AMANAHRAYA
INVESTMENT MANAGEMENT

INFORMATION MEMORANDUM

This Information Memorandum is dated

**6 NOVEMBER 2025**

# ARIM STEADY INCOME I FUND

**Date of Constitution: 6 November 2025 ***

*the constitution date for the Fund is the date when the Fund is first launched.

**The Manager**
AmanahRaya Investment Management Sdn Bhd
[199401023965 (309646-H)]
(A subsidiary of Amanah Raya Berhad)

**The Trustee**
PB Trustee Services Berhad [196801000374 (7968-T)]

*INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM.*
*IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. UNITS OF THE FUND CAN ONLY BE SOLD TO SOPHISTICATED INVESTORS.*

## ABOUT THIS DOCUMENT

### Responsibility Statement

This Information Memorandum has been reviewed and approved by the directors of AmanahRaya Investment Management Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of all 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 Information Memorandum false or misleading.

### Statements of Disclaimer

**The Securities Commission Malaysia has not authorised or recognised the ARIM Steady Income I 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 ARIM Steady Income I 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 AmanahRaya Investment Management Sdn Bhd, the management company responsible for the ARIM Steady Income I 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.**

**THE FUND MAY DECLARE DISTRIBUTION OUT OF CAPITAL AND INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF THE FUND WILL BE ERODED WHEN THE FUND DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.**

### Additional Statements

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 Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the ARIM Steady Income I Fund.

ARIM Steady Income I Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the Fund.

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## GLOSSARY OF TERMS

| | |
|---|---|
| ARIM or the Manager | AmanahRaya Investment Management Sdn Bhd [199401023965 (309646-H)]. |
| ARIM Steady-I or the Fund | ARIM Steady Income I Fund. |
| *baitulmal* | Treasury of a State Islamic Religious Council. |
| BPA | Bond Pricing Agency. |
| Bursa Malaysia | The stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange. |
| Business Day(s) | Mondays to Fridays when Bursa Malaysia is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business. |
| CIS | Collective Investment Schemes. |
| Collecting Points | Refers to Amanah Raya Berhad (ARB)'s branch offices serve solely as conduits to facilitate the purchase and redemption of the Fund.<br><br>Please log on to ARB website at https://www.amanahraya.my/contact-us/branch-locator/ for the location of ARB's branch offices. |
| Deed | The principal deed and any supplemental deed(s) in respect of the Fund entered into between the Manager, the Trustee and the Unit Holders of the Fund, agreeing to be bound by the provisions of the Deed. |
| FIMM | Federation of Investment Managers Malaysia. |
| Financial Institutions | If the institution is in Malaysia, licensed bank; licensed investment bank; licensed Islamic bank; or development financial institution regulated under the Development Financial Institutions Act 2002; or if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services. |
| Information Memorandum | This Information Memorandum in respect of the ARIM Steady-I. |
| Islamic deposits | As defined under the Islamic Financial Services Act 2013. |
| LPD | The latest practicable date as at 30 April 2025. |
| MARC | Malaysian Rating Corporation Berhad [199501035601 (364803-V)]. |
| NAV or Net Asset Value | The value of all the Fund's assets less the value of all the Fund's liabilities at the valuation point. |
| NAV per unit | The NAV of the Fund at a particular point divided by the number of units in circulation at the same valuation point. |
| PDUT | Persons Dealing in Unit Trust as defined in the guidelines of FIMM. |
| RAM | RAM Rating Services Berhad [200701005589 (763588-T)]. |

| | |
|---|---|
| RM and sen | Ringgit Malaysia and sen respectively, the lawful currency of Malaysia. |
| SAC | Shariah Advisory Council. |
| SC | Securities Commission Malaysia. |
| Shariah | Islamic law comprising the whole body of rulings pertaining to human conducts derived from the sources of Shariah namely the *Qur'an* (the holy book of Islam) and *Sunnah* (practices and explanations rendered by the Prophet Muhammad (*pbuh*)) and other sources of Shariah such as *Ijtihad* (intellectual reasoning) of Shariah scholars. |
| Shariah Adviser | BIMB Securities Sdn Bhd [199401004484 (290163-X)] or any Shariah adviser appointed for the Fund which includes its permitted assigns, successors in title and any new or replacement Shariah adviser. |
| Shariah requirements | The rulings, guidelines and resolutions made by the SAC of the SC or the advice given by the Shariah Adviser. |
| short to medium term | A period ranging from 1 month to 5 years |
| Sophisticated Investor(s) | Any person who:<br>(a) is determined to be a sophisticated investor under the Guidelines on Categories of Sophisticated Investors issued by the SC or under any relevant laws/guidelines for wholesale funds; or<br>(b) acquires any capital market product specified under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework where the consideration is not less than RM250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise. |
| Special Resolution | A resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than 3/4 of the Unit Holders present and voting at the meeting in person or by proxy; for the avoidance of doubt, "3/4 of the Unit Holders present and voting at the meeting in person or by proxy" means 3/4 of the votes cast by the Unit Holders present and voting at the meeting in person or by proxy; for the purposes of terminating the Fund, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least 3/4 of the value of the units held by the Unit Holders present and voting at the meeting in person or by proxy. |
| sukuk | Certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SAC of the SC. |
| Trustee | PB Trustee Services Berhad [196801000374 (7968-T)]. |
| Unit Holder(s) | The registered holder for the time being of a unit of the Fund including corporations, institution or persons jointly so registered. |
| valuation point | Such a time(s) on a Business Day as may be decided by the Manager wherein the Net Asset Value of the Fund is calculated. Under normal circumstances, only one valuation is conducted on each Business Day. |

# 1. DETAILED INFORMATION OF THE FUND

## 1.1 KEY FEATURES OF THE FUND

| | |
|---|---|
| **Name of Fund** | ARIM Steady Income I Fund |
| **Category of Fund** | Islamic fixed income (wholesale) |
| **Type of Fund** | Income |
| **Initial Offer Period** | Up to 45 days from the date of this Information Memorandum.<br>*Note: The initial offer period may be shortened at the Manager's discretion if the Manager determines that it is in the Unit Holder's interest to commence investment for the Fund.* |
| **Initial Offer Price** | RM1.0000 |
| **Minimum Initial Investment** | RM10,000.00 or such lower amounts as the Manager may from time to time decide. |
| **Minimum Additional Investment** | RM5,000.00 or such lower amounts as the Manager may from time to time decide. |
| **Investment Objective** | The Fund aims to provide Unit Holders with a steady regular income. |
| **Investment Policy and Strategy** | The Fund aims to achieve its investment objective by allocating at least 30% of its NAV in Ringgit-denominated sukuk, such as sovereign, quasi-sovereign, and corporate sukuk directly or via Islamic CIS. The remaining NAV will be invested in Islamic money market instruments and/or Islamic deposits with Financial Institutions.<br><br>For rated sukuk, the Fund may invest in those with a minimum credit rating of "AA3" by RAM or its equivalent rating by MARC at the time of purchase. The minimum credit rating requirement shall not be applied to the Fund's investment in sovereign and or quasi-sovereign sukuk.<br><br>In the event of a credit rating downgrade below the stipulated minimum rating, the Manager may dispose of the affected sukuk as soon as practicable. However, if such action may be detrimental to the Fund, the Manager may hold the affected sukuk until its maturity if it is in the best interest of the Unit Holders. A credit downgrade generally will have no impact on the sukuk upon its maturity if credit default does not occur.<br><br>The issuer's credit rating assigned by a relevant credit rating agency may be used to determine the applicable credit rating for a sukuk when the credit rating of a particular sukuk is not available and the Manager is of the opinion that the issuer's rating is a representation of the sukuk's rating, i.e. in the event of any insolvency of the issuer, the sukuk of that issuer shall rank in equal seniority in rights of payment or claim with all other non-secured and non-guaranteed obligations of that issuer.<br><br>The Fund is actively managed. However, the frequency of its trading activities will depend on market opportunities as assessed by the Manager. |

<table>
<tr><td>Asset Allocation</td><td><table>
<tr><th>Asset Type</th><th>% of the Fund's NAV</th></tr>
<tr><td>Sukuk (directly or via Islamic CIS)</td><td>Minimum 30%</td></tr>
<tr><td>Islamic money market instruments and/or Islamic deposits with Financial Institutions</td><td>Up to 70%</td></tr>
</table></td></tr>
<tr><td>Investor Profile</td><td>The Fund is primarily suitable for Sophisticated Investors who:<br>• seek regular income;<br>• prefer relatively low risk investment; and<br>• prefer a short to medium term investment horizon.</td></tr>
<tr><td>Benchmark</td><td>Maybank 1-month Islamic deposit rate.<br><br>The risk profile of the performance benchmark is not the same as the risk profile of the Fund.<br><br>You can obtain the information on the benchmark from www.maybank2u.com.my.</td></tr>
<tr><td>Financial Year End</td><td>31 July</td></tr>
<tr><td>Trustee</td><td>PB Trustee Services Berhad</td></tr>
<tr><td>Shariah Adviser</td><td>BIMB Securities Sdn Bhd</td></tr>
<tr><td>Deed</td><td>19 June 2025</td></tr>
</table>

## 1.2 PERMITTED INVESTMENTS

The Fund may invest in the following:
a. sukuk;
b. Islamic collective investment schemes;
c. Islamic money market instruments; and
d. Islamic deposits with Financial Institutions.

## 1.3 INVESTMENT RESTRICTIONS

The Fund will be managed in accordance with the following investment restrictions:
i. Sukuk with a minimum credit rating of AA3 by RAM or its equivalent rating by MARC at the time of purchase;
ii. Investment in sukuk must be at least 30% of the Fund's NAV; and
iii. Investment in Islamic money market instruments and/or Islamic deposits with Financial Institutions must not exceed 70% of the Fund's NAV.

## 1.4 VALUATION OF INVESTMENTS

Valuation of the Fund will be carried out by the Manager in a fair manner in accordance with the Deed and the applicable guidelines on wholesale funds. The valuation bases for the permitted investments of the Fund are as below:

**Unlisted Shariah-Compliant Securities/Sukuk**
The value of unlisted Shariah-compliant securities shall be determined on the basis of fair value in good faith by the Manager based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee unless otherwise disclosed below:

The value of any unlisted Ringgit-denominated sukuk shall be calculated on a daily basis using fair value prices quoted by a BPA registered with the SC. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unlisted Ringgit-denominated sukuk differs from the market price by more than 20 basis points, the Manager may use the market price by reference to the last available quote provided such quote was obtained within the previous 30 days.

If the quotations referred to above are not available or in the opinion of Manager, the value of the authorised Shariah-compliant investments determined in the manner described above does not represent a fair value of the authorised Shariah-compliant investments, then the value shall be based on fair value as determined in good faith by the Manager, on methods or bases which will be verified by the auditor of the Fund and approved by the Trustee.

**Islamic CIS**
The value of any Islamic CIS, which are quoted on an approved exchange, shall be calculated in the same manner as the other listed Shariah-compliant securities described above. When investing in unlisted open-ended Islamic CIS, the value shall be determined by referring to the last published repurchase price for that Islamic CIS.

If the quotations referred to above are not available or in the opinion of Manager, the value of the authorised Shariah-compliant investments determined in the manner described above does not represent a fair value of the authorised Shariah-compliant investments, then the value shall be based on fair value as determined in good faith by the Manager, on methods or bases which will be verified by the auditor of the Fund and approved by the Trustee.

**Islamic Deposits**
The value of any Islamic deposits placed with Financial Institutions shall be determined each day by reference to the nominal value of such Islamic deposits and the accrued profits thereon for the relevant period.

**Islamic Money Market Instruments**
The value of any Islamic money market instrument shall be determined on a daily basis by reference to the principal value of such Islamic money market instrument and the accrued profits thereon for the relevant period.

## 1.5 RISK FACTORS

There are many possible outcomes associated with an investment and all investments involve some degree of risk. Different classes of assets generally exhibit different levels of risk. It is important to note that it is not always possible to protect your investments against all risks, as events affecting investments cannot always be foreseen. When investing in a unit trust scheme, one should be prepared to accept some level of risk and should consider the following risks:

**Market Risk**
Market risk refers to the possibility that an investment will lose value due to a general decline in financial markets caused by economic, political or other factors. This decline can result in a decrease in the Fund's NAV.

**Financing Risk**
This risk occurs when investors use financing to finance their investment. The inherent risk of investing with financing includes investors being unable to service the financing payments. In the event units are used as collateral, an investor may be required to top-up the investors' existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the financing. Investors who intend to finance an investment in Islamic unit trust fund, or for that matter any Shariah-compliant investment, are advised to seek for Islamic financing to finance their investment.

**Manager's Risk**
This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, investment decisions undertaken by the Manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the Fund's performance.

**Performance Risk**
The performance of the Fund depends on the investments that the Fund purchase. If these investments do not perform as expected or if there is a default, the Fund's performance will be negatively impacted. Additionally, improper asset allocation can also affect the Fund's performance. Therefore, there is no guarantee that investing in the Fund will produce the desired investment returns.

**Suspension of Redemption Request Risk**
Having considered the best interests of Unit Holders, the redemption requests by the Unit Holders may be subject to suspension due to exceptional circumstances (i.e., where the fair value of a material portion of the Fund's assets cannot be determined).

In such cases, Unit Holders will not be able to redeem their units and will be compelled to remain invested in the Fund for a longer period than originally anticipated. Consequently, their investments will continue to be subject to the risks inherent to the Fund.

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

**Non-compliance Risk**
This risk arises from non-compliance with laws, rules, regulations, prescribed practices and internal policies and procedures by the Manager. For example, the Manager may fail to comply with internal policies and procedures due to internal factors such as oversight, human error and/or system error. This risk may also occur indirectly due to the imposition and/or amendment to the relevant regulatory frameworks, laws, rules and other prescribed practices affecting the Fund.

**Operational Risk**
Apart from a market disruption event, system interruption can also impact processes when there is an interruption in the flow of information needed for making qualified decisions where decisions are made based on accurate flow of information with operated system in managing the Fund. These disruptions may

impact the performance of the Fund, the settlement of trades in the Fund and may also affect the investor's transactions with the Fund.

**Liquidity Risk**
Liquidity risk refers to the ease with which an asset can be sold in the market, which is influenced by the asset's trading volume and market demand. If the Fund holds assets that are illiquid or difficult to sell, it may face financial losses if it is forced to sell those assets under unfavourable market conditions or at distressed prices.

The liquidity risk of the Fund also pertains to the Manager's ability to honour redemption requests or pay Unit Holders' redemption proceeds in a timely manner. This depends on the Fund's holding of adequate Islamic liquid assets, its ability to obtain cash financing on a temporary basis as permitted by the relevant laws, and/or its ability to redeem the Fund's investments at fair value. If there are inadequate Islamic liquid assets, the Fund may not be able to honour redemption requests or pay Unit Holders' redemption proceeds promptly and may be forced to sell the Fund's investments at unfavourable prices to meet redemption requirements.

## 1.6 SPECIFIC RISKS

You are advised that there are risks when investing in the Fund. The specific risks related to the Fund are as follows:

**Credit and Default Risk**
Credit risk relates to the creditworthiness of the issuers of the sukuk and Islamic money market instruments and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk and Islamic money market instruments. In the case of rated sukuk, this may lead to a credit downgrade.

Default risk relates to the risk that an issuer of a sukuk and Islamic money market instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk and Islamic money market instrument. This could adversely affect the value of the Fund.

Islamic deposits that the Fund placed with Financial Institutions are also exposed to default risk. If the Financial Institutions become insolvent, the Fund may suffer capital losses with regards to the capital invested and profits foregone, causing the performance of the Fund to be adversely affected. Placement of Islamic deposits with Financial Institutions will also be made based on prudent selection.

**Counterparty Risk**
Counterparty risk is the risk that counterparty in a transaction is unable to meet their obligations i.e. failure to settle a trade on the value date. In the case of Islamic money market placements, the risk includes the possibility that the Financial Institution is declared non-viable by the regulators.

**Interest Rate Risk**
Sukuk and Islamic money market instruments prices generally fall when interest rates rise and vice versa. The Fund's NAV may decrease when interest rates rise or are expected to rise. This will also affect the valuation of sukuk and Islamic money market instruments. This risk could cause a decline in the valuation of sukuk and Islamic money market instruments, and vice versa. To mitigate this risk the Manager will manage the duration of investment in sukuk and Islamic money market

instruments. In times of rising interest rates, the duration will be shortened and vice versa.

Interest rate fluctuations also affect the Islamic deposits' returns of the Fund. Interest rates offered by the Financial Institutions will fluctuate according to the overnight rate policy determined by Bank Negara Malaysia and this has direct correlation with the Fund's investment in Islamic deposits. The Fund's future reinvestment in Islamic deposits will benefit from the higher profit rate and in the event of falling interest rates, the Fund's future investment in Islamic deposits will be reinvested at lower profit rates which in turn will reduce the Fund's potential returns.

The above interest rate is a general indicator that will have an impact on the management of the Fund regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments.

**Distribution Out of Capital Risk**
The Fund may distribute income out of its capital. The declaration and payment of distribution may have the effect of lowering the NAV of the Fund. In addition, distribution out of the Fund's capital may reduce part of the Unit Holders' original investment and may also result in reduced future returns to Unit Holders.

**Shariah Non-Compliance Risk**
This risk refers to the possibility that the Fund not conforming to Shariah requirements. The Manager (as advised by the Shariah Adviser) would be responsible for ensuring that the Fund is managed and operated in accordance with Shariah requirements.

Any Shariah non-compliant investment made by the Fund due to error of the administration shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within 1 calendar month of knowing the status of the investment. Any gain resulting from the said disposal shall be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser whilst any loss is to be borne by the Manager.

**Shariah Status Reclassification Risk**
This risk refers to the risk of a possibility that the currently held sukuk or Islamic deposits or Islamic money market instruments or Islamic CIS 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 or deposits or money market instruments or CIS.

*Note: Please refer to* ***Section 1.7.1.2 Cleansing Process for the Fund*** *for details.*

**Sukuk Issuer Risk**
This risk refers to the individual risk of the respective companies issuing the sukuk. Sukuk issuer risk includes, but is not limited to, changes in consumer taste and demand, legal suits, competitive operating environments, changing industry conditions and mistakes made by the management. If the performance of a company (invested by the Fund) deteriorates, the company's sukuk will decline in value and this in turn may suppress the NAV of the Fund. The deterioration of the performance will also affect the liquidity of sukuk. This risk can be minimised through diversification and by careful selection of sukuk.

**Risk Associated with Investment in Islamic CIS**
This risk refers to any negative impact on the Islamic CIS in which the Fund is investing that will impact the NAV of the Fund. For example, an Islamic CIS may underperform its benchmark due to poor market conditions, and as a result, the NAV of the Fund will be adversely affected since the performance of the Fund is dependent on the performance of the Islamic CIS. While the Manager will exercise due skill and care in selecting the Islamic CIS, it does not have control over the management of the Islamic CIS and there is no guarantee that the investment objective of the Islamic CIS will be met.

***THE INVESTMENT OF THE FUND CARRIES RISKS AND WE RECOMMEND THAT YOU READ THE ENTIRE INFORMATION MEMORANDUM TO ASSESS THE RISKS OF THE FUND.***

***YOU ARE REMINDED THAT THE ABOVE LIST OF RISKS MAY NOT BE EXHAUSTIVE AND IF NECESSARY, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER(S) FOR A BETTER UNDERSTANDING OF THE RISKS.***

***IT IS IMPORTANT TO NOTE THAT EVENTS AFFECTING THE INVESTMENTS CANNOT ALWAYS BE FORESEEN. THEREFORE, IT IS NOT ALWAYS POSSIBLE TO PROTECT YOUR INVESTMENTS AGAINST ALL RISKS.***

## 1.7 SHARIAH INVESTMENT GUIDELINES AND ZAKAT FOR THE FUND

### 1.7.1 SHARIAH INVESTMENT GUIDELINES

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

#### 1.7.1.1 Shariah Requirements for Investments and Operations of the Fund

- The Fund must at all times and all stages of its operation comply with Shariah requirements as resolved by the SAC of the SC or in cases where no specific rulings are made by the SAC of the SC, the decisions of the Shariah Adviser.

- The Fund must be established 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 money market instruments used for the Fund have to be Shariah-compliant. Similarly, all the other investment instruments must be Shariah-compliant.

- For sukuk or Islamic deposits or Islamic money market instruments, they shall be based on the data readily available on Bank Negara Malaysia, the SC and the Financial Institutions' websites respectively.

- The decision of the Shariah Adviser shall be final.

#### 1.7.1.2 Cleansing Process for the Fund

**(a) Wrong Investment**

**(i) Investment in other Shariah non-compliant instruments (namely, bonds or deposits or money market instruments or CIS)**

The said investment shall be disposed of or withdrawn with immediate effect, if possible, or otherwise within 1 calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income received before or after the disposal of the investment, it has to be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. The Shariah Adviser advises that this cleansing process (namely, channelling of income from wrongful investment to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser) shall be carried out within 1 calendar month upon the confirmation by the Shariah Adviser. If the disposal or withdrawal 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 Investments**

**Sukuk or Islamic deposits or Islamic money markets instruments or Islamic CIS**

This refers to the instruments which were earlier classified as sukuk or Islamic deposits or Islamic money markets instruments or Islamic CIS 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 or deposits or money markets instruments or CIS.

If on the reclassification effective date, the value of the Shariah non-compliant 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 instruments, the Shariah Adviser advises that such reclassified Shariah non-compliant instruments should be disposed of or withdrawn within 1 calendar month of reclassification.

Any income received up to the reclassification effective date and capital gains arising from the disposal or withdrawal 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 or withdrawal after the reclassification effective date at a price that is higher than the price on the reclassification effective date shall be channelled 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 1 calendar month upon confirmation by the Shariah Adviser.

**1.7.1.3 Maqasid Al-Shariah Aspirations and Principles**

The Fund is designed in accordance with the following Aspirations and guiding Principles as outlined in the Maqasid Al-Shariah Guidance issued by the SC:

**(a) Aspiration 3: Clarity and Transparency**
**Principle 8: Enhancing Disclosure and Documentation**

The Fund ensures quality disclosure and documentation of information by providing comprehensive and accurate details regarding its investments in the Information Memorandum as well as the performance of the Fund through the periodic Fund's reports.

Through these channels, Unit Holders are able to access insights into the Fund's performance, enabling them to make informed decisions. This commitment to transparency also ensures a clear understanding of the Fund's trajectory and potential opportunities.

**(b) Aspiration 5: Fiduciary and Accountability**
**Principle 11: Upholding Fiduciary Duty with Utmost Good Faith**
The Manager shall exercise the degree of care and diligence in managing the Fund and effectively employ the resources to ensure that the Fund complies with the relevant SC rules and regulations including the Shariah requirements.

With regard to the investments of the Fund, the Manager has a duty to carefully select and assess the Shariah-compliant investment instruments, conduct thorough due diligence particularly prior to the investment and monitor the performance of investments at all times to safeguard the interests of the Unit Holders.

**(c) Aspiration 6: Accessibility and Inclusivity**
**Principle 13: Broadening the Circulation of Wealth and Participation**
The Fund targets Sophisticated Investors seeking a steady, regular income, thereby expanding its investment opportunities. Its strategy is designed to optimise returns while minimising risks, contributing to the broader circulation of wealth.

By investing in a consistent range of opportunities, the Fund fosters greater participation in the Islamic capital market, enabling a wider pool of investors to benefit from economic growth. This approach promotes inclusivity by providing capital access to businesses with growth potential, while also maintaining exposure to established firms. Ultimately, the Fund contributes to the creation of a more equitable financial ecosystem, supporting sustainable wealth distribution and offering low-risk investment opportunities for the short to medium term.

### 1.7.2 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.

***THE SHARIAH ADVISER CONFIRMS THAT THE INVESTMENT PORTFOLIO OF THE FUND WILL COMPRISE INSTRUMENTS THAT HAVE BEEN CLASSIFIED AS SHARIAH-COMPLIANT BY THE SAC OF THE SC OR THE SAC OF BANK NEGARA MALAYSIA. FOR INSTRUMENTS THAT ARE NOT CLASSIFIED AS SHARIAH-COMPLIANT BY THE SAC OF THE SC OR THE SAC OF BANK NEGARA MALAYSIA, THE SHARIAH ADVISER WILL REVIEW AND DETERMINE THE SHARIAH STATUS OF THE SAID INSTRUMENTS IN ACCORDANCE WITH THE RULING ISSUED BY THEM.***

## 2. CHARGES, FEES AND EXPENSES

### 2.1 CHARGES

***SALES CHARGE***

No sales charge shall be imposed on each purchase of units of ARIM Steady-I.

Illustration on how the sales charge is calculated when making an investment:

An investor wishes to invest RM10,000.00 in the Fund at RM1.0000 per unit. He is informed that there will not be any sales charge to be incurred for his investment in the Fund.

Based on the illustration below, his investment details are:
a. Investment amount: RM10,000.00 @ RM1.0000 per unit
b. Net investment amount after sales charge: RM10,000.00
c. Sales charge incurred by investor: RM0.00
d. Units issued to the investor: 10,000.00 units

| | | |
|---|---|---|
| Investment amount (RM) | = | 10,000.00 |
| NAV per unit (RM) | = | 1.00 |
| Sales charge (%) | = | Nil |
| Net investment amount (RM) | = | **Investment amount / (1 + sales charge)** |
| | = | 10,000.00 / (1 + 0.00%) |
| | = | 10,000.00 / (1 + 0.00) |
| | = | 10,000.00 / 1.00 |
| | = | 10,000.00 |
| Sales charge payable by investor (RM) | = | **Investment amount - net investment amount** |
| | = | 10,000.00 – 10,000.00 |
| | = | 0.00 |
| Units issued to investor (unit) | = | **Net investment amount / NAV per unit** |
| | | 10,000.00 / 1.00 |
| | | 10,000.00 |

***REDEMPTION CHARGE***

No redemption charge would be imposed upon withdrawal from ARIM Steady-I.

***SWITCHING FEE***

Switching from ARIM Steady-I to other fund managed by the Manager may or may not incur a switching fee.

Generally, no fees are charged on switching between funds that charge the same amount of fees unless the fund being switched to have different sales charge. The fees charged will be based on the difference of the sales charge between the fund to be switched from and the fund to be switched to.

The minimum units for a switch is 10,000 units or such lower amounts as the Manager may from time to time decide.

Illustration on how the switching fee is calculated:

Switching fee = sales charge for the fund to be switched to – sales charge for the fund to be switched from

Examples:
a) If switching from a fund with sales charge of 6.00% to ARIM Steady-I (sales charge is 0.00%), the switching fee is calculated as:

   0.00% - 6.00% = -6.00%, thus, no switching fee will be charged on amount switched.

b) If switching from ARIM Steady-I (sales charge is 0.00%) to a fund with sales charge of 0.00%, the switching fee will be calculated as:

   0.00% - 0.00% = 0.00%, thus, no switching fee will be charged on amount switched.

c) If switching from ARIM Steady-I (sales charge is 0.00%) to a fund with sales charge of 6.00%, the switching fee will be calculated as:

   6.00% - 0.00% = 6.00%, thus, a 6.00% switching fee will be charged on amount switched.

**Note: Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.**

***TRANSFER CHARGE***

A maximum of RM50.00 may be charged for each transfer. The minimum transfer amount is 10,000 units or such lower amounts as the Manager may from time to time decide. The Manager may refuse to register any transfer of units at its absolute discretion.

As this is a wholesale fund, transfers are only allowed to transferees who qualify as Sophisticated Investors.

## 2.2 FEES AND EXPENSES

***ANNUAL MANAGEMENT FEE***

For managing the Fund, the Manager is entitled to an annual management fee of 0.30% per annum of the Fund's NAV. The management fee shall be computed and accrued on a daily basis before deducting the management fee and trustee fee for that particular day. The management fee shall be paid on a monthly basis.

The Manager reserves the right to offer a lower fee at its discretion.

Illustration on how the management fee is calculated:

Management fee for the day = NAV of the Fund (before deducting the management fee and trustee fee) x management fee rate for the Fund (%) / 365 days

Example:
If the NAV of the Fund (before deducting the management fee and trustee fee) is RM250 million, then the daily management fee:

= RM 250 million x 0.30% / 365 days
= RM 2,054.79 per day

***ANNUAL TRUSTEE FEE***

The Trustee is entitled to a fee of 0.03% per annum of the NAV of the Fund, subject to a minimum fee of RM10,000.00 per annum. The trustee fee shall accrue daily and be paid on monthly basis.

Illustration on how the trustee fee is calculated:

Trustee fee for the day = NAV of the Fund (before deducting the management fee and trustee fee) x trustee fee rate for the Fund (%) / 365 days

Example:
If the NAV of the Fund (before deducting the management fee and trustee fee) is RM 250 million, then trustee fee for the day:

= RM 250 million x 0.03% / 365 days
= RM 205.48 per day

## 2.3 POLICY ON ROUNDING ADJUSTMENT

NAV per unit for the Fund is rounded to 4 decimal points. The investment amount payable to the Manager is rounded to 2 decimal points. The units allocated into investor's account are rounded to 2 decimal points. Redemption value is also rounded to 2 decimal points.

## 2.4 OTHER FEES

Where the Fund invests in other Islamic CIS managed by ARIM, ARIM will ensure that the Fund does not pay any application fees and that there are no double charging of management fee and trustee fee.

## 2.5 EXPENSES

In administering the Fund, only fees and costs directly incurred will be paid out of the Fund. These include (but are not limited to) the following:

- all fees to be paid out from the Fund to the Manager and the Trustee as stipulated by the Deed;
- all fees and expenses properly incurred by the auditor of the Fund;
- accounting, other professional fees and disbursements approved by the Trustee;
- the costs of printing and dispatching to Unit Holders, the reports, accounts of the Fund, tax certificates, distribution statements, notices of meeting of Unit Holders and such other similar costs as may be approved by the Trustee;
- fees for valuation of any Shariah-compliant investment of the Fund;
- duties and taxes payable in respect of the Fund;

- fees in relation to fund accounting; and
- all expenses and disbursements incurred by the Trustee for the Fund.

All information and issue expenses of the Fund pursuant to this Information Memorandum will be borne by the Manager.

## 2.6 REBATES AND SOFT COMMISSIONS

The Manager, the Manager's delegate, the Trustee or the 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. Accordingly, any rebate or shared commission will be directed to the Fund's account.

However, goods and services ("soft commissions") provided by any broker or dealer may be retained by the Manager or the fund manager if:

(i) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
(ii) any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
(iii) 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.

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

***BANK CHARGES, COURIER CHARGES AND ANY OTHER INDIRECT CHARGES INCURRED AS A RESULT OF REDEMPTIONS WILL BE BORNE BY THE INVESTOR.***

***YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.***

***THE MANAGER HAS THE RIGHT TO REDEEM ALL UNITS OF A UNIT HOLDER IN THE EVENT SUCH REDEMPTION IS NECESSARY TO ENSURE THAT THE MANAGER IS IN COMPLIANCE WITH RELEVANT LAWS. THE MANAGER SHALL PROVIDE PRIOR NOTIFICATION TO THE UNIT HOLDERS OF SUCH REDEMPTION.***

***IN THE EVENT OF THE IMPOSITION OF ANY TAX ON ANY FEES, CHARGES, AND/OR EXPENSES, THE UNIT HOLDERS AND/OR THE FUND (AS THE CASE MAYBE) SHALL UPON DEMAND PAY TO THE PARTY DULY ENTITLED TO COLLECT SUCH TAX AS MAY BE APPLICABLE IN ADDITION TO ANY OTHER PAYMENTS PAYABLE BY THE PAYING PARTY.***

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# 3. TRANSACTION INFORMATION

## 3.1 PRICING OF UNITS

**Valuation Point for the Fund**

The Fund is valued at the close of every Business Day ("trading day" or "T day").

Valuation of the Fund is determined using forward pricing and based on the NAV of the Fund at the close of every Business Day.

The base currency of the Fund is Ringgit Malaysia.

**Valuation of units**
The NAV per unit is calculated as follows:

$$\text{NAV per unit} = \frac{\text{NAV of the Fund at the close of Business Day}}{\text{Number of units in circulation}}$$

**Unit Prices**

The unit price shall be the NAV per unit of the Fund.

**Incorrect Pricing**
We shall ensure that the Fund is correctly valued and priced according to the Deed and all relevant laws and shall take immediate remedial action to rectify any incorrect valuation and pricing of the Fund and/or the units and to notify the Trustee and the relevant authorities of the same unless the Trustee considers the incorrect valuation and pricing of the Fund and/or the units is of minimal significance.

The Trustee shall not consider an incorrect valuation and pricing of the Fund and/or the units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per unit unless the total impact on a Unit Holders' account is less than RM10.00. An incorrect valuation and pricing which are not considered to be of minimal significance by the Trustee shall result in reimbursement of moneys in the following manner:

(i) by us to the Fund;
(ii) by the Fund to us; or
(iii) by us to you and/or the former Unit Holders.

## 3.2 HOW TO PURCHASE UNITS OF THE FUND

***Who can invest?***

Only Sophisticated Investors are eligible to invest in the Fund.

***How to invest?***

Investments can be made through the Manager, Collecting Points or authorised agents (PDUT) after completing an application form downloadable from our website at https://www.arim.com.my/. Alternatively, you may also invest via our authorised distributors. For investment through our authorised distributors, kindly refer to the respective distributor for application and payment procedures.

Individual Applicant

The following documents and duly completed forms must be enclosed with a completed application form:

- a copy of identity card or passport or other acceptable identification, where applicable;
- a copy of joint applicant's identity card, if applicable;
- Account Opening Form – Individual;
- Personal Data Protection Act (PDPA) Form;
- Investor Suitability Assessment Form;
- Know Your Client (KYC) Form;
- Common Reporting Standard (CRS) Self-Certification Form (Individual);
- Vulnerability Customer Declaration Form; and
- any other relevant documents as required by the Manager from time to time.

Non-Individual Applicant

The following documents and duly completed forms must be enclosed with a completed application form:

- a certified copy of the Memorandum and Articles of Association and any other equivalent document acceptable to the Manager, where applicable;
- a board resolution or any other equivalent document acceptable to the Manager, appointing the authorised signatory(ies);
- a specimen signature(s) of the authorised signatory(ies);
- Account Opening Form – Corporate;
- Personal Data Protection Act (PDPA) Form;
- Investor Suitability Form;
- Know Your Client (KYC) Form;
- Common Reporting Standard (CRS) Self-Certification Form (Corporate); and
- any other relevant documents as required by the Manager from time to time.

Investments can be made by crossed cheque, banker's draft, money order, postal order or cashier's order made payable to "AmanahRaya Investment Management Sdn Bhd – A/C 2 (Shariah)".

Where investment is made via:

- Any 3rd party deposit will require proof of relationship between the depositor and the client such as marriage certificates, birth certificates, identity card of the depositor and etc.
- For any payment via banker's cheque, transaction slip or application form from the issuance bank is required.
- For any bank online transfer or bank telegraphic transfer (TT), the full name of the client is required in the transaction slip.
- For any cheque deposit machine method, the snapshot of physical cheque should be required to verify the signature with the account opening form.

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

***Minimum investment for ARIM Steady-I***

- The minimum initial investment is RM10,000.00 or such lower amounts as the Manager may from time to time decide; and
- The minimum additional investment is RM5,000.00 or such lower amounts as the Manager may from time to time decide.

Please contact the sales desk at 03-2332 5200 should you need further assistance.

## 3.3 HOW TO REDEEM UNITS OF THE FUND

**Redemption**

Unit Holders can redeem their investments in the Fund on any Business Day by completing the redemption form or such other manner as we may accept and returning it to us on any Business Day. The redemption form is available at our head office, Collecting Points, and downloadable at our website www.arim.com.my. Investors who invest via our authorised distributors may redeem their investments in the Fund via the distributors. There is no restriction on the frequency of redemption.

- Minimum Redemption
  The Manager does not impose any requirement in relation to the minimum redemption amount for the Fund.

- Cut-off time for Redemption
  Redemption request must reach the Manager before the cut-off time (Please refer to item 3.4. Transaction Cut-off Time). Any redemption request received by the Manager after the cut-off time will be processed on the following Business Day.

- Period of Payment of Redemption Proceeds
  Unit Holders will be paid within 2 Business Days or T+2, after the redemption request is received and processed by the Manager. However, in the event of large redemptions on a single Business Day or in unforeseen circumstances where the Manager has insufficient Islamic liquid assets to pay within the 2 business days, the redemption proceeds will be paid to the unit holders not exceeding 7 Business Days.

- Mode of Payment
  The redemption payment can only be made via online bank transfer. No redemptions will be paid in cash under any circumstances. The redemption proceeds will be paid in Ringgit Malaysia.

You may give us instructions in writing to transfer your redemption amount to your nominated bank account held in your own name or the first named Unit Holder (principal Unit Holder) if it is a joint account. All bank charges for the transfer will be borne by the Unit Holder. The charges will be deducted/debited from the redemption amount.

Under normal circumstances, a bank transfer will take less than 2 days to reach your nominated bank account. The Manager will not be responsible for any delay in the bank transfer.

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

**Minimum holding**
The Manager does not impose any requirement in relation to the minimum holding of units for the Fund.

## 3.4 TRANSACTION CUT OFF TIME

A valid application to purchase or redeem units of the Fund received by the Manager before 10.00 a.m. will be processed using the NAV per unit calculated at the end of the same Business Day. Any application received after 10.00 a.m. or on a non-Business Day will be processed at the end of the next Business Day.

Any incomplete application will not be processed, pending receipt of all necessary information.

## 3.5 HOW TO SWITCH BETWEEN FUND(S)

The minimum switching amount is 10,000 units or such lower amounts as the Manager may from time to time decide. The amount switched must meet the minimum initial investment of the intended fund (or its classes) that the Unit Holder intends to switch into.

Generally, no fees are charged on switching between funds that charge the same amount of fees and would only apply if the fund switches into fund that have different sales charge. The fee charged will be based on the difference between the sales charge of the fund to be switched from and the fund to be switched to.

Please refer to Switching Fee under Section 2.1 - Charges for the illustration on how the switching fee is calculated.

Special Notes:
1. Switching from an Islamic fund to a conventional fund is discouraged especially for Muslim Unit Holders.
2. Unit Holders should be aware that the Manager reserves the right to reject any switching requests. This decision may occur if the Manager believes that the switching transaction would be contrary to the best interests of the Fund or the existing Unit Holders.

## 3.6 HOW TO TRANSFER OWNERSHIP OF UNITS

Generally, you are allowed to transfer your unit holdings, subject to conditions stipulated in the Deed. The minimum transfer amount is 10,000 units or such lower amounts as the Manager may from time to time decide. The Manager may refuse to register any transfer of units at its absolute discretion. A transfer charge of not more than RM50.00 may be charged for each transfer.

As this is a wholesale fund, transfers are only allowed to transferees who qualify as Sophisticated Investors.

## 3.7 DISTRIBUTION POLICY

| | |
|---|---|
| **Distribution Policy** | Distribution will be made monthly or at such other frequency as the Manager may decide in its absolute discretion.<br><br>In accordance with the provisions outlined in the Deed, the Fund may distribute from realised income, |

| | |
|---|---|
| | realised gains, unrealised income and/or unrealised gains to enable the Fund to distribute income on a regular basis in accordance with the distribution policy of the Fund.<br><br>However, it is essential to recognise that any declaration and payment of distribution has consequences. Specifically:<br><br>1. **Lowering of NAV**: When distributions are made, the NAV of the Fund is impacted. The NAV represents the value of each unit, and distributions reduce this value.<br><br>2. **Capital Erosion Risk**: Distributing from the Fund's capital carries inherent risks. It can erode the capital available for future investments. As a result, the Fund's potential for generating future income may be compromised.<br><br>3. **Impact on Future Returns**: The erosion of capital affects the Fund's ability to generate returns over time. The greater the risk of capital erosion, the more likely it is that future returns will also be diminished.<br><br>Unit Holders should carefully consider these factors when evaluating their investment decisions. While distributions provide income, they also come with trade-offs that impact the overall performance of the Fund |
| **Mode Of Distribution** | Income distribution, if any, will be automatically reinvested as additional units to your investment. The additional units will be based on the NAV per unit as at the valuation date immediately following the distribution date.<br><br>No sales charge will be imposed on distribution reinvestment. |

## 3.8 UNCLAIMED MONEYS

Any monies payable to you which remain unclaimed for the last 2 years or such period as prescribed under the Unclaimed Moneys Act 1965 will be paid to Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965. Thereafter all claims need to be made to the Registrar of Unclaimed Moneys.

## 3.9 SUSPENSION OF SALES AND REDEMPTION OF UNITS

The Manager may, in consultation with the Trustee and having considered the interests of Unit Holders, suspend the dealing in units of the Fund due to exceptional

circumstances, where there is good and sufficient reason to do so. If the Manager has exhausted all possible avenues to avoid a suspension of the Fund, the Manager may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and redemption of units where it is impractical for the Manager to calculate the NAV of the Fund due to but not limited to the following:

1. an emergency or other state of affairs; or

2. the realisation of the material portion of the assets of the Fund not being able to be effected at prices which would be realised if such material portion of the assets of the Fund were realised in an orderly fashion over a reasonable period in a stable market.

In such a case, Unit Holder will be notified of the suspension and when the suspension is lifted. Unit Holders will not be able to redeem their units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.

Please note that during the suspension period, there will be no NAV per unit available, and hence, the Manager will not accept any transactions for the applications, redemptions, switching and/or transfers of units.

If the Unit Holder's request for redemption and/or switching of units is submitted on the day the suspension on dealing in units of the Fund is declared, please note that the requests will only be processed on the next Business Day after the cessation of suspension of the Fund.

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

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

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# 4. THE MANAGER

## 4.1 CORPORATE PROFILE OF THE MANAGER

AmanahRaya Investment Management Sdn Bhd ("ARIM") is a licensed fund management company under the Capital Markets and Services Act 2007 and a wholly-owned subsidiary of Amanah Raya Berhad.

ARIM also has a wealth of experience and competency in managing multiple asset classes, for both Ringgit and non-Ringgit based investments, which include but not limited to equity, fixed income, unit trust, property, structured products and private equity.

Please visit our website at https://www.arim.com.my for further details about the Manager.

## 4.2 ROLE OF THE MANAGER

The Manager is responsible for the investment management and marketing of the Fund; servicing Unit Holders' needs; keeping proper administrative records of Unit Holders and the Fund; ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

## 4.3 THE BOARD OF DIRECTORS

The board of directors of ARIM oversees the management and operations of ARIM and meets quarterly.

Role of the Board of Directors
The board of directors of ARIM is responsible for the overall management of ARIM and its funds. The board of directors not only ensures corporate governance is practiced but policies and guidelines are adhered to.

Members of The Board of Directors

The list of our board of directors are available on our website at https://www.arim.com.my/about-us/board-of-directors.php.

## 4.4 FUND MANAGEMENT FUNCTION

The designated person responsible for the fund management function of the Fund is Imran Bin Kamali.

The profile of the designated fund manager is available on our website at https://www.arim.com.my/about-us/investor-information.php.

## 4.5 POLICIES AND PROCEDURES ON MONEY LAUNDERING ACTIVITIES

The Manager has established a set policies and procedures to counter the risk involving money laundering and financing of terrorism, in compliance with the provisions of Prevention of Money Laundering, Terrorism Financing and Proliferation

Financing and Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001. The policies and procedures encompassed the following key initiatives:

- Provision of training and education on the subject matter to all employees, with emphasis on front-line personnel and members of the agency force.
- Setting up specific measures and controls with regard to customer identification and acceptance which include verification of true identity of customer via relevant identification documents.
- Ensuring prompt reporting of suspicious transactions to the Financial Intelligence Unit of Bank Negara Malaysia.

## 4.6 CROSS TRADE

The Manager may conduct cross trades between funds it currently manages provided that all criteria imposed by the regulators are met. The cross trade transaction (if any) will be reflected in the Fund's quarterly and annual reports and will be reported to the Manager's Risk & Compliance Committee Meeting on a quarterly basis, to avoid conflict of interest and manipulation that could have a negative impact on the investors.

## 4.7 MATERIAL LITIGATION AND ARBITRATION

As at LPD, save for the suits mentioned herein below, there is no material litigation or arbitration proceedings current, pending or threatened against or initiated by the Manager nor there exist any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Manager or any of its delegates.

1. Dato' Sulaiman Bin Abu Bakar ("Dato' Sulaiman") has initiated a suit against 5 defendants including the Manager in October 2021. Dato' Sulaiman vide its solicitors, had issued a Writ and Statement of Claim dated 15th October 2021. The Manager had categorically denied all the allegations and set out the actual factual matrix by filing a Statement of Defence dated 28th December 2021. The trial for this matter has commenced and will continue with trial dates fixed from the 22nd to the 24th of July 2025 and from the 18th to the 20th of August 2025.

2. Koperasi Permodalan Felda Malaysia Berhad ("KPFMB") has initiated a suit against 4 defendants including the Manager in October 2021. KPFMB vide its solicitors, had issued a Writ and Statement of Claim dated 15th October 2021. The Manager had denied the allegation and set out the actual factual matrix by filing a Statement of Defence dated 31st December 2021. The trial for this matter has commenced and will continue with trial dates fixed from the 22nd to the 24th of July 2025 and from the 18th to the 20th of August 2025.

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## 5. THE TRUSTEE

### 5.1 PROFILE OF PB TRUSTEE SERVICES BERHAD ("PBTSB")

PBTSB is the trustee of the Fund. PBTSB was incorporated on 24 August 1968 and commenced its operations on 22 January 1969, with its registered and business office at 17th Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur. PBTSB has an authorised share capital of RM1,050,000 and a paid-up share capital of RM525,000.

PBTSB's experience in trustee business has expanded over the past 40 years since its incorporation in 1968. It currently manages various types of funds in its capacity as trustee. These include corporate bonds, writing of wills, management of estates, trusteeship for golf clubs, recreational clubs and time sharing schemes. PBTSB is also acting as a custodian in its capacity.

### 5.2 FUNCTIONS, DUTIES AND RESPONSIBILITIES

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of the Unit Holders of the Fund. The general function, duties and responsibility of the Trustee include, but are not limited to, the following:

- act in accordance with the provisions of the Deed, the Capital Markets and Services Act 2007, the SC guidelines and securities laws;
- take into its custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, the Capital Markets and Services Act 2007 and the SC guidelines;
- ensure that it is fully informed of the investment policies of the Fund and of any changes made thereto, and if it is of the opinion that the policies are not in the interests of the Unit Holders, it shall instruct the Manager to take appropriate action as the Trustee deems fit and/or summons a Unit Holders' meeting for the purpose of giving such instructions to the Manager as the meeting thinks proper;
- as soon as practicable notify the SC of any irregularity or an actual or anticipated material breach of the provisions of the Deed, the SC guidelines and any other matters which in the Trustee's opinion may indicate that the interests of Unit Holders are not being served;
- exercise due care, skill, diligence and vigilance in carrying out its functions and duties, in actively monitoring the administration of the Fund by the Manager and in safeguarding the interests of Unit Holders;
- maintain, or cause the Manager to maintain, proper accounting and other records in relation to those rights and interests, and of all transactions effected by the Manager on account of the Fund; and
- require that the accounts be audited at least annually.

### 5.3 TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION

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

## 5.4 PBTSB'S DELEGATE

The Trustee has delegated its custodian function for the Fund to Maybank Securities Solution ("MSS"), a unit within Malayan Banking Berhad. MSS provides a comprehensive end to end clearing and custody services for global and domestic equities and fixed income securities. MSS provides a complete suite of corporate solutions with a proven track record in servicing international institutional clients: Sub Custodian for major Foreign Banks and Global Custodians. MSS also provides global custody services in more than 100 different markets via special arrangement with their reputable partners. They have also consistently been awarded in the Global Custodian Awards for Excellence as well as other major publications.

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## 6. SALIENT TERMS OF THE DEED

### 6.1 UNIT HOLDERS' RIGHTS AND LIABILITIES

**A Unit Holder is a person registered in the register as a holder of units or fractions of units in a fund which automatically accords him rights and interests in the fund.**

Unit Holders shall have the right to receive distributions of income and/or capital (if any), to participate in any increase in the value of the units and to enjoy such other rights and privileges as are provided in the Deed.

Unit Holders are vested with the powers to call for a Unit Holders' meeting and to vote for the removal of the Trustee or the Manager through Special Resolution.

In addition, Unit Holders shall receive annual and quarterly reports of the Fund.

No Unit Holder shall be entitled to require the transfer to him of any of the Fund's assets or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

No Unit Holder shall have any right by reason of him being a Unit Holder to attend any meeting of shareholders, stockholders or sukuk holders or to vote or take part in or consent to any company's shareholders', stockholders' or sukuk holders' action.

No Unit Holders shall by reason of the provisions of the Deed and the relationship created thereby between the Manager, the Trustee and the Unit Holders, or in any event whatsoever, be liable for any amount in excess of the purchase price paid for the units at the time the units were purchased and any charges payable in relation thereto and shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the Fund's assets, and any right of indemnity of the Manager and/or Trustee shall be limited to recourse to the Fund.

### 6.2 TERMINATION OF THE FUND

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

The Manager may, in its sole discretion and without having to obtain the prior approval of the Unit Holders, terminate the trust and wind up the Fund if the termination is in the best interests of the Unit Holders and the Manager deems it to be uneconomical for the Manager to continue managing the Fund.

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

(a) to receive the net cash proceeds derived from the sale of all the Fund's assets less any payment for liabilities of the Fund and any cash produce

available for distribution in proportion to the number of units held by them respectively;

(b) to use the net cash proceeds to invest in any other wholesale fund managed by the Manager upon such terms and conditions as shall be set out in the written notification; or

(c) to choose any other alternative as may be proposed by the Manager.

Nonetheless, the Fund may be terminated or wound up if a Special Resolution is passed at a Unit Holder's meeting to terminate or wind up the Fund.

## 6.3 UNIT HOLDERS' MEETING

A Unit Holders' meeting may be summoned by the Unit Holders, the Trustee or the Manager in accordance with the provisions of the Deed and any relevant laws. Any such Unit Holders' meeting will be conducted in accordance with the provisions of the Deed and any relevant laws.

The Unit Holders may direct the Manager to summon a meeting for any purpose including without limitation, for the purpose of:

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

provided always that the Manager shall not be obliged to summon such a meeting unless a direction has been received from not less than 50 or 1/10 of all the Unit Holders, whichever is the lesser number.

Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll be demanded or, if it be a question which under the Deed requires a Special Resolution, a poll shall be taken. On a voting by show of hands, every Unit Holder who is present in person or by proxy shall have 1 vote. Upon a voting by poll, the votes by every Unit Holder present in person or by proxy shall be proportionate to the value of units held by him.

The quorum required for a meeting of the Unit Holders shall be 5 Unit Holders, whether present in person or by proxy; however, if the Fund has 5 or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be 2 Unit Holders, whether present in person or by proxy.

If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least 25% of the units in circulation at the time of the meeting.

If the Fund has only 1 remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund.

# 7. DIRECTORY

## 7.1 MAIN OFFICE

**AmanahRaya Investment Management Sdn Bhd**
Level 59, Vista Tower, The Intermark
348, Jalan Tun Razak 50400 Kuala Lumpur
Registration No: 199401023965 (309646-H)

Tel: +603 2332 5200 Fax: +603 2332 5201
Email: bdd@arim.com.my

## 7.2 COLLECTING POINTS

ARB branch offices, located in state capitals and major towns across the nation, function exclusively as collecting points for the purchase and redemption of ARIM's unit trust schemes. These Collecting Points are not utilised for the marketing and distribution of unit trust schemes.

Please log on to ARB website at **https://www.amanahraya.my/contact-us/branch-locator/** for the location of ARB branch offices.

## 7.3 DISTRIBUTORS

Kindly contact us for more details on the list of our authorised distributors.

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AMANAHRAYA
INVESTMENT MANAGEMENT
199401023965 (309646-H)

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