8 March 2016 Third Supplemental Master Deed: 27 October 2016 Fourth Supplemental Master Deed: 5 October 2020 Fifth Supplemental Master Deed: 6 November 2020 Sixth Supplemental Master Deed: 25 November 2020
Phillip Recovery Fund	Master Deed: 14 April 1999 First Supplemental Deed: 13 June 2000 Second Supplemental Deed: 7 August 2000 Third Supplemental Deed: 18 December 2000 Fourth Supplemental Deed: 30 August 2007 Supplemental Master Deed: 27 April 2011
Phillip Income Fund	Second Supplemental Master Deed :2 June 2011 Third Supplemental Master Deed: 4 March 2013 Fourth Supplemental Master Deed: 5 October 2020 Fifth Supplemental Master Deed: 6 November 2020 Sixth Supplemental Master Deed: 25 November 2020
Phillip Dana Murni	Master Deed: 17 March 2003 First Supplemental Deed: 14 February 2006 Second Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 14 December 2009 Third Supplemental Master Deed: 26 April 2010 Fourth Supplemental Master Deed: 8 January 2014 Fifth Supplemental Master Deed: 7 July 2017 Sixth Supplemental Master Deed: 22 November 2018 Seventh Supplemental Master Deed: 22 January 2019 Eighth Supplemental Master Deed: 17 June 2020 Ninth Supplemental Master Deed: 6 November 2020 Tenth Supplemental Master Deed: 25 November 2020
Phillip SELECT Balance Fund	Master Deed: 4 August 2003 First Supplemental Deed: 23 September 2005

Fund	Deed(s)
Phillip SELECT Income Fund	Second Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 14 December 2009 Third Supplemental Master Deed: 26 April 2010 Fourth Supplemental Master Deed: 8 January 2014 Fifth Supplemental Master Deed: 7 July 2017 Sixth Supplemental Master Deed: 22 November 2018 Seventh Supplemental Master Deed: 22 January 2019 Eighth Supplemental Master Deed: 17 June 2020 Ninth Supplemental Master Deed: 6 November 2020 Tenth Supplemental Master Deed: 25 November 2020
Phillip Dividend Fund	Master Deed: 10 November 2003 First Supplemental Deed: 14 February 2006 Second Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 14 December 2009 Third Supplemental Master Deed: 26 April 2010 Fourth Supplemental Master Deed: 8 January 2014 Fifth Supplemental Master Deed: 7 July 2017 Sixth Supplemental Master Deed: 22 November 2018 Seventh Supplemental Master Deed: 22 January 2019 Eighth Supplemental Master Deed: 17 June 2020 Ninth Supplemental Master Deed: 6 November 2020 Tenth Supplemental Master Deed: 25 November 2020
Phillip Focus18 Fund	Master Deed: 6 June 2005 First Supplemental Deed: 8 February 2006 Second Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 25 June 2010 Third Supplemental Master Deed: 12 July 2017 Fourth Supplemental Master Deeds: 12 July 2017 Fifth Supplemental Master Deed: 5 October 2020 Sixth Supplemental Master Deed: 5 October 2020 Seventh Supplemental Master Deed: 6 November 2020 Eighth Supplemental Master Deed: 25 November 2020
Phillip Asia Brands Fund	Master Deed: 28 December 2005 First Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 25 June 2010 Third Supplemental Master Deed: 12 July 2017 Fourth Supplemental Master Deeds: 12 July 2017 Fifth Supplemental Master Deed: 5 October 2020 Sixth Supplemental Master Deed: 5 October 2020 Seventh Supplemental Master Deed: 6 November 2020 Eighth Supplemental Master Deed: 25 November 2020
Phillip Global Stars Fund	Master Deed: 23 June 2006 First Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 25 June 2010 Third Supplemental Master Deed: 12 July 2017 Fourth Supplemental Master Deeds: 12 July 2017 Fifth Supplemental Master Deed: 5 October 2020 Sixth Supplemental Master Deed: 5 October 2020 Seventh Supplemental Master Deed: 6 November 2020 Eighth Supplemental Master Deed: 25 November 2020
Phillip AsiaPac Income Fund	Master Deed: 6 November 2006 First Supplemental Deed: 28 June 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 25 June 2010 Third Supplemental Master Deed: 12 July 2017 Fourth Supplemental Master Deeds: 12 July 2017 Fifth Supplemental Master Deed: 5 October 2020 Sixth Supplemental Master Deed: 5 October 2020 Seventh Supplemental Master Deed: 6 November 2020 Eighth Supplemental Master Deed: 25 November 2020

Fund	Deed(s)
Phillip Dana Dividen	Master Deed: 22 May 2007 Supplemental Master Deed: 22 May 2009 Second Supplemental Master Deed: 25 June 2010 Third Supplemental Master Deed: 12 July 2017 Fourth Supplemental Master Deeds: 12 July 2017 Fifth Supplemental Master Deed: 5 October 2020 Sixth Supplemental Master Deed: 5 October 2020 Seventh Supplemental Master Deed: 6 November 2020 Eighth Supplemental Master Deed: 25 November 2020
Phillip Focus China Fund	Master Deed: 24 February 2009 Supplemental Master Deed: 27 April 2011 Second Supplemental Master Deed :2 June 2011 Third Supplemental Master Deed: 4 March 2013 Fourth Supplemental Master Deed: 5 October 2020 Fifth Supplemental Master Deed: 6 November 2020 Sixth Supplemental Master Deed: 25 November 2020
Phillip Global A.I.R. Fund	Master Deed: 26 October 2009 Supplemental Master Deed: 27 April 2011 Second Supplemental Master Deed :2 June 2011 Third Supplemental Master Deed: 4 March 2013 Fourth Supplemental Master Deed: 5 October 2020 Fifth Supplemental Master Deed: 6 November 2020 Sixth Supplemental Master Deed: 25 November 2020
Phillip Dynamic AsiaPac Fund	Supplemental Master Deed: 27 April 2011 Second Supplemental Master Deed: 2 June 2011 Third Supplemental Master Deed: 4 March 2013 Fourth Supplemental Master Deed: 5 October 2020 Fifth Supplemental Master Deed: 6 November 2020 Sixth Supplemental Master Deed: 25 November 2020
Phillip Global Disruptive Innovation Fund	Deed: 4 October 2018 First Supplemental Deed: 5 October 2020 Second Supplemental Deed: 6 November 2020 Third Supplemental Deed: 25 November 2020

16.7 Information on Your Investment

Interim and annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the interim report and the annual report will be sent to you within two (2) months of the end of the period reported.

16.8 Avenue for Advice

Investors may visit any of the Manager's offices listed in the Directory of Sales Office section at the end of this Master Prospectus; or contact any of the Manager's client services at 603-2783 0300 for advice in relation to the Fund; or contact any of the Manager's authorised distributors for further advice

16.9 Consents

- The consent of the Trustee, the Trustee's delegate, Shariah Adviser, Investment Manager and the Target Fund Manager for the inclusion of their names in this Master Prospectus in the manner and form in which such names appear have been given before the date of issue of this Master Prospectus and none of them have subsequently withdrawn their written consents.
- The Tax Adviser have given their consent to the inclusion of their name and the Tax Adviser's letter on taxation of the Funds and unitholders in the form and context in which it appears in this Master Prospectus and have not withdrawn such consent prior to the date of this Master Prospectus.

The Fund's annual report are available upon request.

17 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or copies thereof will be available for inspection without charge during normal business hours at the manager's business offices:

1. The Master Deed and its supplemental deed;
2. The Master Prospectus and supplementary or replacement prospectus, if any;
3. The latest annual and interim reports of the Funds;
4. Each material contract disclosed in the Master Prospectus and, in case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
5. Where applicable, the audited financial statements of the Manager and the Funds for the current financial year and for the last three financial years or if less than three years, from the date of incorporation or commencement;
6. Any report, letter or other document, valuation and statement by an expert, any part of which is extracted or referred to in the Master Prospectus. Where a summary expert's report is included in the Master Prospectus, the corresponding full expert's report must be made available for inspection;
7. Writ and relevant cause papers for all material litigation and arbitration disclosed in the Master Prospectus; and
8. All consents given by experts disclosed in the Master Prospectus.

18 DIRECTORY OF OFFICES

MAIN OFFICE

B-2-7, Block B Level 2 Unit 7
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

Tel: 03-2783 0300
Fax: 03-2166 6417/03-2711 3036

E-mail: phillipmutual@poems.com.my
Website: www.phillipmutual.com
www.eunittrust.com.my

INSTITUTIONAL UNIT TRUST ADVISERS

For more details on the list of appointed Institutional Unit Trust Advisers (IUTA), please contact the Manager or refer to www.phillipmutual.com or www.eunittrust.com.my.

Our IUTA may not carry the complete set of our Funds. Investments made via our IUTA may be subject to different terms and conditions.

Phillip Investor Center, Kota Damansara

No 12A, Jalan PJU 5/8
Dataran Sunway, Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan.
Tel: 603-2106 8500 / **603-9212 0180**
Email: pickd@poems.com.my

Fax: 603-6142 9188

Phillip Investor Center, Johor

No. 15, 15-01 & 15-02
Jalan Molek 1/29, Taman Molek
81100 Johor Bahru, Johor
Tel: 607-352 5999
Email: picjb@poems.com.my

Fax: 607-352 4808

No. 9A, Jalan Sutera Tanjung 8/2
Taman Sutera Utama
81300 Johor Bahru
Johor Darul Takzim
Tel: 607-558 9233 / 607-559 1488
Email: picjb@poems.com.my

Fax: 607- 559 9488

Phillip Investor Center, Malacca

No.542, Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel: 606-292 4388
Email: picmk@poems.com.my

Fax: 606-292 4366

Phillip Investor Center, Penang

No. 29A Lebuhr Pantai
10300 Pulau Pinang
Tel: 604-6848 700
Email: pmbpg@poems.com.my

Fax: 604-261 4346

Phillip Investor Center, Kuching

Lot 2650 & 2651, Ground Floor, Block 10
KCLD Central Park Commercial Centre
3th Mile, Jalan Rock
93200 Kuching, Sarawak
Tel: 6082-238 633
Email: pmbkch@poems.com.my

Fax: 6082-238 644

Phillip Investor Center, Kota Kinabalu

Suites 505-506, 5th Floor
Central Building, No. 2 Jalan Sagunting
88000 Kota Kinabalu, Sabah
Tel: 6088-266 350/351
Email: pickk@poems.com.my

Fax: 6088-266 352

**PHILLIP MUTUAL BERHAD (570409-K) (CMSL/A0245/2008)**

B-2-7, BLOCK B, LEVEL 2, UNIT 7, MEGAN AVENUE II, No. 12, JALAN YAP KWAN SENG, 50450 KUALA LUMPUR.
 Tel: 03-2783 0300 Fax: 03-2166 5099 Website: www.phillipmutual.com E-mail: phillipmutual@poems.com.my
 Customer Services Hotline: 03-2783 0200

FUND MASTER FORM

Master Account No

This Fund Master Form is to accompany the latest Master Prospectus and which has been registered with the Securities Commission. Investors are required to read and understand the contents of the Master Prospectus before completing this Account Opening Form. In compliance with the Capital Market and Services Act 2007, this Account Opening Form must be circulated with the Master Prospectus.
 Please complete this form in **BLOCK LETTERS** and tick (✓) in ☐ where appropriate.

<input type="checkbox"/> Non-Wrap	<input type="checkbox"/> Wrap	Service Fee	%	<input type="checkbox"/> UTC
		Wrap Fee	%	<input type="checkbox"/> Staff

* Service Fee and Wrap Fee are subjected to a standard rate of 6% for Goods and Services Tax (GST) to be deducted from gross investment amount.

Date
Received

PARTICULARS OF PRINCIPAL HOLDER (APPLICANT)

* Denotes mandatory field which must be properly disclosed and completed by the applicant. Please tick (✓) in where applicable.

Principal Holder's Name* (as per NRIC/Passport)					
NRIC/Passport No*		Date of Birth*		Nationality*	() Malaysian () Non-Malaysian Country: _____
Race	() Malay () Indian	() Chinese () Others	Email*	() Opt for hardcopy for all statements, reports and communication relating to your investment	
Contact No.*	Mobile: _____		Home: _____		
Residential Address* (as per NRIC)					
Correspondence Address* (if different from Residential Address)					

EMPLOYMENT/BUSINESS OF PRINCIPAL APPLICANT

Principal Holder's Occupation*	() Employed () Self-Employed () Retiree () Student () Housewife () Unemployed					
Present Position*			Name of Company*			
Nature of Business*			Company's Address*			
Contact No.	Office: _____		Fax: _____			
Present Annual Income*	() Up to RM30,000 () RM30,001-RM60,000 () RM60,001 – RM120,000 () Above RM120,000					
Estimated Net Worth*	() Up to RM100,000 () RM100,001-RM500,000 () RM500,001 – RM3,000,000 () Above RM3,000,000					
Source of Funds*	() Salary/Employment/Commission () Inheritance () Investment Returns () Insurance maturity () Own Business Income () Gift () EPF () Others. Please specify: _____					

PARTICULARS OF JOINT APPLICANT (IF APPLICABLE)

Joint Holder's Name* (as per NRIC/Passport)			
NRIC/Passport No*		Date of Birth	
Race	() Malay () Indian	() Chinese () Others	Nationality* () Malaysian () Non-Malaysian Country: _____
Contact No.*	Mobile: _____	Home: _____	Office: _____
Residential Address* (as per NRIC)			
Email*			
Relationship to Principal Holder*			

EMPLOYMENT/BUSINESS OF JOINT APPLICANT

Joint Holder's Occupation*	() Employed () Self-Employed () Retiree () Student () Housewife () Unemployed			
Present Position*			Name of Company*	
Nature of Business			Company's Address*	
Contact No.	Office: _____		Fax: _____	
Present Annual Income*	() RM30,000 & below () RM30,000-RM60,000 () RM60,001 – RM120,000 () Above RM120,000			
Estimated Net Worth*	() Up to RM100,000 () RM100,001-RM500,000 () RM500,001 – RM3,000,000 () Above RM3,000,000			

Source of Funds*	() Salary/Employment/Commission	() Inheritance	() Investment Returns	() Insurance maturity
	() Own Business Income	() Gift	() EPF	() Others. Please specify: _____

PARTICULARS OF CORPORATE APPLICANT

Name of Corporation*			
Registration No.*		Nature of Business*	
Incorporation Date*		Place of Incorporation*	
Paid-up Capital*		Shareholder's Equity	
Corporate Status	() Bumiputra Controlled () Non-Bumiputra Controlled () Non-Malaysian Controlled () Government Controlled		
Registered Address*			
Correspondence Address*			
Contact No.*	Tel: _____ Fax: _____		
Office Email			
Name of Director 1 (as per NRIC)		NRIC	
Director 1's Address			
Name of Director 2 (as per NRIC)		NRIC	
Director 2's Address			
Contact Person Name (as per NRIC)			
Contact Person NRIC		Designation	
Contact No.*	Mobile: _____ Office: _____ Fax: _____		
Email*			

FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA")

NOTE: ONLY INDIVIDUAL INVESTORS ARE REQUIRED TO COMPLETE SECTION A – PRELIMINARY IDENTIFICATION. LEGAL ENTITY(S) OR CORPORATE CLIENTS DO NOT HAVE TO COMPLETE SECTION A – PRELIMINARY IDENTIFICATION.

SECTION A – PRELIMINARY IDENTIFICATION

Please complete this section and tick ('v') in the "Yes" / "No" column respectively for each of the following questions:

No.	U.S. Indicia	Applicant		Joint Applicant	
		Yes	No	Yes	No
1.	Are you a U.S. citizen or resident? (U.S. Passport/green card holder, U.S. taxpayer, etc.)				
2.	Is U.S. your place of birth?				
3.	Do you hold a current U.S. residence address / mailing address and U.S. post office box?				
4.	Do you have a current U.S. telephone number?				
5.	Standing instructions to pay amounts from Phillip Mutual account to an account maintained in the U.S.?				

NOTE: ALL INVESTORS (INDIVIDUAL & LEGAL ENTITY(S) OR CORPORATE) ARE REQUIRED TO COMPLETE THE FOLLOWING DECLARATION.

<p>Please tick ("v") one of the following:</p> <p><input type="checkbox"/> I am a U.S. person / U.S. Legal Entity(s) Please provide Form W-9</p> <p><input type="checkbox"/> I am a Non-U.S. person with No U.S. indicia</p> <p><input type="checkbox"/> I am a Non-U.S. person / Non-U.S. Legal Entity(s) with one or more U.S. indicia Please provide Form W-8BEN / provide Form W-8BEN-E</p> <p>Declaration</p> <p>I/We declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete.</p> <p>I/We hereby consent for Phillip Mutual Berhad (PMB) that PMB shall have right to provide my/our personal data and information to regulatory authorities in accordance with the requirements of Foreign Account Tax Compliance Act (FATCA) as may be stipulated by applicable laws, regulations, agreement or regulatory guidelines or directives.</p> <p>If there is any update to the account information/FATCA status or if updates reveal any U.S. indicia or change to FATCA status, I/We hereby agree to notify and furnish PMB with the relevant documentary evidence within 30 Days of such change. I/We consent to and authorise PMB to perform any of the following, if applicable:</p> <ol style="list-style-type: none"> 1. Withhold any applicable payments in the account 2. Report or disclose all relevant information relating to or arising from the account 3. Terminate (with prior notice) my/our contractual relationship(s) with PMB
--

EXCHANGE CONTROL DECLARATION

(Non-Malaysian / Malaysian residing outside Malaysia / Non-Malaysian Registered Company)

- () I/We declare that I am/we are citizen(s) of _____ and permanent resident(s) of _____ (indicate country)
- () I/We declare that the Company is incorporate in _____ (indicate country)

OPERATING INSTRUCTION FOR INVESTMENT *(MANDATE)

Joint Account	() First Applicant to sign	() Either one to sign	() Both to sign
Corporate Account	() As per Board Resolution	() As per Sole Proprietor	

We hereby understand and agree that either one of us can give instruction to conduct any transaction for this account and we release and indemnify PMB, the Trustee and the Fund against any claims or demands in respect of any liability arising as a result of PMB acting upon this signing instructions. The mandate given by us as joint account holders may be revoked at any time by any parties to the account.

SERVICE FEE CALCULATION FOR UT WRAP ACCOUNT – Lump Sum

Tittle	Formula	Total (MYR)	Total (SGD)	Total (USD)	Total (AUD)	Total (JPY)
Capital Injection ¹	-					
Service Fee	Gross Investment Amount X (Service Fee %)	()	()	()	()	()
GST	Service Fee X 6%	()	()	()	()	()
Net Investment	Gross Investment Amount – Service Fee – GST					

¹ Total capital injection reflected in portal and statement will based in MYR.

SERVICE FEE CALCULATION FOR UT WRAP ACCOUNT – Regular Saving Plan

Tittle	Formula	Total (MYR)
Capital Injection ¹	-	
Service Fee	Gross Investment Amount X (Service Fee %)	()
GST	Service Fee X 6%	()
Net Investment	Gross Investment Amount – Service Fee – GST	

¹ Total capital injection reflected in portal and statement will based in MYR.

DETAILS OF INITIAL INVESTMENT

* Please indicate currency. (MYR, SGD, USD, AUD, & JPY)

No	Fund Name	Amount (Lump Sum)	Regular Investment Plan (Monthly Deduction Amount)	Remarks
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

DETAILS OF INVESTMENT PAYMENT MODE

* Denotes mandatory field

Mode of Payment	Cheque/Reference No./Form	Payment Date
Cheque/Bank Draft No.		
Telegraphic Transfer		
Online Transfer		
Bank Transfer		
Auto Debit/Standing Instruction *	Please attach the duly completed Auto Debit/Standing Instructions form	<input type="checkbox"/> 15th <input type="checkbox"/> 28th of the month

Note:

- Payment for postal application should be made by cheque only. Cheque/Bank Draft must be drawn at a bank located in Malaysia in Ringgit Malaysia (RM) and should be made payable to Phillip Mutual Berhad and crossed 'Account Payee Only' and enclosed with the Fund Master Form. Third Party and /or post-dated cheques will not be accepted. Application for units will be processed on the date, which the completed documents are received or deemed to have been received by PMB (applicable cut off time will apply). For investment in PMMMF with duly completed documents, the effective date will be the actual date the money is credited into Phillip Mutual Berhad's (PMB) bank account.
- Investor is under obligation to pay the full amount of such shortfall into the Investment Account on demand if the cheque for investment payment is rejected for any reason whatsoever.
- Telegraphic Transfers - Telegraphic transfers should be remitted in Ringgit Malaysia (RM) and/or respective currencies to the bank account stated below. A copy of the receipt from the forwarding bank must be sent together with the Fund Master Form. Please note that any bank charges and/or other fees levied by the remitting bank for undertaking a telegraphic transfer will have to be borne by the transferor. Telegraphic transfer from third party will not be accepted.
- Online Transfer – Depending on the online banking facility, investors can make payment through online transfer facility to the account mentioned below and fax or email the transaction slip to PMB. For transactions done through the online transfer facility offered therein. Online payment by third party will not be accepted.

- Bank Transfer – Investors may also make payment via over-the-bank counter whereby the monies is directly transferred from the investor's account to PMB's account. Investors must provide the banking/transaction slip with the detail of the investor's account (i.e. name and account number) to PMB. Bank transfer from third party will not be accepted.
- Auto Debit – Instructions can be given to debit the investors bank account by filling up a Maybank/CIMB Auto Debit Form if the investor has an account with Maybank/CIMB or FPX Direct Debit Authorisation (DDA) if the investor has an account with other banks. This facility is to cater for investors who opt for a regular savings plan. Auto Debit instruction from 3rd party account will not be accepted.

Payable to : PHILLIP MUTUAL BERHAD				
Bank Details	Malayan Banking Bhd, KL Main Office	Public Bank Berhad, Jalan Ampang	CIMB Islamic Bank Berhad, Jalan Raja Chulan	AMIslamic Bank Berhad, Jalan Yap Kwan Seng
Account No.	514011-379755	3169402106	8600048985	0662022016234
SWIFT Code	MBBEMYKL	PBBEMYKL	CIBBMYKL	AISLMYKL
Website	www.maybank2u.com.my	www.pbebank.com.my	www.cimbclicks.com.my	www.ambankgroup.com.my

For Multi-currency Funds Investment:

Payable to : PHILLIP MUTUAL BERHAD	
Bank Details	Malayan Banking Bhd, KL Main Office
Currency	MYR, AUD, USD, SGD, JPY
Account No.	714011-028311
SWIFT Code	MBBEMYKL

Note: No charges will be imposed for all transactions which involve conversion from one currency to another for above bank accounts under Deutsche bank.

DISTRIBUTION

- For joint account, redemption proceed will be issued/bank into principal holder or joint bank account only.
- All distribution (if any) will be reinvested in further Units of the same Fund.

REDEMPTION INSTRUCTIONS

* Denotes mandatory field which must be properly disclosed and completed by the applicant.

Note:

- Where a unit holder requests for a full redemption on his/her investment in Phillip Master Money Market Fund within the month, any income distribution subsequently declared will be automatically paid out to the Unit holder on the first working day of the following month. Under such circumstances, the unit holder must provide his/her bank account number and the bank's name to facilitate banking of the income distribution cheque to his/her bank account.
- For full withdrawal on Phillip Master Money Market Fund within the month, any income distribution shall be paid on the 1st working day of the following month only if there is a balance after deduction of RM 5.00 for administration fees. Please provide the bank's name and your account no. for us to facilitate in banking of your income distribution cheque (if any).

For Malaysia Ringgit

Type of Account*	() Savings () Current () Local () Foreign
Bank Name*	Branch*
Account Holder Name*	Account No.*
Bank SWIFT Code	Mandatory Field for Foreign Account

For Foreign Currency

Type of Account*	() Savings () Current () Local () Foreign
Currency*	() SGD () USD () AUD () JPY
Bank Name*	Branch*
Account Holder Name*	Account No.*
Bank SWIFT Code	Mandatory Field for Foreign Account

NOTICE CONCERNING YOUR PERSONAL DATA

PRIVACY AND PERSONAL DATA POLICY

PMB is committed to protecting the privacy of the investors in conducting our unit trust management business. "Personal Data" is information that identifies and relates to you or other individuals (such as your joint account holder). In this form, PMB describes to you how PMB handles your Personal Data that PMB collects through this Fund Master Form (the "Fund Master Form") and through other means (for example, from your written instructions, telephone calls, e-mails and other communications or correspondences with us, as well as from our unit trust agents, financial planners, business partners, other unit trust management companies, or other third parties involved in our business dealings with you). "YOU" IN THIS NOTICE REFERS TO YOU AS PRINCIPAL HOLDER AND/OR YOUR JOINT ACCOUNT HOLDER, IF APPLICABLE.

1. About this Notice :

- This "Notice Concerning Your Personal Data" ("Notice") is issued pursuant to Section 7 of Malaysian Personal Data Protection Act 2010 ("Act") under the "Notice and Choice Principle". Please refer to Section 2 of this Notice for definition of Personal Data.
- This Notice is available in both the national and English languages. You may request to be issued a free copy of the Notice in either or both languages by sending an email to our Customer Service at phillipmutual@poems.com.my, calling our Customer Service Hotline at 03-2783 0200, or writing to "Customer Service, Phillip Mutual Berhad" at B-2-7, Block B Level 2 Unit 7, Megan Avenue 2, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur. This Notice is also available on our websites, "www.eunittrust.com.my" and "www.fame.com.my".
- PLEASE NOTE THAT THE ACT IS ONLY APPLICABLE IN RESPECT OF DATA PROVIDED BY INDIVIDUAL APPLICANT(S) (i.e. INDIVIDUAL DATA SUBJECTS) ONLY AND NOT APPLICABLE TO CORPORATE APPLICANTS.

2. What is Your Personal Data (Definition of Personal Data):

- Your Personal Data means any information given by you ("the Data Subject") that relates directly or indirectly to you in our business dealings with you, which is:-

- being processed wholly or partly using electronic medium (e.g. computer) or any equipment operating automatically; or manually;
- being recorded by us with the intention that it should wholly or partly be processed by means of such equipment referred to above,
- being recorded as part of relevant filing system or with the intention that it should form part of our filing system.

- Personal Data also includes "sensitive" personal data ("Sensitive Personal Data"), defined as any personal data consisting of information as to your physical or mental health or conditions, your political opinions, your religious beliefs or other beliefs of a similar nature, the commission or alleged commission by you of any offence, or any other sensitive personal data as determined under the Act.

- Description of the Personal Data collected from you is set out in Section 8 below.

- SENSITIVE PERSONAL DATA STATEMENT:** In general, PMB will never ask for any of your Sensitive Personal Data as it is not relevant to our business dealings with you. If it becomes necessary to ask for such Sensitive Personal Data, PMB will only process the same after receiving your express written consent.

3. The purposes for which your Personal Data is being or collected and further processed:

PMB collects and process your Personal Data for the following purposes:

- To solicit contributions to Units in the Unit Trust Fund(s).
- To aid us to make decisions on whether and how to provide our products and services to you
- To enter into business transaction with you.
- To deliver the necessary notices, services and/or products in accordance with our agreement with you.
- To execute business process and operations such as client relationship management,
- To aid in our planning in connection with our service and products.
- To communicate with you as part of our client-business relationship.
- To send you important information regarding changes to our policies, other terms and conditions and other administrative information.

- 9) To assess your eligibility for suitable investment plans, and process your funds and other payments.
- 10) To improve the quality of our training and security (for example, with respect to recorded or monitored phone calls to our Customer Service contact numbers).
- 11) To prevent, detect and investigate crime, including fraud and money laundering, and analyze and manage other commercial risks.
- 12) To carry out market research and analysis, including satisfaction surveys, where applicable.
- 13) To provide marketing information to you (including information about other products and services offered by companies within our PhillipCapital Malaysia Group and selected third-party partners) in accordance with preferences you have expressed.
- 14) To personalize your experience on our website by presenting information to you via our website.
- 15) To allow you to participate in contests, prize draws and similar promotions, and to administer these activities. Some of these activities have additional terms and conditions, which could contain additional information about how PMB use and disclose your Personal Data, which you must read carefully.
- 16) To manage our IT infrastructure and business operations.
- 17) To comply with internal policies and procedures such as for auditing; finance and accounting; IT systems; data and website hosting; business continuity; and records, document and print management.
- 18) To resolve complaints, and handle requests for data access or correction.
- 19) To comply with applicable Malaysian laws and regulatory obligations (such as those relating to anti-money laundering and anti-terrorism)
- 20) To comply with legal process; and respond to requests from public regulatory and governmental authorities.
- 21) To establish and defend the legal rights privacy, safety or property of our company and/or related companies, and pursue available remedies or limit our damages.

4. How PMB collects your Personal Data (Source of your Personal Data):

PMB collects your Personal Data from various sources such as from the internet and social media, from publicly available information, from forms submitted by you, and through telephone calls, telephone recordings, camera and security footage (CCTV), your communication and correspondences with us (via electronic or written media), from our unit trust agents, financial planners, business partners, other unit trust management companies, or other third parties involved in our business dealings with you.

5. Your right to access your Personal Data and make correction requests, raise questions and concerns:

- 5.1 You shall be given access to your Personal Data held by us and you shall be able to correct that Personal Data where the Personal Data is inaccurate, incomplete, misleading or not up-to-date, except where compliance with a request to such access or correction is refused under the Act.
- 5.2 Your Personal Data shall be processed by us or by a third party ("Service Provider") on our behalf.
- 5.3 You may, upon payment of a prescribed fee, make a request in writing to us, for (1) information of your Personal Data that is being processed by or on our behalf, and (2) for a copy of your Personal Data to be provided to you in a legible format.
- 5.4 If you found your Personal Data to be inaccurate, incomplete, misleading or not up-to-date, you have the right to access, correct, object to the use of, or request deletion or suppression of your Personal Data. Please contact us as set out in **Section 7** below with any such requests or if you have any questions or concerns about how PMB process Personal Data.
- 5.5 PMB will ensure compliance with your request not later than twenty-one (21) days from the date of receipt of such request, subject to **Section 5.5** below.
- 5.6 **Please note that some Personal Data may be exempt from access, correction, objection, deletion or suppression rights in accordance with the Act. PMB will notify you when certain circumstances arise as permitted under the Act where PMB may refuse to comply with your request not later than twenty-one (21) days from the date of receipt of your request.**

6. Sharing of Your Personal Data (the class of third parties to whom PMB disclose or may disclose your Personal Data):

6.1 PMB may make your Personal Data available to:

- a) **Our group companies**
For a list of PhillipCapital group of companies that may have access to and use of your Personal Data, please refer to: www.phillipmutual.com. PMB is responsible for the management and security of jointly used Personal Data. Access to Personal Data within PMB is restricted to those individuals who have a need to access the information for our business purposes.
- b) **Other marketing and distribution parties**
In the course of marketing and distribution of unit trust funds, PMB may make Personal Data available to third parties such as other financial planners; service providers; regulators and employees and other intermediaries and agents; appointed representatives; distributors; affinity marketing partners; and financial institutions, securities firms and other business partners.
- c) **Our service providers**
External third-party service providers, such as medical professionals, accountants, auditors, experts, lawyers and other outside professional advisors; call center service providers; IT systems, support and hosting service providers; printing, advertising, marketing and market research and analysis service providers; banks and financial institutions that service our accounts; third-party back office service providers and administrators; document and records management providers; engineers; examiners; administrators of justice; translators; and similar third-party vendors and outsourced service providers that assist us in carrying out business activities.
- d) **Governmental authorities and third parties involved in court action**
PMB may also share Personal Data with governmental or other public authorities (including, but not limited to, workers' compensation boards, courts, law enforcement, tax authorities and criminal investigations agencies); and third-party civil legal process participants and their accountants, auditors, lawyers and other advisors and representatives as PMB believe to be necessary or appropriate: (a) to comply with applicable law, including laws outside Malaysia; (b) to comply with legal process; (c) to respond to requests from public and government authorities including public and government authorities outside Malaysia; (d) to enforce our terms and conditions; (e) to protect our operations or those of any of PhillipCapital Malaysia Group of companies; (f) to protect our rights, privacy, safety or property, and/or that of our group companies, you or others; and (g) to allow us to pursue available remedies or limit our damages.
- e) **Other Third Parties**
PMB may share Personal Data with payees; emergency providers (fire, police and medical emergency services); retailers; medical networks, organizations and providers; travel carriers; credit bureaus; credit reporting agencies; and other people involved in an incident that is the subject of a dispute; as well as purchasers and prospective purchasers or other parties in any actual or proposed reorganization, merger, sale, joint venture, assignment, transfer or other transaction relating to all or any portion of our business, assets or stock.

Personal Data may also be shared by you, on message boards, chat, profile pages and blogs, and other services on our website to which you are able to post information and materials. Please note that any information you post or disclose through website services will become public information, and may be available to visitors to the website and to the general public. PMB urge you to be very careful when deciding to disclose your Personal Data, or any other information, on our website.

6.2 PMB shall ensure that there is a procedure, policy, process or control when vendors, contractors, suppliers or any third party are allowed to have access to your Personal Data in the course of data maintenance.

7. Who to contact about your Personal Data (for any inquiries or complaints in respect of your Personal Data):

If you have any questions about our use of your Personal Data you can e-mail to our **Customer Service** at phillipmutual@poems.com.my, or call our **Customer Service Hotline** at 03-2783 0200, or write to "Customer Service", Phillip Mutual Berhad at B-2-7, Block B Level 2 Unit 7, Megan Avenue 2, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur.

8. Your Personal Data that PMB collect (Description of the Personal Data collected from you):

The Personal Data collected about you may include:

- **General identification and contact information**
Your name; address; e-mail and telephone details; gender; race, nationality status; identification card number; date of birth; passwords; educational background; photos; employment history, skills and experience; professional licenses and affiliations and relationship to the joint account holder (if applicable).
- **Identification numbers issued by government bodies or agencies**
National registration identification number; passport number; tax identification number; military identification number; or driver's or other license number.
- **Financial information and account details**
Payment card number; bank account number and account details; credit history and credit score; assets; income; and other financial information.
- **Other sensitive information**
In rare cases, PMB may receive sensitive information about your religious beliefs, political opinions, family medical history or genetic information (for example, if you apply for insurance through a third-party marketing partner that is a trade, religious or political organization). In addition, PMB may obtain information about your criminal record or civil litigation history in the process of preventing, detecting and investigating fraud. PMB may also obtain sensitive information if you voluntarily provide it to us (for example, if you express preferences regarding medical treatment based on your religious beliefs).
- **Telephone recordings**
Recordings of telephone calls to our representatives and customer service call centers.
- **Information enabling us to provide products and services**
Location and identification of your property to send your statement (for example, property address); your status as director or partner; and other ownership or management interest in an organization.
- **Marketing preferences and customer feedback**
You may let us know your marketing preferences, enter a contest or prize draw or other sales promotion, or respond to a voluntary customer satisfaction survey.

9. The choices and means available for limiting the processing of Personal Data, including Personal Data relating to other persons who may be identified from that personal data:

If you wish to limit the processing of your Personal Data, including Personal Data relating to other persons who may be identified from that personal data, you may contact us at the address set out in **Section 7** above.

10. Whether it is obligatory or voluntary for you to supply your Personal Data

It is obligatory for you to supply your Personal Data to us to enable us to use it as described in **Section 3** above. Your failure to provide your Personal Data may cause us to be unable to provide you any of the services described herein.

11. Withdrawal of consent

You may by notice in writing withdraw your consent to the processing of your Personal Data. PMB shall, upon receiving your notice, cease the processing of the Personal Data, whereupon our relationship may be terminated.

12. Your right to prevent processing of Personal Data likely to cause damage or distress

- 12.1 Subject to **Section 12.2**, you may at any time by notice in writing to us, require us, at the end of such period as is reasonable in the circumstances, to, in respect of any of your Personal Data, either (a) cease the processing of or processing for a specified purpose or in a specified manner; or (b) not begin the processing of or processing for a specified purpose or in a specified manner,

if, based on reasons to be stated by you, (a) the processing of that Personal Data or the processing of personal data for that purpose or in that manner is causing or is likely to cause substantial damage or substantial distress to you or to another person; and (B) the damage or distress is or would be unwarranted.

12.2 Section 12.1 shall not apply where:

- (a) you have given your consent;
- (b) the processing of Personal Data is necessary :
 - i. for the performance of a contract to which you are a party;
 - ii. for the taking of steps at your request with a view to entering a contract;
 - iii. for compliance with any legal obligation to which PMB are the subject, other than an obligation imposed by contract; or
 - iv. in order to protect the vital interests of the data subject; or
- (c) in such other cases as may be prescribed under the Act.

13. Disclosure of your Personal Data

- 13.1 Subject to **Section 13.1** below, no personal data shall, without your consent, be disclosed:
 - (a) for any purpose other than (i) the purpose for which the Personal Data was to be disclosed at the time of collection, or (ii) a purpose directly related to the aforementioned purpose, or
 - (b) to any party other than a third party of the class of third parties as specified in **Section 6** above.

- 13.2 Notwithstanding **Section 13.1**, your Personal Data may be disclosed by us for any purpose other than the purpose for which the Personal Data was to be disclosed at the time of its collection or any other purpose directly related to that purpose, only under the following circumstances:

- (a) you have given your consent to the disclosure;
- (b) the disclosure —
 - i. is necessary for the purpose of preventing or detecting a crime, or for the purpose of investigations; or
 - ii. was required or authorized by or under any law or by the order of a court;
- (c) PMB has acted in the reasonable belief that PMB had in law the right to disclose the personal data to the other person;
- (d) PMB has acted in the reasonable belief that PMB would have had your consent if you had known of the disclosing of the Personal Data and the circumstances of such disclosure; or
- (e) the disclosure was justified as being in the public interest in circumstances as determined by the Government.

14. Security

- 14.1 PMB shall, when processing your Personal Data, take practical steps to protect your Personal Data from any loss, misuse, modification, unauthorized or accidental access or disclosure, alteration or destruction having considered: (a) to the nature of the Personal Data and the harm that would result from such loss, misuse, modification, unauthorized or accidental access or disclosure, alteration or destruction; (b) to the place or location where the Personal Data is stored; (c) to any security measures incorporated into any equipment in which the Personal Data is stored; (d) to the measures taken for ensuring the reliability, integrity and competence of personnel having access to the Personal Data; and (e) to the measures taken for ensuring the secure transfer of the Personal Data.

- 14.2 Where processing of your Personal Data is carried out by a data processor on our behalf, PMB shall, for the purpose of protecting your Personal Data as set out in **Section 14.1** ensure that the data processor (a) give sufficient guarantees in respect of the technical and

organizational security measures governing the processing to be carried out and (b) take reasonable steps to ensure compliance with those measures.

- 14.3 PMB will take appropriate technical, physical, legal and organizational measures, which are consistent with applicable privacy and data security laws. Unfortunately, no data transmission over the Internet or data storage system can be guaranteed to be 100% secure. If you have reason to believe that your interaction with us is no longer secure (for example, if you feel that the security of any Personal Data you might have with us has been compromised), please immediately notify us. (See the **"Who to Contact About Your Personal Data"** section above.)
- 14.4 When PMB provide Personal Data to a service provider, the service provider will be selected carefully and required to use appropriate measures to protect the confidentiality and security of the Personal Data.
- 14.5 PMB shall ensure that your Personal Data is being held securely, either in electronic form, on paper or in any other medium.
- 14.6 **Our responsibility to train our employees, Unit Trust Consultant and Financial Planner:** Since PMB is responsible for the processing of your Personal Data processed by our employees, PMB strive to ensure our employees, Unit Trust Consultant and Financial Planner are aware of their responsibilities when processing of the your Personal Data and Sensitive Personal Data (where applicable) to ensure the reliability, integrity and competence of the employees having access to your Personal Data. Our employees, Unit Trust Consultant and Financial Planner will be required to undergo training to understand their duties and responsibilities under the Personal Data Protection Act 2010 at least once. PMB shall restrict access to your Personal Data to those employees, in the strict need to know only.

15. Retention of Personal Data

- 15.1 Your Personal Data processed for the purposes here shall not be kept longer than is necessary for the fulfilment of that purpose. PMB shall take all reasonable steps to ensure that all Personal Data is destroyed or permanently deleted if it is no longer required for the purpose for which it was to be processed.
- 15.2 PMB take reasonable steps to ensure that the Personal Data PMB process is reliable for its intended use and as accurate and complete as is necessary to carry out the purposes described in this Notice.
- 15.3 PMB shall keep and maintain a record of any application, notice, request or any other information relating to your Personal Data that has been or is being processed by us or any third Party. For this purpose, PMB will retain your Personal Data for the period necessary to fulfill the purposes outlined in this Privacy Policy unless a longer retention period is required or permitted by law.
- 15.4 Additionally, PMB have developed a **Document Retention Policy** to specify the retention period of your Personal Data and when to dispose any document containing your Personal Data when PMB no longer require to process it or when you refuse to give your consent pursuant to this Notice. Your Personal Data shall not be kept longer than is necessary for the fulfillment of this purpose and the permanent deletion or destruction of your Personal Data is necessary as soon as there is no more need for this purpose. Similarly, PMB shall have a policy for **Dealing with Data Protection Issues**.
- 15.5 PMB shall keep and maintain a record of any application, notice, request or any other information relating to your Personal Data that has been or is being processed by us as required by Section 108 of the Capital Markets and Services Act 2007 for a period of not less than seven (7) years.

16. Data Integrity:

PMB shall take reasonable steps to ensure that the Personal Data is accurate, complete, not misleading and kept up-to-date by having regard to the purpose, including any directly related purpose, for which the Personal Data was collected and further processed.

17. Repeated collection of personal data in same circumstances:

- 17.1 Where PMB has complied with requirement to give this Notice pursuant to the **Section 7 of the Act** in respect of the collection of Personal Data from you, referred to as the "first collection"; and, where on any subsequent occasion again PMB collects Personal Data from you, referred to as the "subsequent collection", PMB is not required to comply with Section 7 of the Act if (A) to comply in respect of that subsequent collection would be to repeat, in the same circumstances, what was done to comply in respect of the first collection; and (B) not more than twelve (12) months have elapsed between the first collection and the subsequent collection.
- 17.2 For the avoidance of doubt, it is declared that subsection (1) shall not operate to prevent a subsequent collection from becoming a first collection if PMB have complied with the provisions of the Notice pursuant to Section 7 of the Act.

18. Personal Data of other individuals:

If you provide Personal Data to us regarding other individuals, you **undertake**:

- a) to inform the individual about the content of this Privacy and Personal Data Policy; and
- b) to obtain any legally-required consent for the collection, use, disclosure, and transfer (including cross-border transfer) of Personal Data about the individual in accordance with this Privacy and Personal Data Policy.

19. International transfer of Personal Data:

- 19.1 Due to the global nature of our business, for the purposes set out above PMB may only transfer Personal Data to parties located in other countries when it is necessary (including the United States and other countries that have a different data protection regime than is found in the country where you are based). For example, PMB may transfer Personal Data in order to process international wire transfer for payment settlement. PMB may transfer information internationally to our group companies, service providers, business partners and governmental or public authorities.
- 19.2 If PMB does so, PMB shall ensure that your Personal Data transferred out of Malaysia is secure and protected.

20. Use of Fund Master Form by minors:

- 20.1 This Fund Master Form is not directed to individuals under the age of 18 and PMB request that these individuals do not provide Personal Data through this Fund Master Form.
- 20.2 You are not allowed to provide any Personal Data to us regarding the other individuals who are minors ("said minors"), through this Form, unless you are the parent/legal guardian of the said minors. If you are, you agree to (i) to inform the individual about the content of this Privacy and Personal Data Policy; and give consent on their behalf by executing a **Parent/Guardian Consent form**, allowing for the collection, use, disclosure, and transfer (including cross-border transfer) of Personal Data of the said minors.

21. Solicitation of Direct Marketing:

- 21.1 PMB invites you to be in our mailing list for the purposes of Direct Marketing from us. "Direct Marketing" means the communication from us by whatever means of any advertising or marketing material from us which is directed to you. Alternatively, PMB may cease or not to begin processing your Personal Data for purposes of direct marketing. **THEREFORE, IF YOU DO NOT WISH TO BE INCLUDED IN OUR FUTURE UNIT TRUST PRODUCTS CAMPAIGN, NEW UNIT TRUST PRODUCTS LAUNCHES AND EVENTS INCLUDING PROMOTIONAL EVENTS WITH BUSINESS PARTNERS IN OUR SERVICE PLATFORM, PLEASE INITIALS HERE**
- 21.2 Notwithstanding the foregoing, you may at any time by notice in writing to us requesting us at the end of such period as is reasonable in the circumstances to cease or not to begin processing your

Personal Data for the above purposes. If you are dissatisfied with our failure to comply with your notice, whether in whole or in part, you may submit an application to the Commissioner of Personal Data Protection Board, to require us to comply with the Notice.

22. Your marketing preferences:

- 22.1 PMB will provide you with regular opportunities to tell us your marketing preferences, including in our communications to you. You can also contact us by e-mail at phillipmutual@poems.com.my, or call us at our Customer Service Hotline: **03- 2783 0200**, or write to Customer Service, Phillip Mutual Berhad at B-2-7, Block B Level 2 Unit 7, Megan Avenue 2, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur to tell us your marketing preferences and to opt-out.
- 22.2 If you no longer want to receive marketing-related e-mails from us on a going-forward basis, you may opt-out of receiving these marketing-related emails by clicking on the link to "unsubscribe" provided in each e-mail or by contacting us at the above addresses.
- 22.3 PMB aims to comply with your opt-out request(s) within a reasonable time period. Please note that if you opt-out as described above, PMB will not be able to remove your Personal Data from the databases of third parties with whom PMB have already shared your Personal Data (i.e., to those to whom PMB have already provided your Personal Data as of the date on which PMB respond to your opt-out request). Please also note that if you do opt-out of receiving marketing communications from us, PMB may still send you other important administrative communications from which you cannot opt-out.

23. International transfer of Personal Data:

- 23.1 PMB shall not transfer any of your Personal Data to a place outside Malaysia unless to such place as specified pursuant to the Act.

- 23.1 Notwithstanding **Section 23.1**, PMB may transfer your Personal Data to a place outside Malaysia, for example to our group companies, service providers, business partners and governmental or public authorities, under the following circumstances:

- (a) Where you have given your consent to the transfer;
- (b) the transfer is necessary for the performance of a contract between you and us;
- (c) the transfer is necessary for the conclusion or performance of a contract between us and a third party which:
- (i) is entered into at your request;
- (ii) is in your interests.
- (d) the transfer is for the purpose of any legal proceedings or for the purpose of obtaining legal advice or for establishing, exercising or defending legal rights;
- (e) PMB has reasonable grounds for believing that in all circumstances of the case—
- (i) the transfer is for the avoidance or mitigation of adverse action against you;
- (ii) it is not practicable to obtain your consent in writing to that transfer; and
- (iii) if it was practicable to obtain such consent, you would have given his consent.
- (f) PMB has taken all reasonable precautions and exercised all due diligence to ensure that the Personal Data will not in that place be processed in any manner which, if that place is Malaysia, would be a contravention of this Act;
- (g) the transfer is necessary in order to protect your vital interests ;
- (h) the transfer is necessary as being in the public interest in circumstances as determined under the Act.

- 23.3 Due to the global nature of our business, it may become necessary to transfer your Personal Data outside of Malaysia. **IF YOU DO NOT CONSENT TO THE TRANSFER OF YOUR PERSONAL DATA PLEASE INDICATE HERE BY WAY OF INITIAL**

24. Online Privacy Policy:

- 24.1 PMB also have Online Privacy Policy that is in compliance with the Act.

25. Changes to this Privacy and Personal Data Policy

- 25.1 PMB reviews this Privacy and Personal Data Policy regularly and reserve the right to make changes at any time to take account of changes in our business and legal requirements. PMB will place updates on our websites, www.phillipmutual.com, www.eunitrust.com.my and www.fame.com.my.
- 25.2 Please take a look at the "LAST UPDATED" date at the bottom of this Privacy and Personal Data Policy to see when it was last revised.

LAST UPDATED: 28 April 2015.

A. FAME Platform Service

Investors hereby acknowledge that the statement and transactions details are also provided on a daily basis through the FAME PLATFORM SERVICES (the terms of which are set out in the terms and conditions of the master account)

B. TERMS AND CONDITIONS OF THE MASTER ACCOUNT

By applying to invest in units in any of the Phillip Mutual Bhd ("PMB")'s Funds or units of other Unit Trusts Funds distributed ("Funds") by PMB as an Institutional Unit Trust Agent ("IUTA") and Institutional Private Retirement Scheme Adviser (IPRA), the Applicant agrees that:

1. TERMS AND CONDITIONS

- 1.1 The Applicant will be bound by these Terms and Conditions and the terms of the constitution documents (such as the Trust Deed and the Master Prospectus) of each relevant Fund(s) in respect of all transactions. Where there are conflicting terms, the terms of the relevant Trust Deed shall prevail.

2. INSTRUCTIONS / VOICE RECORDINGS

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

3. UNIT TRUST CONSULTANT ("UTC") / FINANCIAL PLANNER ("FP")

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

4. REJECTION / CANCELLATION OF APPLICATION

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

application for subscription or switching and suspend the operation of the Master Account.

5. STATEMENTS / CONTRACT NOTES

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

6. MONIES

6.1 All application monies must be paid or remitted as instructed and any cheque(s) must be honoured when presented.

6.2 If an application is rejected in whole or in part, the application monies or balance thereof will be returned (without interest) by PMB by cheque or at the cost of the Applicant by telegraphic transfer within thirty (30) business days.

6.3 The Applicant confirms that PMB may issue a cheque in Ringgit Malaysia to settle any redemption or other monies (if any) payable by PMB. Such cheque shall be made payable to the Applicant or the Applicant's nominee who is registered unitholder(s) and sent to the last registered address of the Applicant or the Applicant's nominee on PMB's records unless otherwise notified in writing.

6.4 The Applicant hereby authorises PMB to automatically reinvest any distributions in the relevant Funds without further reference to the Applicant.

6.5 Third party payments will not be accepted.

7. REPRESENTATION

7.1 The Applicant shall not rely on any information or representations other than those contained in the relevant Trust Deed and Prospectus.

7.2 The Applicant warrants that if an application is made on behalf of a corporation, the corporation has the power and the capacity and has taken all necessary steps to invest in the relevant Fund(s).

8. INFORMATION ON UNIT TRUSTS

8.1 PMB may in its absolute discretion upon acceptance of the Applicant's application provide to the Applicant the most recent published editions of prospectuses, explanatory interim and annual reports and accounts and other up to date promotional and advertising literature, publications, materials and statistical information ("information") relating to Funds.

8.2 The Applicant acknowledges and agrees that:-

8.2.1 PMB shall not be responsible nor be liable to the Applicant for advising or giving or for refraining from or omitting to advise or give any recommendation to the Applicant as to whether or not to invest in any Funds in respect of which information has been provided and, if necessary, the Applicant should seek independent financial and/or legal advice with respect to any such investment opportunity.

8.2.2 No warranty is given by PMB as to the performance or profitability of the Funds or any part thereof.

8.2.3 PMB shall not be responsible nor be liable to the Applicant for any actions, proceedings, claims, costs, expenses, losses or damages of whatsoever nature suffered or incurred by the Applicant as a result of or in connection with any investment, subscription, holding, disposal redemption or any other dealing of any units in any of the Funds or any other transaction made or omitted to be made by the Applicant on the basis of any information provided by PMB.

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

9.1 In the case of an application made for funds distributed by PMB, the Applicant acknowledges and agrees that:-

9.1.1 Any unit trust management company ("UTMC") which receives the application for subscription, transfer, switching, redemption, investment and/or any other dealings with respect to the relevant Funds shall not be obliged to accept such application in whole or in part and PMB shall not be liable for:-

9.1.1.1 ensuring that the relevant UTMC accept such application; or

9.1.1.2 any action, proceeding, claim, cost, expense, loss or damage of whatsoever nature including any loss of investment opportunity which the Applicant may suffer or incur as a result of any refusal to accept or delay in accepting such application by any such UTMC.

9.1.1.3 The Applicant shall forward all instructions with respect to the Funds, whether in the Applicant's or the Nominee's name to PMB in accordance with the prescribed manner set by PMB from time to time.

9.1.1.4 If the Applicant wishes to invest, subscribe, transfer, switch, redeem or deal in any of the Funds, he will place his order with PMB at least half an hour before the specified cut-off time for the receipt by the relevant UTMC of any application on the subscription, transfer, switching, redemption and/or any other dealings, so that PMB and/or the Nominee can use reasonable endeavor to send any such application to the appropriate UTMC in respect of the relevant Funds on the same "Dealing Day" for such UTMC being a day on which dealings take place in units or shares of such Funds as the date upon which PMB receives the relevant instruction from the Applicant; otherwise PMB and/or the Nominee will deliver such application to the appropriate UTMC in respect of the relevant Funds on the next Business Day.

9.1.1.5 PMB shall not be obliged under any circumstances to take any action or instruction from the Applicant at any time outside its normal business hours.

9.1.1.6 PMB shall not be obliged to verify the authenticity of any instruction given or purported to be given by the Applicant or for and on behalf of the Applicant or to determine whether or not such instructions are authorised.

9.1.1.7 If the Applicant wishes to invest in the EPF Member Investment Scheme, the Applicant must complete the KWSP 9N form, and / or any other form(s) prescribed by the EPF Board and the respective UTMC.

10. COST AND COMMISSION

10.1 The Applicant shall be responsible for the payment of any commission, transfer fees, registration fees, taxes any other liabilities, cost and expenses properly payable or incurred by PMB under these Term and Conditions.

10.2 PMB may receive a selling or placing commission and/or fee from any UTMC or any other source for the subscription order made by the Applicant and PMB shall be entitled to retain such commission for its own benefit and is not obliged to account to the Applicant for all or any part of such commission.

10.3 PMB shall be entitled to set-off any monies due to the Applicant under these Terms and Conditions against any debt or liability due from the Applicant to PMB from time to time.

11. NOTICES

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

12. INDEMNITY

12.1 The Applicant hereby indemnifies PMB and the relevant Trustee(s) and any of their agents against any actions, proceedings, claims, losses, damages, costs and expenses which may be brought against, suffered or incurred by any or all of them arising either directly or indirectly out of or in connection with this Master Account or in connection with PMB accepting, relying on or failing to act on any instructions given by or on behalf of the Applicant unless due to the willful default or negligence of PMB.

12.2 The Applicant acknowledges and accepts that PMB has absolute discretion to rely on facsimile confirmation from the Applicant and undertakes to indemnify and hold harmless PMB, its employee and agents against all costs, expenses loss of liabilities, claims and demands arising out of relying on the Applicant's confirmation.

13. SET OFF

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

14. LEGAL AND TAX IMPLICATION

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

15. PERSONAL DATA

15.1 The Applicant(s) may have provided and may, from time to time, provide personal information ("Data") to PMB. The Data may be used by PMB and provided to the relevant Trustee(s), or any of PMB's holding companies, subsidiaries or associated companies, which provides services to PMB, within or outside Malaysia, for the purposes of the provision of financial services or any related services and any other related purposes, including direct marketing.

15.2 The Applicant(s) warrant(s) to have consented to provide personal information to PMB in connection with the performance of the services of the Master Account and that the personal information provided to PMB has been processed for reasonable purposes and in appropriate ways in accordance to the applicable law.

15.3 The Applicant(s) is(are) responsible to update the personal information to PMB and PMB is liable to change the personal information as per the Applicant's instruction.

16. ELECTRONIC PORTFOLIO MANAGEMENT SERVICES

16.1 Financial Access Made Easy (FAME - "Electronic Portfolio Management Services") are telecommunication network and a software package provided by PMB that is available to Applicant:

16.1.1 Enables the Applicant to access Statement and Valuation of Investment held with PMB

16.1.2 Enables the Applicant to transmit application for subscription, switching, and redemption to PMB for execution.

16.1.3 Enables the Applicant to have access to information relating to Funds.

16.2 All applications for subscription, switching and redemption placed via Electronic Portfolio Management Services in relation to Funds are also subject to the same terms and conditions governing the maintenance and operation of the Funds as stated in the respective Prospectus(es).

16.3 The Applicant agrees to check and ensure that applications for subscription, switching and redemption have been properly received and accepted by PMB and acknowledges that the use of Electronic Portfolio Management Services also implies full responsibility that no unauthorized person will have the right to access and use the Electronic Portfolio Management Services via the LoginID(s) and Password(s) (collectively, the personalized security code(s)).

16.4 The Applicant will notify PMB forthwith of any failure to receive an appropriate response and/or confirmation that applications for subscription, switching and redemption have been received and/or executed.

16.5 The Applicant must at all times ensure that the integrity and security of the Electronic Portfolio Management Services is preserved and maintained. The Applicant must ensure, inter alia, that there is no unauthorized use of the security code(s). The Applicant will forthwith on being aware of any unauthorized access or theft of the security code, notify PMB and provide such particulars as PMB may require. The Applicant is solely responsible to ensure that none of the events as mentioned in this Clause occurs, but if any of them does occur, the Applicant shall indemnify PMB for any loss and damage that PMB may suffer as a consequence of such unauthorized access and use.

17. MISCELLANEOUS

17.1 References to persons include corporations, references to one gender include both genders and references to the singular includes the plural and vice versa.

17.2 Each joint Applicant's obligation is joint and several and any reference herein to the Applicant, where appropriate, may refer to any one or more joint Applicant(s).

17.3 The Master Account is personal to the Applicant and cannot be changed, assigned or transferred in any way by the Applicant.

17.4 PMB reserves the right to vary the Term and Conditions at any time without notifying the Applicant.

17.5 If any of these Term and Conditions is held or deemed to be void or unenforceable, the other terms and conditions will be remain in full force and effect.

18. APPLICABLE LAW

18.1 These Term and Conditions shall be governed by and constructed in accordance with the laws of Malaysia.

19. COOLING OFF RIGHT

19.1 Investor who is investing with PMB for the first time, may exercise their cooling-off right. The cooling-off right refers to the right of the investor to obtain a refund if he should change his mind about an investment he has made in any of the Funds if he so requests within the cooling-off period i.e. within 6 business days of the date of his application. The cooling-off right is only given to an investor, (other than a corporation or institution, a staff of PMB, and persons registered to deal in unit trusts of PMB), who is investing in any unit trust Funds managed by PMB and/or the third-party fund manager(s) for the first time.

19.2 Refunds for every unit held following a request for a reverse of an application would be based on:

(i) the NAV per unit on the day the units were first purchased; and

(ii) the Sales Charge per unit originally imposed on the day the units were purchased.

19.3 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 the following Business Day. Withdrawal proceeds will only be paid when PMB has received cleared Funds for the original investment.

20. JOINT ACCOUNTS

20.1 Units may be registered in the names of two (2) or more persons provided always that all of such persons shall be persons entitled to apply for Units under Clause 2.2.

20.2 Where Units are held by Joint holders, PMB shall be entitled to require such Joint holders to inform PMB in writing whether transactions in respect of the Units should only be carried out upon the instructions:

(a) of only one Joint holder who shall be named;

(b) of two or more of the Joint holders who shall be named; or

(c) of all the Joint holders.

20.3 In the absence of the information referred to in Clause 20.2, PMB shall be entitled to act upon the instructions of the Joint holder whose name appears first in the Register of Unit Holders.

20.4 Where Units are held by Joint holders, PMB shall treat the Joint holder whose name appears first in the Register of Unit Holders as the person entitled to receive any moneys payable hereunder and the receipt of such Joint holder of any moneys payable hereunder in respect of such Units shall be a good discharge to PMB and the Trustee.

20.5 Where Units are held by Joint holders, and where any notice is required by Master Deed to be given to Unit Holders in respect of any matter whatsoever, it shall be sufficient for PMB to give such notice only to the Joint holder whose name appears first in the Register of Unit Holders.

20.6 In the case of the death of any Joint holder, PMB and the Trustee shall recognise the surviving Joint holder or Joint holders as the only person or persons having any title, right or interest to and in the Units held.

20.7 The mandate given by joint holders may be revoked at any time by any parties to the account. For example, any one of the joint account-holders can stop a withdrawal instruction by another party of the account even though the withdrawal instruction has been processed in accordance with the mandate. When this happens, our responsibility is to inform the other party or parties as soon as possible. The mandate is revoked immediately automatically only when either the situation appears:

1) Death of any of the parties

2) Bankruptcy of any of the parties; or

3) Mental incapacity of any of the parties

20.8 When the above happens, PMB shall stop & freeze the account as soon as PMB received notice of any of the above-mentioned event.

21. PROCEDURE UPON DEATH, BANKRUPTCY, ETC

21.1 Upon the death, bankruptcy or insanity of a Unit Holder or the occurrence of anything which renders a Unit Holder legally incapable of holding any Units, any person becoming entitled to the Units held by the Unit Holder may apply to PMB to be registered as the Unit Holder in place of the Unit Holder in question. Such application shall be in such form as PMB may prescribe and shall be accompanied by such evidence as PMB may require of that person's right to be so registered.

21.2 In the case of the death of a Unit Holder who is not a Joint holder, his representative duly appointed by operation of law may, whether or not he has himself become registered as the holder of the deceased Unit Holder's Units, at any time apply to PMB to be registered as the Unit Holder in place of the deceased Unit Holder the person who has become entitled to the Units by virtue of a will or upon the intestacy of the deceased Unit Holder. Such application shall be in such form as PMB may prescribe and shall be accompanied by such evidence as PMB may require of that person's right to be so registered.

22. GOODS AND SERVICES TAX (GST)

Effective 1st April 2015, the GST will be implemented at the standard rate of 6% to replace the existing sales tax and service tax. All charges and fees (e.g. sales charge, switching fee, redemption charge, transfer fee, annual management fee, trustee fee and any other relevant fee), whichever applicable, will be subjected to GST based on Goods and Services Tax Act 2014.

C. APPOINTMENT OF NOMINEE TO HOLD UNIT TRUST

Whereas applicant above named ("the Investor") has registered with Phillip Mutual Berhad (PMB) as an investor in unit trusts funds ("Unit Trusts") that are managed by PMB or distributed by PMB as an Institutional Unit Trust Agent ("IUTA") for other unit trusts management companies. And whereas as an IUTA and for ease of operations, PMB requires the services of a nominee to effect transactions for the Investor and also to keep in custody Unit Trusts for and on behalf of the Investor. And whereas the Investor is desirous of appointing PMB and PMB has agreed to the appointment to hold and act for and on behalf of the Investor time to time in relation to Unit Trusts subject to the terms and conditions herein provided.

Now the Investor hereby agrees as follows:

1. INSTRUCTIONS ON UNIT TRUSTS

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

2. CUSTODY

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

3. COST AND COMMISSION

- 3.1 The Investor shall be responsible for the payment of any commission, transfer fees, registration fees, taxes, any other liabilities, costs and expenses properly payable or incurred by the Nominee under this Agreement and in holding or executing transaction in respect of the Unit Trusts.
- 3.2 The Nominee shall be entitled to set-off any monies due to the Investor under this Agreement against any debt or liability due from the Investor to the Nominee from time to time.

4. VARIATION AND TERMINATION

- 4.1 Without contrary to Clause 4.2, the Nominee at its sole discretion may by notice in writing

D. CLIENT DECLARATION FOR UT WRAP ACCOUNT

By completing and signing this transaction form, I/we

- 1) have received, read and fully understood the Terms and Conditions of Master Account and Appointment of nominee to hold up and agree to be bound by such Terms and Conditions (as may be amended from time to time);
- 2) declare that I/we am/are not an undischarged bankrupt(s);
- 3) understand and agree that PMB and/or the fund manager(s) reserve the right to accept or reject my/our instructions;
- 4) consent to PMB and/or the fund manager(s) investing my/our excess non-EPF funds in money market funds, I/we understand that:
 - I. a purchase of units in a money market fund is not the same as placing funds on deposit with a bank;
 - II. money market funds are unit trusts that invest in short-term deposits and high quality debt securities;
 - III. although the PMB and/or fund manager(s) may seek to maintain or preserve the principal value of the funds, there can be no assurance that funds will be able to meet my/our objectives;
 - IV. such funds are not guaranteed funds in that there is no guarantee as to the amount of capital invested and/or return received;
 - V. past performance of money market funds is not necessary indicative of future performance; and
 - VI. PMB earns a trailer fee from the fund manager(s);
- 5) acknowledge that my excess funds will be automatically invested in the following cash management fund:
 - A. Conventional : ☐ Phillip Master Money Market Fund
 - B. Islamic : ☐ PMB Shariah Cash Management Fund (Formerly known as ASM Shariah Cash Management Fund) /any applicable funds
- 6) acknowledge that fees are payable on my/our account as follows:
 - o Service Fee : 0 – 5%, at each injection level
 - o Wrap Fee : 0 – 1.5% per annum, at account level
 - * Service Fee and Wrap Fee are subjected to a standard rate of 6% for Goods and Services Tax (GST) to be deducted from gross investment amount.
- 7) wrap Fee will be accrued daily based on the net asset value of the assets in the account determined at the close of each Business Day (as herein defined), payable on a monthly basis. "Business day" shall mean a day on which any transactions take place or may be affected in relation to the relevant fund.
- 8) agree that, any service charges or any other cost incurred due to the services, or advices, or recommendations rendered by the Financial Planners shall be borne by the investors and to be deducted from the investment Fund.
- 9) agrees that all Service Fee and Wrap Fee charged by the Financial Planner will be collected by Phillip Mutual Berhad on behalf of the Financial Planner.
- 10) agrees that Service Fee chargeable on transfer in units will be deducted from my account with the calculated sum based on the units transferred into my account.
- 11) acknowledge that Phillip's FAME (Financial Access Made Easy) is a software package respectively provided by PMB that:-
 - o enables me/us as client to access statement and valuation of Investment held in the Fund.
 - o acknowledge and agree that the giving of Instructions or orders by the way of the Electronic Services is governed by our standard terms and conditions governing the use of the Electronic Services.
 - o If I/we place orders via Electronic Services, I/we do provide the consent to receive conformation notes and statements electronically.
- 12) agrees that in the event that there is insufficient cash balance in my/our Account to pay any payments due and payable on my/our Account, I/we hereby agree to pay the full amount of such shortfall into my/our Account on demand, failing which I/we agree, consent and authorize Phillip Mutual Bhd to act on my/our behalf (at PMB sole discretion) to redeem such number of Fund Investments from the least volatile fund or the fund indicated herein _____ (Client Initial) (from each category of Funds subscribed using cash and through PMB calculated on bid-to-bid basis) for placement into Phillip Master Money Market fund (any approved money market funds) for the purpose of any outstanding and/or upcoming Wrap Fee payment with the calculated sum based on the Wrap Fee outstanding and to apply the proceeds from such redemption towards the payment of the shortfall. Any redemption proceeds in excess of the shortfall shall be credited to my/our Account.
- 13) agrees that in the event that the indicated fund herein for Wrap Fee deduction is insufficient, the default selection of least volatile fund in my account will be selected for the deduction of Wrap Fees.
- 14) acknowledges and agrees that Phillip Mutual Bhd shall bear no liability or responsibility whatsoever to the investor for any error, misstatement or omission in any Prospectus or report or any other material prepared by or issued by any Financial Planner or Fund Manager, or wilful action or omission, default, fraud or negligence by the Financial Planner or Fund Manager.
- 15) fully understand and agreed that Phillip Mutual Bhd accepts no responsibility and will bear no liability to the investor or Financial Planner for giving any recommendation or advice to the investor as to whether to invest or not to invest in any Unit, or in connection with the performance of any Fund. The investor acknowledges the desirability and importance of seeking independent financial planning or professional advice with respect to any dealings or investments in Units or investment opportunities. The investor acknowledges that any dealings or investments under the Account in any such Unit is solely and exclusively made by the Investor based on the Investor's own judgment and after the Investor's own independent appraisal and investigation into the risks associated with such dealings or investments have been made.
- 16) who applies for, or is otherwise interested in any units/shares in any Wholesale Funds is responsible to ensure that (i) the Investor is not prohibited from acquiring such shares by reason of his/her domicile, nationality or other standing; and (ii) the Investor is fully aware or has consulted and been advised by an independent professional advisers on the terms and risks which may be applicable to the Wholesale Funds.

to the Investor vary or terminate this Agreement at any time.

- 4.2 The Nominee may without notice to the Investor amend this Agreement from time to time in order to comply with any relevant law, regulation, guidelines or practices with respect to this Agreement or the unit trusts industry.

- 4.3 The Investor may terminate this Agreement at any time by written notice to the Nominee to take effect immediately on receipt.

- 4.4 Upon termination of this Agreement, the Nominee shall be entitled at its absolute discretion to transfer all the Unit Trusts to the Investor at the cost and expense of the Investor and the Investor shall do all things necessary to affect such transfer.

5. LIABILITY AND INDEMNITY

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

6. NON-EXCLUSIVITY

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

7. MISCELLANEOUS

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

- 17) confirm that the above information provided to PMB is true, accurate and complete to the best of my/ our knowledge and agree to notify PMB in writing if there is any material change in this information.
- 18) have read and understood the latest prospectus(es) and supplementary prospectus(es) if any for the Fund(s) to be invested in and agree to be bound by the terms and conditions of the master account and the Appointment of Nominee To Hold Unit Trust for all and any future transaction with Phillip Mutual Berhad. I/we acknowledge that I/we have read and understood the contents of the Unit Trust Loan Financing Risk Disclosure Statement (see overleaf). I/we acknowledge and accept that Phillip Mutual Berhad has absolute discretion to rely on this confirmation from me/us and I/we undertake to indemnify and hold harmless Phillip Mutual Berhad, its employees and agents against all costs, expenses, loss of liabilities, claims and demands arising out of this confirmation.
- 19) hereby acknowledge that I/we aware of all of the fees and charges that will be incurred directly or indirectly when investing in the fund(s).

Signature of UT Wrap Main Applicant /
Authorized Signatories

Signature of UT Wrap Joint Applicant

Common Seal/ Company's Stamp

Date

E. UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT

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

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

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

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

I/We hereby acknowledge and declared that:-

- () I/We have read and understand the Privacy & Personal Data Policy stated in this form.
- () I/We agreed to provide the statement and transactions details to FAME PLATFORM SERVICES.
- () I/We have read and understand the Unit Trust Loan Financing Risk Disclosure Statement.
- () I/We aware of all of the fees and charges that will be incurred directly or indirectly when investing in the fund(s)

Signature of Principal Holder/Authorised Signatories	Signature of Joint Holder	Common Seal/Company's Stamp
Name :	Name :	
Date :	Date :	

GENERAL DOCUMENT(S) REQUIRED					
Certified True Copy by the Company Secretary, where applicable					
Type of account	Photocopy of NRIC / Passport / Birth Certificate	Board/Partnership Resolution (include specimen signatures)	Certificate of Incorporation (For Malaysian company (BHD / SDN BHD- Form 8 / Form 9 and Form 13)	Form 24, 44 & 49	Memorandum and Articles of Association or Constitution or By Laws
Individual	✓				
Joint	✓				
Malaysian Company (BHD/ SDN BHD)	(All Board members & Authorised Signatories)	✓	✓	✓	✓
Partnership	✓	✓	✓		
Sole Proprietor	✓		✓		
Society / Club	✓	✓	✓		✓

D. FOR UNIT TRUST CONSULTANT ("UTC")/FINANCIAL PLANNER ("FP")

Signature of UTC/FP	
Name	:
Code	:
Mobile	:

For Office Use Only

	Department	Signature	Staff Name	Date
Received by	Phillip Investor Centre			
	Customer Service			
	Operations			
Processed by	Operations			
Verified by	Operations			
Remarks				

