

# INFORMATION MEMORANDUM

## BOSWM DYNAMIC ISLAMIC INCOME FUND

Note: This Information Memorandum is a replacement information memorandum. It replaces and supersedes the previously issued information memorandum pertaining to BOSWM Dynamic Islamic Income Fund dated 17 April 2023.

### MANAGER

**BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)**

A company incorporated in Malaysia under the Companies Act 2016

### TRUSTEE

**MTrustee Berhad 198701004362 (163032-V)**

This Information Memorandum is dated 15 January 2024.

BOSWM Dynamic Islamic Income Fund (the Fund) is constituted on 1 June 2021.

**THE FUND IS TO BE ISSUED, OFFERED FOR SUBSCRIPTION OR PURCHASE, OR FOR WHICH INVITATIONS TO SUBSCRIBE FOR OR PURCHASE THE UNITS ARE TO BE MADE, EXCLUSIVELY TO SOPHISTICATED INVESTORS.**

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

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 8.**

**THIS FUND IS ESTABLISHED AS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEWCLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.**

## STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia will not be liable for any non-disclosure on the part of the Manager and takes no responsibility for the contents of this Information Memorandum, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from, or in reliance upon the whole or any part of the content of this Information Memorandum.

## ADDITIONAL STATEMENTS

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

The distribution of this Information Memorandum and offering, purchase, sale or transfer of units of the Fund 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 Information Memorandum or units of the Fund. Therefore, this Information Memorandum 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 Fund made via our Institutional Unit Trust Advisers (IUTA), where applicable, any investment transactions are subject to the terms and conditions of the respective IUTA.

BOSWM Dynamic Islamic Income Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the Fund.

**The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia. The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum. The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Manager responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.**

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

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## 1 DEFINITIONS

<i>baitulmal</i>	Means the treasury of a State Islamic Religious Council.
Business Day(s)	A day (other than Saturdays, Sundays and public holidays) on which banks in Kuala Lumpur are open for business.
Class BOS MYR	A specific Class of the Fund denominated in MYR.
Class(es)	Any class of units (including any new class of units which may be introduced by the Manager on later dates) representing similar interests in the assets of the Fund.
CMSA	Capital Markets and Services Act 2007.
Deed	Refers to the principal deed and supplemental deeds (if any) entered into between the Manager and the Trustee in relation to the Fund.
Fitch	Fitch Ratings, Inc.
Fund	BOSWM Dynamic Islamic Income Fund
Guidelines	Refers to Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and Guidelines on Islamic Capital Market Products and Services issued by the SC and shall include any SC guidelines relevant to Islamic Wholesale Fund, as may be amended from time to time.
Information Memorandum	This offering document(s) in relation to the Fund, as may be replaced or amended from time to time.
Islamic Financial Institution(s)	Refers to: (i) Islamic bank(s) licensed under the Islamic Financial Services Act 2013; and (ii) Development financial institution(s) licensed under the Development Financial Institutions Act 2002, which engage in Islamic financial business.
IUTA	Institutional Unit Trust Adviser(s)
Manager / Management Company / we / us	BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
MARC	Malaysian Rating Corporation Berhad
Moody's	Moody's Investors Service, Inc.
MYR/RM	Ringgit Malaysia.
NAV	The value of all the assets of the Fund less the value of all the liabilities of the Fund 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 of the Fund at a particular valuation point divided by the number of units in circulation at the same valuation point; where the Fund has more than one Class, there shall be a NAV per unit for each Class of units; the NAV per unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class of units divided by the number of units in circulation for that Class of units at the same valuation point.
RAM	RAM Rating Services Berhad
S&P	Standard & Poor's Financial Services LLC
SACSC	Means the Shariah Advisory Council of the SC.

SC	Securities Commission Malaysia
Shariah	Islamic law comprising the whole body of rulings pertaining to human conducts derived from sources of the 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>pbuh</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	BIMB Securities Sdn Bhd 199401004484 (290163-X) which includes its permitted assigns and successors in title.
Shariah requirements	Means the rulings, guidelines and resolutions made by the SACSC or the advice given by the Shariah Adviser.
Sophisticated Investor(s)	<p>Means any person who:-</p> <p>(a) comes within any of the categories of investors as set out in Part 1, Schedules 6 and 7 of the Capital Market Services Act 2007 (CMSA); or</p> <p>(b) acquires unlisted capital market products where the consideration is not less than RM250,000.00 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise</p> <p>(c) and such other investors(s) as may be permitted by the Securities Commission from time to time and/or under the relevant guidelines.</p> <p>Note: For more information, please refer to the current excerpts of Part 1, Schedules 6 and 7 of the CMSA.</p>
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.
Trustee	MTrustee Berhad 198701004362 (163032-V)
Unit Holder(s)	Refers to the registered holder for the time being of a unit of any Class including persons jointly registered.
US	Means United States of America.
US Person	<p>refers to:-</p> <p>A. US Onshore Person(s), who are defined as:-</p> <ol style="list-style-type: none"> <li>a natural person who is resident in the United States ("US") or who is physically present in the US (regardless whether on a short term or long term basis); or</li> <li>a partnership or corporation organized or incorporated under the laws of the US; or</li> <li>a partnership or corporation not organized or incorporated under the laws of the US but is beneficially owned by one US Onshore Person or more; or</li> <li>an estate of which any executor or administrator is a US Onshore Person or a US Offshore Person; or</li> <li>a trust established under the laws of the US; or</li> <li>a trust* not established under the laws of the US but any of the settlors or trustees or beneficiaries is a US Onshore Person; or</li> <li>an agency or branch of a foreign entity that is located in the US.</li> </ol> <p>For the avoidance of doubt, a representative of a US Onshore Person under (ii) to (vii) is deemed a US Onshore Person for the purpose of the US Persons.</p> <p>B. US Offshore Person(s), who are defined as:-</p> <ol style="list-style-type: none"> <li>a natural person who is a US citizen, US passport holder and/or US green card holder, and is not resident in the US and is not physically present in the US; or</li> </ol>

	<ul style="list-style-type: none"> <li>ii. a partnership or corporation not organized or incorporated under the laws of the US but is beneficially owned by one US Offshore Person or more (and none of them is a US Onshore Person); or</li> <li>iii. a trust* not established under the laws of the US but any of the settlors or trustees or beneficiaries is a US Offshore Person (and none of them is a US Onshore Person); or</li> <li>iv. a US Person as defined or identified under the BOS FATCA Policy, US Qualified Intermediaries Policy, Sanctions Policy, and any other internal policies/procedures, but does not meet the definition of a US Onshore Person pursuant to the US Persons section.</li> </ul> <p>For the avoidance of doubt, a representative of a US Offshore Person under (ii) to (iv) is deemed a US Offshore Person for the purpose of the US Persons section.</p> <p><i>*excluding (a) the trust is a discretionary trust where no beneficiary has any fixed legal interest or entitlement in the trust fund; (b) the trust is not subject to primary supervision of any US court; (c) The trust is a non-US trust and is treated as a non-resident alien who is not present in the US for income tax purposes and is subject to US income tax only on its US source income; (d) either the trustee of the trust or a non-US person appointee would reserve investment decision/powers over the trust fund, and no US Person can exercise investment decision/powers over the trust; (e) The trustee is not a US Person; or (e) The beneficiaries comprise non-US Persons and US Persons.</i></p>
Wholesale fund	Means a unit trust scheme, established where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to sophisticated investors and any other person as may be determined by the SC.

## 2 CORPORATE DIRECTORY

### **Manager**

BOS Wealth Management Malaysia Berhad  
199501006861 (336059-U)

#### Business Office

09-02, Level 9, Imazium  
No. 8 Jalan SS 21/37,  
Damansara Uptown,  
47400 Petaling Jaya Selangor  
Tel: 03-7712 3000  
E-mail: ContactUs@boswm.com  
Website: www.boswealthmanagement.com.my

#### Registered Office

19<sup>th</sup> Floor, Menara OCBC,  
No.18 Jalan Tun Perak,  
50050 Kuala Lumpur  
Tel: 03-2783 3996; 03-2783 3648

### **Shariah Adviser**

BIMB Securities Sdn Bhd  
199401004484 (290163-X)

#### Business Office

Level 34, Menara Bank Islam  
No. 22 Jalan Perak  
50450 Kuala Lumpur  
Tel: 03-2613 1600  
Fax: 03-2613 1799  
Website: www.bimbsec.com.my

#### Registered Office

32nd Floor, Menara Bank Islam  
No. 22 Jalan Perak  
50450 Kuala Lumpur  
Tel: 03-2726 7814  
Fax: 03-2088 8033

### **Trustee**

MTrustee Berhad  
198701004362 (163032-V)

#### Business Office

15th Floor, Menara AmFIRST,  
No. 1, Jalan 19/3,  
46300 Petaling Jaya, Selangor  
Tel: 03-7954 6862  
Fax: 03-7954 3712

#### Registered Office

B-2-9 (2nd Floor),  
Pusat Perdagangan Kuchai,  
No. 2, Jalan 1/127,  
Off Jalan Kuchai Lama  
58200 Kuala Lumpur  
Tel: 03-7983 1088



### 3 THE FUND

It is important to note that the Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. You should note that the Fund is allowed to establish new Class(es) from time to time without your prior consent. Under the Deed, Unit holders of each Class have materially the same rights and obligations. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features.

The Fund is only open for subscription by Sophisticated Investor(s). The following consist of more information about the Fund:

#### 3.1 BOSWM Dynamic Islamic Income Fund("Fund")

Base currency : MYR

Fund category / type : Islamic wholesale fund / growth and income

Class(es) available for subscription : Class BOS MYR

Initial offer price(s) : MYR1.0000 (Class BOS MYR)

*Note: the initial offer price will be used for the first subscription into Class after the initial offer period if no subscription is received during the initial offer period.*

Initial offer period : 1 day

#### 3.2 Investment Objective of the Fund

The Fund aims to deliver total return. Notes:

- Any material change to the investment objective of the Fund would require Unit Holders' approval.
- 'total return' refers to a combination of income (in the form of income distribution) and potential capital growth.

#### 3.3 Investment Policy & Strategy of the Fund

The Fund adopts a conservative investment approach, where the stability of the Fund's NAV per unit is the top priority. Nevertheless, the Fund is not a passive fund as it may dynamically adjust its portfolio to achieve its investment objective. Investment decisions will be guided by the Manager's outlook on the investment environment by considering various factors, such as inflation expectation, monetary policies as well as economic growth.

As an Islamic wholesale fund, the Fund is expected to invest in Islamic fixed income instruments (i.e. sukuk, Islamic money market instruments, Islamic deposits as well as investment accounts). As the Fund's name implies, the Manager will allocate its assets dynamically between the Islamic fixed income instruments mentioned. Take for example, if the market condition permits (i.e. optimistic outlook), the Manager may seize the opportunity to hold more of the Shariah-compliant investments with longer maturity profile to enhance the Fund's performance.

On the selection of sukuk, the Fund will only purchase sukuk with minimum long-term credit rating of single 'A' rated by RAM (or an equivalent<sup>1</sup> long-term credit rating rated by other global or domestic credit-rating agencies<sup>2</sup>). Should the long-term credit rating of the sukuk held by the Fund is being downgraded, the Manager shall have full discretion to decide whether to hold or to sell the Islamic fixed income instruments.

### Summary of the Fund's Asset Allocation

Up to 100% of the Fund's NAV in:

- Sukuk;
- Islamic money market instruments; and/or
- Islamic deposit & investment accounts.

*Note: the Fund may utilise Islamic collective investment scheme(s) (including fund(s) that are managed by the Manager) to gain exposure.*

### **3.4 Performance Benchmark of the Fund**

Maybank Islamic Overnight Deposit rate\*

*\*Available from [www.maybank2u.com.my](http://www.maybank2u.com.my) 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 and on our website.*

*Note: due to the Fund's investment exposure, the risk profile of the Fund is expected to be different from the risk profile of the performance benchmark. Investment in the Fund is not the same as placement in an Islamic deposit. There are risks involved and prospective investors should rely on their own evaluation to assess the merits and risk when investing in the Fund.*

### **3.5 Distribution Policy of the Fund**

Class BOS MYR	Declaration of income distribution (if any) is at least once a year.
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Notes:

- On income distribution, the Manager's decision will be guided based on the performance of the Fund at the relevant period.
- Kindly see section 6.7 below for the details on mode of distribution.

### **3.6 Permitted Investments, Limits and Restrictions of the Fund**

#### Permitted Investments

The Fund will invest in the following investments:

- (i) Units and/or shares in local Islamic collective investment scheme(s);
- (ii) Sukuk;
- (iii) Islamic money market instruments;
- (iv) Islamic deposit and investment accounts; and
- (v) any other form of Shariah-compliant 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,

provided always that the permitted investments as set out above shall at all times conform with the requirements of the Shariah principles and the advice of the Shariah Adviser for the time being appointed by the Manager.

#### Limits and Restrictions

The Fund shall only invest in permitted investment(s) that are denominated in MYR.

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<sup>1</sup> By having their own proprietary rating systems and methodologies, credit rating granted by the respective credit rating agencies may vary. It will be up to the Manager to determine the equivalency of the credit rating granted by the respective credit rating agencies.

<sup>2</sup> Refers to S&P, Moody's, Fitch, MARC and any other credit rating agencies approved by the relevant regulators.

### 3.7 How to Keep Abreast of Development in the Fund

You can have immediate access to the daily NAV per unit of the Class(es) which are published on our website [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my), or you may contact your Relationship Manager. While it is our duty to ensure that the Fund is being correctly valued or priced, we, however, cannot be held liable for any error in prices published on the websites of our authorised distributors (if any).

In addition, you can also constantly keep abreast of the Fund's developments via its reports. We will send (electronically or otherwise) the Fund's annual and quarterly reports to you within two months after the end of the Fund's financial year period.

You may also opt for hard copy of the annual and quarterly reports (instead of electronic copy) by contacting your Relationship Manager.

The Fund's performance and other information will also be featured in our website [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my).

### 3.8 Financial Year End of the Fund

The Fund's financial period is a 12-month period ending on the 30<sup>th</sup> day of June each year, save and except that the first financial period shall commence on the date of the Information Memorandum. For the avoidance of doubt, the first financial period must not be more than eighteen (18) months.

### 3.9 The Constituting Deed(s) of the Fund

The Fund is governed by the Deed as follows:

Fund	The Deed
BOSWM Dynamic Islamic Income Fund	Trust deed dated 25 May 2021 entered into between the Manager and the Trustee in relation to the Fund.

#### No Units Creation During IOP

If there is no subscription during the respective initial offer period, the initial offer price (i.e. RM1.0000 for Class BOS MYR) will be used for the first subscription into the Fund/Class after the initial offer period.

#### Units Fully Redeemed

If there is no unit in circulation (e.g. due to full redemption by unitholders), the initial offer price (i.e. RM1.0000 for Class BOS MYR) will be used for the next subscription into the Fund/Class.

## 4 RISK FACTORS

This section describes the risk factors that we have identified which are relevant for you to consider before investing in the 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.

### 4.1 General Risks of Investing in Unit Trust Funds

#### Market risk

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

#### Inflation or purchasing power risk

This risk refers to the effect of inflation or loss of purchasing power on the value of investment returns and the worth of the investment itself. Investors' returns from a fund may not keep pace with inflation and hence reduce their purchasing power.

#### Manager risk

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

### 4.2 Specific Risks Associated with the Investment Portfolio of the Fund

#### Interest rate risk

Generally, sukuk prices move in the opposite direction of interest rates; a rise in interest rates will generally cause a fall in sukuk prices and vice versa. The Fund will experience a capital loss or capital gain should the sukuk be sold before maturity. The interest rate risk here refers to the general interest rate risk of the country which may affect the value of the Fund's investments even if the Fund does not invest in interest bearing instruments. The sukuk indicative rate is influenced by the yield curve of the conventional interest rates. Thus, any movement in the conventional interest rates may be reflected in the indicative rates of sukuk as well.

However, this does not in any way suggest that the Fund will invest in fixed income securities where conventional interest rates apply. All the investments carried out for the Fund will be in accordance with Shariah principles. To mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the Manager's view on interest rate environment.

#### Credit & default risk

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

Both credit and default risk could adversely affect the value of the Fund should the Fund invest in sukuk which are subsequently downgraded and/or their issuers defaulting on profit payments or failing to make payments in a timely manner.

#### Early termination of placement in Islamic deposit(s) and investment accounts

This is the risk of the Fund having to terminate/withdraw its placements in Islamic cash deposit(s) and/or investment account(s) before the maturity date of the respective placements – due to redemptions from the Fund. As a result of the premature termination of placements, there will be a loss of a percentage or even all of the profits accumulated during the holding period, resulting in loss of income to the Fund.

To mitigate this risk, the Manager will have in place the process to anticipate the potential redemptions from time to time and allocates maturities accordingly. For example, the Manager may ensure that there are sufficient tranches of Islamic deposits and/or investment accounts maturing weekly to meet any potential redemptions from the Fund.

Shariah status reclassification risk

This risk refers to the risk of a possibility that the currently held sukuk, Islamic money market instruments, Islamic deposits, investment accounts or Islamic collective investment schemes invested by the Fund 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 or withdraw such bonds, money market instruments, deposits, conventional investment accounts or collective investment schemes.

*Note: Please refer to the Cleansing Process for the Fund on page 23 for details.*

Liquidity Risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices, which may subsequently lead to investment loss to its unitholders. The Manager may (in consultation with the Trustee) seek temporary financing to meet redemption request, considering which is in the best interests of Unitholders before consider the suspending the dealing in the Fund's units. Please refer to Section 6.4 Suspension of Dealing in Units for more details.

## 5 FEES, CHARGES AND EXPENSES

### 5.1 Sales Charge

The sales charge is a charge levied on the purchase of units of the Class(es), and is used to pay for marketing, advertising and distribution expenses of the Fund. The sales charge is deducted upfront from the purchase amount, leaving only the net amount invested in the Fund. The sales charge is calculated based on the Fund's NAV per unit of the Class(es) as at the next valuation point after the completed application is received and accepted by the cut-off time of 4:00 p.m. on any Business Day. The rate of sales charge to be imposed on the Units Holders is as follows:

Class BOS MYR	Up to 2.00% of the NAV per unit of the Class.
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For illustration on the calculation of sales charges, please refer to section 6.3 on page 15.

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.

*Note: Despite the sales charge disclosed above, investors may negotiate for a lower sales charge.*

### 5.2 Redemption Charge

There is no redemption charge to be imposed on Unit Holders of the Fund.

*Note: By default, redemption 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 Class(es). You are encouraged to opt for bank transfer for redemption as there will be no such service fee imposed. Kindly contact your Relationship Manager.*

### 5.3 Annual Management Fee

The annual management fee is a fee charged for the ongoing portfolio management and administration of the Fund (e.g. to maintain Unit Holders' register, proper records of the Fund and to administer the investments). The annual management fee for the Class(es) is as follows:

Class BOS MYR	Up to 0.50% per annum of the NAV of the Class.
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The annual management fee is calculated based on the NAV of the Class(es), accrued on a daily basis and is paid out of the Fund. 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.

### 5.4 Annual Trustee Fee

The annual trustee fee is a fee paid to the Trustee for the custodial management and administration of the Fund's assets (e.g. transaction settlement, custody and administration costs). The annual trustee fee for the Fund is 0.02% per annum of the NAV of the Fund. The annual trustee fee is calculated based on the NAV of the Fund, calculated and accrued on a daily basis and is paid out of the Fund. 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.

## 5.5 Switching Fee

The Manager does not intend to charge any switching fee; however, investors performing a switching transaction will have to pay the applicable difference in sales charge between the fund to be switched from and the fund to be switched into. The following table describes the charges applicable to the Fund:

Switch Out				
From \ To	Another Fund Managed by the Manager			
	with zero sales charge	with maximum sales charge of 2.00% of net asset value per unit	with maximum sales charge of 5.00% of net asset value per unit	with maximum sales charge of 5.50% of net asset value per unit
The Fund	Nil	Nil	Subject to sales charge of up to 3.0% of net asset value per unit.	Subject to sales charge of up to 3.5% of net asset value per unit.
Switch In				
From \ To	The Fund			
Another fund managed by the Manager	with Zero sales charge	Subject to sales charge of up to 2.00% of net asset value per unit.		
	with maximum sales charge of 2.00% of net asset value per unit	Nil		
	with maximum sales charge of 5.00% of net asset value per unit	Nil		
	with maximum sales charge of 5.50% of net asset value per unit	Nil		

### For Class BOS MYR of the Fund

Notes:

Kindly refer to section 6.5 below for more information about the switching facility of the Fund, including the relevant terms and conditions.

The charge(s) above are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.

## 5.6 Transfer Fee

There is no transfer fee to be imposed on Unit Holders of the Fund.

## 5.7 Permitted Expenses of the Fund

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

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

- e) costs, fees and expenses incurred for any modification of the Deed in relation to the Fund save where such modification is for the benefit of the Manager and/or the Trustee;
- f) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- g) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
- h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed by the Fund);
- m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;
- n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- o) (where the custodial function is delegated by the Trustee) charges and fees paid to subcustodians taking into custody any foreign assets of the Fund;
- p) expenses and charges incurred in connection with the printing and postage for the annual or interim report, tax certificates and other services associated with the administration of the Fund;
- q) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer; and
- r) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (a) to (q) above.

## 5.8 The Manager's Policy on Rebates and Soft Commissions

The Manager will not retain rebate (if any) from, or otherwise share in monetary commission with, any broker or dealer in consideration for directing dealings in the assets of the relevant fund(s) managed by the Manager. Any rebate or shared monetary commission will be directed to the account of the relevant fund(s). However, the Manager will retain soft commissions (if any) if:

- a. the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- b. any dealing by the broker or dealer is executed on terms which are most favourable for the Fund; and
- c. the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager shall not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

*Note: The Manager does not expect to derive any rebates and/or soft commission from managing the Fund.*

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



## 6 TRANSACTION INFORMATION

### 6.1 Valuation Bases of the Fund's Assets

Pursuant to the Guidelines, all assets of the Fund should be valued in a fair and accurate manner at all times. The Fund is generally valued in accordance with the respective asset classes. The Fund's assets will be valued based on the following principle:

Investment instruments	Valuation basis
Investment instruments that are listed and quoted on an exchange	The official closing price or last known transacted price on the eligible market on which the investment is quoted.  However, if the price is not representative or not available to the market, the investments should be valued at fair value.
Investment instruments not listed or quoted on an exchange	a. Fair value*; or b. For money market instruments, amortised cost accounting may be used provided the instruments' remaining term to maturity is not more than 90 calendar days at the time of acquisition.  <i>*means the price that the Fund would reasonably expect to receive upon the current sale of the investment instruments. The Manager must ensure that fair value be determined with due care and in good faith, and the basis for determining the fair value is approved by the Trustee (after appropriate technical consultation).</i>

### 6.2 Valuation Point & Pricing Policy of the Fund

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

The valuation of the Fund's NAV is calculated once at the end of every<sup>3</sup> Business Day. The Fund's NAV attributable to the Class(es) will then be calculated, and the daily NAV per unit of the Class(es) will be published on the next Business Day after the valuation (T+1).

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<sup>3</sup> The Fund's valuation point will fall on the next Business Day if the Fund has foreign exposure. Should that be the case, the NAV per unit of the Class(es) will only be published on T+2.

Kindly read further to understand how the NAV and NAV per unit of Class(es) are derived.

#### 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 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.

In contrary to the above, if the Fund has foreign exposure, the unit pricing will only be available on the next Business Day.

The Fund's base currency is MYR. As such, all the assets and liabilities of each Class will be translated into MYR<sup>4</sup> for valuation purposes. Valuation of the Class(es) is based on the NAV of the Class(es) which in turn is based on the Fund's NAV, and is calculated once 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 (4) 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. Where the incorrect valuation or pricing is at or above 0.5% of the NAV per Unit of the Class, rectification must be extended to the reimbursement of money:-

- By the Manager to the Fund;
- From the Fund to the Manager; or
- By the Manager to Unit Holders and former Unit Holders

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<sup>4</sup> The value of the Fund's assets & liabilities denominated in foreign currencies (if any) will be translated to MYR for valuation purpose. They are translated using the bid foreign exchange rate quoted by either Reuters or Bloomberg, at United Kingdom time 4:00 p.m. on the same day, or such method and basis as stipulated in the Investment Management Standard issued by Federation of Investment Managers Malaysia, which may be amended, updated or superseded from time to time.

### Multi-class Structure

As mentioned, the Fund is established as a multi-class fund. The Fund has launched a single Class (i.e. Class BOS MYR) and may launch additional Class(es) on later dates. It is important to understand how a multi-class fund's net asset value per unit(s) is derived as example shown below:

	Fund (MYR)	Class 1 (MYR)	Class 2 (MYR)
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
Net asset value of the Fund before management fee and trustee fee	200,009,000	180,008,100	20,000,900
a Less: management fee (assuming 0.5% p.a. for class 1 and 0.4% p.a. for class 2)	-2,685	-2,466	-219
b Less: trustee fee (up to 0.02% p.a.)	-110	-99	-11
Net asset value of the Fund	200,006,205	180,005,535	20,000,670
Units in circulation	249,000,000	170,000,000	35,000,000
c Net asset value per unit		<b>1.0589</b>	<b>0.5715</b>
Notes:			
a & b - Management fee and trustee fee are proportionately shared by the respective Class(es) based on the respective Class(es)' management fee and trustee fee. 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.			
*[fee in p.a. ÷ (365 or 366)] × net asset value of the Fund before management fee and trustee fee.			

### 6.3 Subscription for the Class(es) of the Fund

We offer you the lump sum investment and regular investment plan. However, regular investment plan is not available for Class(es) denominated in currencies other than MYR. To subscribe to the Class(es) of the Fund, please complete the relevant documentations<sup>5</sup> (in relation to subscription application) and forward the documentations to our head office or our authorised distributors (if any) as disclosed in section 12 below.

Your subscription application for the Class(es) of the Fund and payment must be received by the Manager by 4:00 p.m. on any Business Day. Any duly completed and original documentations and payment received after this cut-off time is considered a submission on the next Business Day.

In addition to the submission of the relevant forms, you may be required to forward to us additional documents to authenticate your identification. We may for any reason at any time, waive existing procedures, and/or prescribe applications for subscription in any other form or manner whether for all/any particular investor, at our discretion.

Please note that if you are a US Person, you are not eligible to subscribe to the Fund. We reserve the right to return your investment without advance notice if we become aware that you are US Person who holds any Class of Units of the Fund.

<sup>5</sup> Kindly contact us to know more about the forms and documentations required. Investment via our IUTA (if any) are subject to different forms and documentations.

Value-added service (additional way to subscribe – applicable to individual investors only):

If you are our existing customer (i.e. individual(s) with valid investment account(s) with us), you may top up your investment (including in the fund(s) you are not currently holding) with us via fax or email subject to the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in circumstances which are beyond our control (e.g. our email or fax is unreachable).
- You accept that we reserve the right to carry out due verification with you via telephone, of which the call may be recorded.
- You accept that your subscription instruction will only be carried out upon our receipt of your payment, proof of payment, the necessary documentation, and the completion of the due verification (if any) before the cut-off time indicated in this section 6.3.
- You accept that your risk profile (in our record) must at least match or be 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 investment, 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 your Relationship Manager to understand the details (e.g. documents required) for this value-added service before utilising it.

#### The Price of the Class(es) of the Fund

Class BOS MYR													
Prevailing NAV per unit (based on the NAV per unit of Class BOS MYR as at the next valuation point after the original application form and payment is received by the Manager ("forward pricing")).													
Illustration (e.g. Class BOS MYR)													
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">                     Prevailing NAV per unit : RM1.0054                      Sales charge : 2.00% of NAV per unit                      Applicable taxes : Nil (if any)                 </div> <p>Assuming the NAV per Unit for the Class BOS MYR on a particular Business Day be RM1.0054 and if you make an investment of RM1,000,000.00, the amount to be invested in Class BOS MYR and the sales charge and applicable taxes (if any) to be paid by you are calculated as follows:</p> <table> <tr> <td>Total amount to be invested</td><td>= RM1,000,000.00</td></tr> <tr> <td>Total sales charge incurred (2.00% x RM1,000,000.00)</td><td>=</td></tr> <tr> <td>RM20,000.00 Applicable tax (if any)</td><td>= Nil</td></tr> <tr> <td>Total amount to be paid by you</td><td><u>RM1,020,000.00</u></td></tr> </table> <p>The number of Units in the Class BOS MYR to be issued to you will be calculated as follows:</p> <table> <tr> <td>Units issued to you</td><td>RM1,000,000.00/RM1.0054=</td></tr> <tr> <td></td><td><b>994,629.00 units</b></td></tr> </table>		Total amount to be invested	= RM1,000,000.00	Total sales charge incurred (2.00% x RM1,000,000.00)	=	RM20,000.00 Applicable tax (if any)	= Nil	Total amount to be paid by you	<u>RM1,020,000.00</u>	Units issued to you	RM1,000,000.00/RM1.0054=		<b>994,629.00 units</b>
Total amount to be invested	= RM1,000,000.00												
Total sales charge incurred (2.00% x RM1,000,000.00)	=												
RM20,000.00 Applicable tax (if any)	= Nil												
Total amount to be paid by you	<u>RM1,020,000.00</u>												
Units issued to you	RM1,000,000.00/RM1.0054=												
	<b>994,629.00 units</b>												

#### Minimum Initial Investment & Additional Investment of the Class(es) of the Fund

The following are the minimum initial and additional investment applicable to Class BOS MYR:

##### Minimum Initial Investment

Class BOS MYR
RM500,000.00

##### Minimum Additional Investment

Class BOS MYR
RM250,000.00

*Note: We have the discretion to accept a lower amount than that disclosed in this Information Memorandum as we deem fit.*

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**Warning: Investors must not make payment in cash to any individual agent when subscribing to units of the Class(es) of the Fund.**

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#### **6.4 Redemption of Your Investment in the Class(es) of the Fund**

To redeem your investment in the Class(es) of the Fund, please complete the relevant documentations<sup>6</sup> (in relation to redemption application) and forward the documentation to our head office or our authorised distributors (if any) as disclosed in section 12 below.

Upon receipt of the duly completed and accepted documentations, which must be received by the Manager by 4:00 p.m. on any Business Day, we will process your redemption application based on the NAV per unit (of a Class of the Fund) calculated at the next valuation point. Payment will be made to you within 10 days from our receipt of your redemption application.

Value-added service (additional way to redeem – applicable to individual investors only): you will also be able to redeem your investment via fax or email with the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in circumstances which are beyond our control (e.g. our email or fax is unreachable).
- You accept that we reserve the right to carry out due verification with you via telephone, of which the call may be recorded.
- You accept that your redemption instruction will only be carried out upon our receipt of the necessary documentation and the completion of the due verification (if any) before the cut-off time indicated in this section 6.4.

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 redemption via hard copy documentation (as shown above) if you find the value-added service is not for you.

You are advised to contact your Relationship Manager to understand the details (e.g. documents required) for this value-added service before utilising it.

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<sup>6</sup> Kindly contact us to know more about the forms and documentations required. Investment via our IUTA (if any) is subject to different forms and documentations.

#### Terms and Condition in Connection to Redemption Application of the Class(es) of the Fund

	Class BOS MYR
Minimum redemption amount	No restriction
Minimum balance unit (after an application for redemption)	500,000 units or such lower number of units as decided by the Trustee and the Manager from time to time.  Should the units in your account are less than the minimum balance unit after the redemption application is made, all units in your account will be redeemed automatically.
Frequency of redemption	No restriction
Price	Prevailing NAV per unit (based on the NAV per unit of the Class as at the next valuation point after the original application form is received by the Manager ("forward pricing")).

By default, the Manager does not pay redemption proceeds via cheque. All redemption 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 units in the Fund's Class(es).

The request for payment of redemption proceeds via cheque is to be considered on a case-to-case basis, where a service fee of up to RM50 will be imposed for each cheque requested and subject to full discretion by the Manager. You will receive your redemption proceeds net of the service fee if you opt for payment by cheque.

#### 6.5 Switching Facility for the Fund

Switching refers to a transaction where an investor switches his investment from one fund to another fund.

To carry out a switching application, please complete the relevant documentations<sup>7</sup> (in relation to switching application) and forward the documentations to our head office by 4:00 p.m. on any Business Day.

There are no restrictions on the number of switching transactions that you may carry out; however, switching application for the Class(es) of the Fund is subject to the following conditions:

	Class BOS MYR
Switch out to other funds	<ul style="list-style-type: none"> <li>You may switch your investments from the Fund into all other funds managed by the Manager (including wholesale funds), and subject to the availability of switching facility of the fund you wish to switch into.</li> <li>The fund that you intend to switch into must be denominated in MYR only.</li> <li>Switching between units with different currency denomination is unavailable.</li> <li>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 fund you wish to switch into, whichever is higher.</li> <li>For partial switching to other funds, the minimum balance unit (as indicated in section 6.4) applies, where the balance unit of the Fund must not be less than 500,000 units after switching.</li> </ul>

<sup>7</sup> Kindly contact us to know more about the forms and documentations required. Investment via our IUTA (if any) is subject to different forms and documentations.

	<ul style="list-style-type: none"> <li>• For the avoidance of doubt, switching application is subject to the terms and conditions of the IUTA should your subscription of the Class(es) of the Fund be made via IUTA.</li> </ul>
Switch in from other funds	<ul style="list-style-type: none"> <li>• Subject to the terms and conditions of the fund you wish to switch from to the Fund. Kindly refer to the relevant offering documents of the fund.</li> <li>• The minimum investment amount of the Fund applies, where the amount switched from another fund to the Fund must meet the Fund's minimum investment amount.</li> <li>• For the avoidance of doubt, switching application is subject to the terms and conditions of the IUTA should your subscription be made via IUTA.</li> <li>• As the Fund is a wholesale fund, the Manager will only accept switch in request by Sophisticated Investors.</li> </ul>

Switching will be carried out accordingly based on the net asset value per unit of the funds you wish to switch from and switch into. The switching process will be carried out in accordance to the funds' respective next valuation points upon receiving your switching application by 4:00pm on any Business Day.

Kindly refer to section 5.5 for the details pertaining to switching fee applicable to the Fund.

Value-added service (additional way to switch – applicable to individual investors only): you will also be able to switch your investment from one fund to another fund via fax or email with the following terms and conditions:

- You accept that we shall not be held responsible for any delay or losses experienced by you in circumstances which are beyond our control (e.g. our email or fax is unreachable).
- You accept that we reserve the right to carry out due verification with you via telephone, of which the call may be recorded.
- You accept that your switching instruction will only be carried out upon our receipt of the necessary documentation, the completion of the due verification (if any) before the same cut-off time as indicated in this section 6.5.
- You accept that your risk profile (in our record) must at least match or be 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 switching via hard copy documentation (as shown above) if you find the value-added service is not for you.

You are advised to contact your Relationship Manager to understand the details (e.g. documents required) of this value-added service before utilising it.

Switching from an Islamic fund to a conventional fund is not encouraged for Muslim Unit Holders.

## 6.6 Transfer Facility for the Fund

Transfer refers to a transaction where a Unit Holder transfers his ownership of units in the Fund to another person(s). The transferee must be a Sophisticated Investor and provide the necessary declaration.

For the Fund, the transfer form must be completed in the presence of a witness. The minimum units for transfer must not be less than 500,000 units or such lower number of units as decided by the Manager from time to time. For partial transfer, the minimum balance to be maintained in your unit trust account must be 500,000 units or such lower number of units as decided by the Trustee and the Manager from time to time.

## **6.7 Mode of Distribution**

Distribution of income (if any) may be in the form of cash or reinvested as additional units.

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. 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 units in the Fund's Class(es). We will reinvest your income distribution proceeds if there are no bank account details provided to BOSWM MY or the bank account details you provided is inaccurate resulting failed bank transfer.

If you have selected the option of reinvestment of income distribution, distributions declared by the Fund will automatically be reinvested into additional units of the Class(es) of the Fund based on the NAV per unit of the Class(es) 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 by the fourth Business Day (T+4).

## **6.8 Policies and Procedures to Prevent Money Laundering Activities**

We have policies and procedures in place to comply with the legislation in force in Malaysia to prevent money laundering and terrorism financing activities. In order to implement these procedures, you will be required to provide detailed verification of your identity including but not limited to proof of identity, residential or registered address, occupation or business, funds or source of income when subscribing, buying or redeeming units and to periodically update your records. Until we have received satisfactory evidence from you, we reserve the right to refuse or accept your application form to buy or redeem units or to pay the proceeds of the redemption of units. We may delay or refuse any application without giving any reason for doing so where this is in accordance with our anti-money laundering obligations. We also reserve the right to request additional information including the identity of any beneficial owners as may be required to support the verification of information and to allow us to carry out due diligence exercise on you in compliance with the relevant legislation.

Any suspicious transaction will be reported to the relevant authority.

## **6.9 Prudent Control**

The Compliance department within the Manager is responsible for compliance matters and liaises with the SC to ensure that all laws, regulations, code of conduct and prudential limits are followed.

The Head of Compliance is the designated person responsible for compliance and reports to the Board of Directors of the Manager ("Board") on compliance matters. In the event that the Head of Compliance is absent, or has resigned, the next-person-in-line will be the designated person responsible for compliance matters until such position is filled.

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

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## **7 THE MANAGER – BOS WEALTH MANAGEMENT MALAYSIA BERHAD**

### **7.1 Background**

BOS Wealth Management Malaysia Berhad ("Manager") is a licensed unit trust management company. It has over two decades of investment experience in managing and offering a comprehensive range of unit trust funds, wholesale funds as well as portfolio management services for both institutional and individual investors.

*Note: Further information on the Manager can be found on our website at [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my).*

### **7.2 Roles and Responsibilities**

The roles and responsibilities of the Manager are:

- Investment functions which include:
  - Conducting investment research.
  - Determining the Fund's investment strategy.
  - Investing the assets of the Fund.
  - Reviewing the Fund's portfolio and investment performance.
- Administrative functions which include:
  - Maintaining the Unit Holders' register.
  - Valuation of portfolio and computation of the daily NAV per unit of the Class(es) of the Fund.
  - Preparing the Fund's financial statements, interim and annual reports.
  - Keeping proper records on Unit Holders' transactions.

The roles of the Board of Directors ("Board") of the Manager are:

- The Board meets on a quarterly basis and is involved in determining the corporate policies and direction of the Manager. The Board members' profile can be found at [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my).

The roles of the Investment Committee of the Fund are

- The Investment Committee of the Fund is responsible for setting and determining the investment policies, guidelines and strategies of the Fund. They meet on a quarterly basis to discuss, review and monitor the Fund's performance. The Investment Committee members' profile can be found at [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my).

### **7.3 The Designated Person Responsible for the Investment Management Function of the Fund**

#### **Oh Jo Ann**

Ms. Oh Jo Ann is responsible for the management of fixed income funds and portfolios and the management of a range of feeder funds offered by BOS Wealth Management Malaysia Berhad (BOSWM MY), including portfolio FX hedging management. She is the designated fund manager for all fixed income unit trusts and wholesale funds managed by BOSWM MY. In her current role, Jo Ann is responsible for the investment strategy, portfolio construction, risk management and implementation for all fixed income portfolios managed in Malaysia. She started her investment career in 2003 as an equity analyst before moving on to fixed income research and fund management in 2004. She brings with her 2 decades of industry experience in Malaysian fixed income investment research and fund management. Over the years, she has been a key member in the management of the bond and money market portfolios and has experience handling Shariah and non-Shariah compliant portfolios and feeder funds. She earned a Bachelor of Management (Honours) in Finance (Universiti Sains Malaysia); and she is a CFA® charterholder (CFA Institute). She also holds a Capital Markets Services Representative's Licence.

## **8 THE TRUSTEE – MTRUSTEE BERHAD**

### **8.1 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.

### **8.2 The Trustee's Responsibilities**

The Trustee has agreed willingly to assume all its obligations under the deed and all written laws and Guidelines which cover the following:

- Take into custody the investments of the Fund and hold the investments in trust for the unitholders.
- Ensure that the Manager operates and administers the Fund in accordance with the provisions of the deed, Guidelines and acceptable business practice within the unit trust industry.
- As soon as practicable notify the SC of any irregularity or breach of the provisions of the deed, Guidelines and any other matters which in the Trustee's opinions may indicate that the interests of unitholders are not served.
- Exercise reasonable diligence in carrying out its functions and duties, in actively monitoring the operation and management of the Fund 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 Fund to be formed and to ensure that the Fund is operated and managed in accordance with the deed of the Fund, prospectus, the Guidelines and securities law.
- Require that the accounts be audited at least annually.

MTrustee Berhad has given its consent to be named as trustee in relation to the Fund and has not withdrawn such consent before the date of issue of this information memorandum.

## **9 SHARIAH ADVISER – BIMB SECURITIES SDN BHD**

BIMB Securities Sdn Bhd ("BSSB") has been appointed as the Shariah Adviser for the Fund. BSSB will provide Shariah advisory services on the management and operations of the Fund to ensure the operations of the Fund comply with Shariah requirements.

### **9.1 About BSSB**

BSSB is a stockbroking subsidiary of Bank Islam Malaysia Berhad incorporated on 21 February 1994 and is licensed by the SC. The corporate mission of BSSB is to be an active participant in a modern, innovative and dynamic Islamic capital market in Malaysia, catering for the needs of all investors, Muslims and non-Muslims, looking for Shariah-compliant investment products and services.

### **9.2 Experience in Shariah Advisory Services**

BSSB is registered with the SC to act as a Shariah Adviser for Islamic products and services regulated by the SC, which include Islamic collective investment schemes. BSSB is independent from the Manager and does not hold office as a member of the committee undertaking the oversight function of the Fund or any other funds managed and administered by the Manager. As at 31 December 2023, BSSB is a corporate Shariah Adviser to one hundred-three (103) Islamic funds including two (2) Islamic real estate investment trust.

### **9.3 Roles and Responsibilities of BSSB as the Shariah Adviser**

As the Shariah Adviser for the Fund, the role of BSSB is to ensure that the investment operations and processes of the Fund are in compliance with Shariah requirements. BSSB will review the Fund's investments on a monthly basis to ensure Shariah compliance and it also reviews the quarterly and annual reports of the Fund.

Notwithstanding the role played by the Shariah Adviser, the ultimate responsibility for ensuring Shariah compliance of the Fund in all aspects of operations and processes rests solely with the Manager.

In line with the SC Guidelines on Islamic Capital Market Products and Services, the roles of BSSB as the Shariah Adviser are:

- to advise on the Shariah aspects of the Fund and Fund's operations and processes such that they are in accordance with Shariah requirements;
- to provide Shariah expertise and guidance in all matters related to the Fund, particularly on the documentation such as the Fund's deed and information memorandum, structure, investments and related operational matters;
- to ensure that the Fund is managed and operated in accordance with Shariah requirements;
- to review the Fund's compliance reports as provided by the Manager's compliance officer, and investment transaction reports provided or duly approved by the Trustee to ensure that the Fund's investments are in line with Shariah;
- to prepare a report to be included in the quarterly and annual reports of the Fund stating the Shariah Adviser's opinion whether the Fund has been operated and managed in compliance with Shariah requirements in its investment operations and processes for the financial period concerned;
- to apply *Ijtihad* (intellectual reasoning) to ensure all aspects relating to the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the SACSC;
- to consult the SC where there is ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
- to meet with the Manager on a semi-annually basis (or as and when required by the Manager and/or the Shariah Adviser) for review of the Fund's operations and processes.

## 9.4 Shariah Investment Guidelines, Cleansing Process and Zakat for the Fund

### Shariah Investment Guidelines Adopted by BSSB

The following guidelines are adopted by BSSB in determining the Shariah status of investments of the Fund:

- The Fund must at all times and all stages of its operation comply with Shariah principles as resolved by the SACSC or in cases where no specific rulings are made by the SACSC, the decisions of the Shariah Adviser.
- The Fund must be raised and operated by the Manager, and finally redeemed by the investors on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term Islamic money market instruments used for the Fund have to be Shariah-compliant. Similarly, all the other investment instruments including sukuk, must be Shariah-compliant.
- For Islamic money market instruments, sukuk and Islamic deposits, they shall be based on the data readily available on Bank Negara Malaysia, the SC and the financial institutions' websites respectively.
- For investments in Islamic collective investment schemes, the Manager must submit to the Shariah Adviser all pertinent information including the information memorandums, its structures, investment avenues, Shariah investment guidelines, Shariah contracts and Shariah pronouncements by the relevant Shariah advisers advising the Islamic collective investment schemes, for the Shariah Adviser to confirm the Shariah status of the said Islamic collective investment schemes.
- The decision of the Shariah Adviser shall be final.

### Cleansing Process for the Fund

#### • **Wrong investment**

This refers to Shariah non-compliant investment made by the Manager. The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income before or after the disposal of the instrument, it has to be channeled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (i.e. channeling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within two (2) calendar months from the said disposal or withdrawal date. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

#### • **Reclassification of Shariah Status of the Fund's Investments**

This refers to the instruments which were earlier classified as sukuk, Islamic money market instruments, Islamic deposits, investment accounts or Islamic collective investment schemes but due to certain factors such as changes in the issuers' business direction and policy or failure to carry out proper Shariah contracts' transactions, which render the instruments Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such bonds, money market instruments, deposits, conventional investment accounts or collective investment schemes.

If on the reclassification effective date, the value of the Shariah-noncompliant instruments held exceeds or is equal to the investment cost, the Fund which holds such Shariah non-compliant instruments must liquidate them. To determine the time frame to liquidate such securities, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of or withdrawn within one (1) calendar month of reclassification.

Any income received up to the reclassification effective date and capital gains arising from the disposal of the said reclassified Shariah non-compliant instruments made on the reclassification effective date can be kept by the Fund.

However, any income received and excess capital gain derived from the disposal after the reclassification effective date at a price that is higher than the price on the reclassification effective date shall be channeled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Shariah Adviser advises that this cleansing process should be carried out within two (2) calendar months from the above disposal date.

#### Zakat for the Fund

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

Note: The Shariah Adviser confirms that the investment portfolios of the Fund comprise instruments that have been classified as Shariah-compliant by the SACSC and/or the Shariah Advisory Council of Bank Negara Malaysia. For instruments that are not classified as Shariah-compliant by the SACSC and/or the Shariah Advisory Council of Bank Negara Malaysia, the Shariah Adviser will review and determine the Shariah status of the said instruments.

**BSSB has given its consent to be named as Shariah Adviser in relation to the Fund and has not withdrawn such consent before the date of issue of this Information Memorandum.**

## **10 SALIENT TERMS OF THE DEED**

### **10.1. Your Rights as a Unitholder**

Each units in the Class gives you an equal undivided interest in that Class. 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 call for a meeting of unitholders and to vote for the removal of the Trustee or the Manager by way of a special resolution; and
- To receive annual and quarterly reports.

### **10.2. Your Liability as a Unitholder**

The liability of a unitholder is limited to the purchase price paid or agreed to be paid for a Unit. A unitholder need not indemnify the Trustee or the Manager if the liabilities incurred by the Trustee and/or Manager on behalf of the Fund exceed the value of the assets of the Fund. The recourse of the Trustee and the Manager is limited to the assets of the Fund.

### **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.

### **10.4 Meetings convened by the Unitholders**

Unitholders may apply to the Manager to summon a meeting of unitholders for purposes of:

- considering the most recent financial statements of the Fund
- requiring the retirement or removal of the Manager or the Trustee;
- 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 the Manager received an application from not less than fifty (50), or one-tenth (1/10), whichever is lesser, of all the unitholders of a Fund or a particular Class, as the case may be, to summon a meeting of the unitholders of a Fund or a particular Class and the application has been made in accordance with the provisions of the deed.

#### Remote Meeting

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

## 11 MANAGER'S HEAD OFFICE AND IUTA(S)

### HEAD OFFICE

BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)  
A subsidiary of Bank of Singapore

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No. 8 Jalan SS 21/37,  
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47400 Petaling Jaya, Selangor  
E-mail: [ContactUs@boswm.com](mailto:ContactUs@boswm.com)  
Website: [www.boswealthmanagement.com.my](http://www.boswealthmanagement.com.my)

### INSTITUTIONAL UNIT TRUST ADVISERS (IUTA)

For more details on the list of appointed IUTA (if any), please contact the Manager.

Our IUTA (if any) may not carry the complete set of our funds. Investments made via our IUTA may be subject to different terms and conditions.

**BOS WEALTH MANAGEMENT MALAYSIA BERHAD** 199501006861 (336059-U)  
A subsidiary of Bank of Singapore

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