



# SATURNA GLOBAL SUSTAINABLE FUND (FORMERLY KNOWN AS ICD GLOBAL SUSTAINABLE FUND)

## PROSPECTUS

### Manager

**SATURNA SDN BHD** (Registration No.: 199501012969 (342171-V))

### Trustee

**SCBMB Trustee Berhad** (Registration No.: 201201021301 (1005793-T))

**THIS IS A REPLACEMENT PROSPECTUS. THIS PROSPECTUS IS ISSUED TO REPLACE THE PRINCIPAL PROSPECTUS DATED 23 JUNE 2017 AND THE FIRST SUPPLEMENTARY PROSPECTUS DATED 9 NOVEMBER 2021.**

This Prospectus is dated 25 September 2023.

The date of constitution of the Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund) is 7 March 2017.

**SATURNA GLOBAL SUSTAINABLE FUND (FORMERLY KNOWN AS ICD GLOBAL SUSTAINABLE FUND) IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) FUND UNDER THE SC'S GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.**

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

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 7.**

## RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

### RESPONSIBILITY STATEMENTS

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

### STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund) and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

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

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

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

### 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 the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the Fund.

The Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund) has been certified as being Shariah-compliant by the Shariah Adviser appointed for the Fund.

In managing the Fund, the Manager may be obliged to comply with the provisions of the Foreign Account Tax Compliance Act ("FATCA") which generally requires the Manager to report certain information in respect of certain investors' accounts, as required by FATCA, to the US Internal Revenue Service (the "IRS"). Withholding tax of 30% may apply to certain US source income (including, among other types of income, dividends and interest) and may apply to gross proceeds from the sale or other disposal of property that can produce US-source dividends or interest (e.g. US stock and securities). In complying with the FATCA provisions, the Manager may be required to withhold 30% of certain payments to its Unit Holders if such Unit Holders do not comply with the provisions of the FATCA. The Manager is registered as Foreign Financial Institution under FATCA and will endeavour to comply with FATCA obligations, as determined by the inter-governmental agreement (IGA) between Malaysia and the US.

Additional information may be required from Unit Holders to comply with obligations under the FATCA. Non provision of such information may result in the Manager having to report such Unit Holders to the Inland Revenue Board of Malaysia, which in turn will provide such information to the IRS. As such, prospective investors should consult their tax advisers on the requirements under FATCA applicable to them before investing in the Fund.

## CONTENTS

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER .....	2
TABLE OF CONTENTS .....	3
DEFINITIONS .....	4
CORPORATE DIRECTORY .....	5
FUND INFORMATION .....	6
FEES, CHARGES AND EXPENSES .....	13
TRANSACTION INFORMATION .....	19
TRANSACTION DETAILS .....	21
THE MANAGER .....	23
THE SHARIAH ADVISER .....	24
THE TRUSTEE .....	26
SALIENT TERMS OF THE DEED .....	27
RELATED-PARTY TRANSACTIONS AND CONFLICT OF INTEREST .....	31
TAX ADVISER'S LETTER .....	32
ADDITIONAL INFORMATION .....	37
APPROVALS AND CONDITIONS .....	38
CONSENTS .....	39
DOCUMENTS AVAILABLE FOR INSPECTION .....	39
DISTRIBUTORS .....	40

## DEFINITIONS

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

<b>AAOIFI</b>	The Accounting and Auditing Organisation for Islamic Financial Institutions
<b>Board</b>	The board of directors of the Manager.
<b>BNM</b>	Bank Negara Malaysia
<b>BURSA Malaysia</b>	The stock exchange managed and operated by Bursa Malaysia Securities Berhad.
<b>Business Day</b>	A day on which BURSA Malaysia is open for trading.
<b>CMSA</b>	The Capital Markets and Services Act 2007, as amended or modified.
<b>Deed</b>	The deed in respect of the Fund and any other supplemental deed that may be entered into between the Manager and the Trustee.
<b>Distributors</b>	Licensed securities brokers and investment platforms worldwide with which the Manager has an agreement for the marketing and distribution of Units.
<b>Eligible Markets</b>	An exchange, government securities market or an over-the-counter (OTC) market: <ol style="list-style-type: none"> <li>that is regulated by a regulatory authority of that jurisdiction;</li> <li>that is open to the public or to a substantial number of market participants; and</li> <li>on which financial instruments are regularly traded.</li> </ol>
<b>ESG</b>	The environment, social responsibility and corporate governance.
<b>Forward Pricing</b>	The Net Asset Value per Unit for the Fund calculated at the next valuation point after a purchase or redemption request is received by the Manager.
<b>Fund</b>	The Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund).
<b>Guidelines</b>	The Guidelines on Unit Trust Funds issued by the Securities Commission, as may be amended from time to time.
<b>Investor or Unit Holder</b>	The person registered pursuant to the Deed as a holder of Units, including a joint holder.
<b>LPD</b>	Latest practicable date as at 31 December 2022. LPD is a date whereby the information disclosed remains relevant and current as at the date of the Prospectus.
<b>Long-term</b>	A period of more than 3 years.
<b>Manager/Saturna/us/our/we</b>	Saturna Sdn. Bhd. (a subsidiary of Saturna Capital Corporation, USA).
<b>Net Asset Value or NAV</b>	The value of all the Fund's assets less the value of all the Fund's liabilities at the valuation point. For the purpose of computing the administration fee, distribution fee, performance fee and trustee fee, the NAV is inclusive (that is, before any deduction) of the fees for the relevant day.
<b>NAV per Unit</b>	The NAV of the Fund divided by the total number of Units in circulation at the valuation point.
<b>Prospectus</b>	This prospectus in relation to the Fund.
<b>Redemption Price</b>	The price payable to a Unit Holder pursuant to a redemption request by the Unit Holder and will be the NAV per Unit of the Fund.
<b>SAC</b>	Shariah Advisory Council
<b>SC/ Securities Commission</b>	The Securities Commission Malaysia.
<b>Selling Price</b>	The price payable by an Investor or a Unit Holder for the purchase of a Unit of the Fund and will be the NAV per Unit of the Fund.
<b>Shariah</b>	Islamic law, originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijtehad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
<b>Shariah Advisor</b>	Amanie Advisors Sdn Bhd.
<b>Shariah requirements</b>	A phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and each element must meet all the necessary conditions required by the Shariah for that element.
<b>SRI fund</b>	Sustainable and responsible investment fund.
<b>Sustainable</b>	The Manager considers issuers with sustainable characteristics to be those issuers that are generally larger, more established, consistently profitable, financially strong and with low exposure to risks in the areas of the ESG.
<b>Trustee</b>	SCBMB Trustee Berhad.
<b>Unit(s)</b>	A measurement of the right or interest of a Unit Holder in the Fund.
<b>US\$</b>	United States Dollar

## CORPORATE DIRECTORY

### MANAGER

Saturna Sdn Bhd (Registration No.:199501012969 (342171-V))

#### Registered Office

15B, Jalan Tun Mohd Fuad 3  
Taman Tun Dr. Ismail  
60000 Kuala Lumpur  
Tel No: 03-7726 8128

#### Business Office

Suite 5.03, 5<sup>th</sup> Floor  
Menara Atlan  
161-B Jalan Ampang  
50450 Kuala Lumpur  
Tel No: 03-2164 5303  
Email: [info@saturna.com.my](mailto:info@saturna.com.my)  
Website: [www.saturna.com.my](http://www.saturna.com.my)

### TRUSTEE

SCBMB Trustee Berhad (Registration No.: 201201021301 (1005793-T))

#### Registered Office

Level 26, Equatorial Plaza  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel No: 03-2117 7777

#### Business Office

Level 23, Equatorial Plaza  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel No: 03-7682 9712 / 03-7682 9710 / 03-7682 9704  
Email: [my.trustee@sc.com](mailto:my.trustee@sc.com)  
Website: [www.sc.com/my/trustee](http://www.sc.com/my/trustee)

### SHARIAH ADVISER

Amanie Advisors Sdn Bhd  
Level 13A-2 Menara Tokio Marine Life,  
189 Jalan Tun Razak  
50400 Kuala Lumpur  
Tel No: 03-2161 0260  
Website: [www.amanieadvisors.com](http://www.amanieadvisors.com)

## FUND INFORMATION

### Name of the Fund

Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund)

### Base Currency

US Dollar

### Fund Category

Shariah-compliant equity fund

### Investment Objective

The Fund seeks to provide Long-term capital appreciation and income.

*Any material change to the investment objective of the Fund requires the Unit Holders' approval.*

### Investment Policy & Strategy

To achieve its objective, the Fund invests in a diversified global portfolio of Sustainable Shariah-compliant equities. At least 70% of the Fund's NAV will be invested in Sustainable Shariah-compliant equities and up to 30% of the Fund's NAV will be invested in Islamic liquid assets including Islamic money market instruments, Islamic deposits with Islamic financial institutions and Islamic collective investment schemes. Asset allocation decisions are continuously made and reviewed based upon global economic and financial trends.

Company investment decisions are primarily made based on value with potential for reasonable and Sustainable growth. The Manager analyses economic growth rates, interest rates, inflation, currencies and government policies. Stock selection criteria include improving fundamentals, dividends and solid growth potential at reasonable valuations. Stock valuation fundamentals considered are sales growth, profit margin, cash generation, earnings per share, return on equity, price earnings ratio and net tangible asset multiples.

The Fund's investments comply with the Shariah requirements of the Shariah Advisory Council (SAC) of the SC for Malaysian securities as well as the AAOIFI Shariah standards for all other foreign securities.

### Sustainable Investing

The Manager employs Saturna Capital Corporation's ESG rating system to identify issuers that the Manager believes present low ESG risks. ESG screening analyses the ESG metrics of listed companies, whereby the data of ESG metrics is consolidated within our internal system. Proprietary to Saturna, the ESG rating system conceptually assigned the top of ESG scores a rating of A and the lowest scores a rating of F. The Fund will not invest in companies with an ESG rating below B.

For Sustainable investing, the Manager considers issuers with the following Sustainable characteristics:

- generally have larger market capitalisation - companies with market capitalisation of at least US\$5 billion;
- consistently profitable – companies which have a track record of positive net profits;
- financially strong – companies which have a track record of generating positive cash flows; and
- low exposure to risks in the areas of ESG – companies with scores of A in our ESG rating system shall be considered as low exposure to ESG risk.

The main characteristics of the ESG rating system are:

#### **Environmental:**

- Resource Efficiency (energy, water, inputs, waste productivity)
- Disclosures and Transparency

#### **Social:**

- Business Ethics and Products
- Stakeholder Relations (employees, investors, community)

#### **Governance:**

- Board Effectiveness
- Conflicts assessments, including compensation

#### **Balance Sheet and Business Experience**

- Strong balance sheets
- Proven businesses and high quality operations

### Investment Process

Saturna screens over 5,000 global equities monthly to assign rankings on Shariah compliance. The Fund's investments comply with Shariah requirements as prescribed by its Shariah Adviser.

Saturna's industry analysts independently review and rank equities on expected return, maintaining an active recommended list of approximately 400 global equities. The Fund's portfolio manager selects equities to purchase from Saturna's recommended list that meet the Fund's special requirements of (a) Sustainability and (b) Shariah compliance. The Fund normally invests only in dividend-paying Shariah-compliant equities.

The Fund generally invests in investments for the Long-term, with annual portfolio turnover not expected to exceed 30%, given normal circumstances. The annual portfolio turnover is a measurement of how frequent the investments of the Fund are bought and sold by the Manager. The annual portfolio turnover is calculated based on the average sum of investments purchased and the amount of investments sold, over a period of 12 months, divided by the daily average NAV of the Fund for the year.

*Continued on next page.*



## FUND INFORMATION *(continued)*

As the Fund is a qualified SRI fund, the investments of the Fund will be subject to the integration of ESG methodology. This includes the screening, selection, monitoring and realisation of the Fund's investments. The Manager adopts a sustainable rating system based on its own, as well as third party data to identify companies believed to present low risks in ESG. The Manager also uses negative screening to exclude security issuers primarily engaged in higher ESG risk and some non-halal businesses such as alcohol, pornography, weapons, gambling and fossil fuel extraction.

The sustainability aspects of the Fund's portfolio will be reviewed annually by the Manager to ensure the investments of the Fund are consistent with the adopted sustainability considerations and the overall impact of the Fund with the ESG integration approach is not inconsistent with other sustainability considerations.

If the company that the Fund invests in show persistent deterioration in their ESG factors and becomes inconsistent with any other sustainability considerations, the said investments shall be disposed within an appropriate timeframe. This would depend on the trading liquidity of the stock which is no longer ESG compliant and its position size within the Fund. These factors would determine how quickly we are able to dispose of the stock. Usually, we are able to liquidate within a few weeks of a security becoming ESG non-compliant. However, the Fund may hold on the investments in the event that the market value of the investments is below the original investment costs. Once the market value exceeds or is equal to the original investment costs, the Fund will dispose the investment as soon as practicable.

The Fund's investments are limited to Eligible Markets. When investing in foreign markets that require prior permission or approval such as in the form of an investment licence, investor code or investor registration, the Fund shall obtain such necessary permission or approval in order to invest in such markets.

The Fund will maintain at least two-third (2/3) of its NAV in ESG-compliant investments at all times. If the Fund breaches the abovementioned minimum asset allocation threshold, the Manager will rectify the breach and divest the investment based on market conditions not later than three (3) months from the date of the breach.

### Temporary Defensive Positions

When the Manager considers the market, economic, political and other conditions to be adverse to the Fund, the Manager may adopt a temporary defensive position that may be inconsistent with the Fund's investment strategy. In such circumstances, the Manager may temporarily allocate the Fund's NAV into Islamic money market instruments or placement in Islamic deposits with Islamic financial institutions, subject to the Fund investing at least two-third

(2/3) of its NAV in ESG-compliant investments.

**Investors should also be aware that the Manager may from time to time introduce additional class(es) to the Fund by way of replacement or supplementary prospectus. A notification will be sent to all Unit Holders prior to the launch of the additional class(es). Unit Holders' approval is not required if the launch of additional class(es) does not prejudice the interests of the existing Unit Holders.**

### Risk Factors

All types of investments carry some degree of risks that may have an adverse effect on the price of the investments. Therefore, before making an investment decision, Investors are advised to consider the different types of risks that may affect the Fund. Below are some of the general risks of investing in the Fund and specific risks related to the Fund.

### General Risks of Investing in the Fund

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

**Non-Compliance Risk:** The Manager and/or the Trustee may not comply with the provisions set out in the Deed or the law that governs the Fund. The Manager and/or Trustee may not comply with operating procedures whether by oversight or by omission, or the Manager may act fraudulently or dishonestly. Such non-compliance may force the Manager to sell down securities of the Fund at a loss to rectify the non-compliance. To mitigate this risk, the Manager has put in place internal controls to ensure its continuous compliance with laws, rules and regulations, prescribed practices and the Manager's internal policies and procedures.

**Performance Risk:** A failure of the Manager to display the requisite experience and expertise in making investment decisions for the Fund may jeopardise the Fund's performance. There is no guarantee the Fund will meet its investment objective of Long-term capital growth. Investors should be aware that no guarantee is given that they will receive returns on their investments, or that Investors will get back their initial amount invested in full. In order to mitigate this risk, the implementation of internal controls and a structured investment process and operational procedures has been put in place by the Manager.

**Operational Risk:** Operational risk includes risks that arise from internal process of organisation. These may result from inadequacies or failure in processes, controls or projects due to fraud, unauthorised activities, error, omission, inefficiency, systems failure or from external events. Operational risk may affect the Unit Holder's investment negatively.

*Continued on next page.*

## FUND INFORMATION *(continued)*

The Manager and Trustee have various control mechanisms at different levels throughout the organisation to monitor that the operational policy and procedures are being followed. Operation failure may affect the Unit Holder's investment.

### Specific Risks related to the Fund

An Investor should consider the specific risks when investing in the Fund; these may include but are not limited to:

**Equity Securities Risk:** Shariah-compliant equity securities may experience significant volatility in response to economic or market conditions or adverse events that affect a particular industry, sector, or company. Midsize companies may have more limited financial resources, products, or services, and tend to be more sensitive to changing economic or market conditions. The value of a particular Shariah-compliant equity security may also fluctuate in response to activities of individual companies. This risk can adversely affect the prices of equities, which would negatively impact the performance of the Fund. To mitigate this risk, the Manager will conduct rigorous fundamental analysis of the Shariah-compliant equity securities.

**Large and Midsize Company Risk:** Although the Fund may invest in companies of all sizes, the Fund tends to favour larger companies and, to a lesser extent, midsize companies. Larger companies may have slower rates of growth as compared to smaller, faster-growing companies. Midsize companies may have more limited financial resources, products, or services, and tend to be more sensitive to changing economic or market conditions.

**Concentration Risk:** Investors should be aware of the Fund's possible concentration in a particular industry when investing in this Fund. Should the Fund's investments be concentrated in an industry that underperforms the general market, it could cause the Fund's overall results to suffer more than if the Fund was exposed to a less concentrated portfolio. To maintain diversification and reduce concentration risk, the Fund may invest no more than 25% of the Fund's NAV in any one industry. As investments in major market industries, such as banking and financials, are not available to Islamic investors, the Fund may be subject to a higher level of risk than a more diversified portfolio.

**Country Risk:** Investments of the Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the Net Asset Value of the Fund or prices of Units to fall. To maintain

global diversification and reduce country risk, the Fund may invest no more than 50% of the Fund's NAV in any one country.

**Liquidity Risk:** Liquidity risk refers to a risk where the Fund need to liquidate assets in order to meet payment obligations in a timely manner. Liquidity risk usually results from large redemptions or illiquid assets or a combination of both. If the Fund holds assets that are illiquid or have to sell assets at discount to its fair value, this would adversely affect the NAV of the Fund and the investment of the Unit Holders.

**Currency Risk:** As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate might further increase or decrease the returns of the investment.

**Reclassification of Shariah Status Risk:** This risk refers to the risk that the currently held Shariah-compliant equities in the Fund may be reclassified as Shariah non-compliant in the periodic review of the equities by the Shariah Advisory Council of the SC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose such equities. There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the Fund may be adversely affected when the Manager disposes of portfolio investments in unfavourable market conditions. Please refer to the Shariah Investment Guidelines on page 11 for the Fund's Shariah methodology on the treatment of gains and losses as a result of the reclassification of Shariah non-compliant equities.

**Sustainability Risk:** Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative impact on the value of the investment. This may include the risks stemming from investing in companies that their business may be affected by climate change, natural source depletion, environmental degradation, human rights abuse, bribery, corruption and social and employee matters. If a sustainability risk associated with an investment of the Fund materialises, it could lead to the loss in value of an investment. Through the integration of high-level ESG analysis within the investment process and the focus on limiting downside risk, the Manager seeks to limit the impact of sustainability risk on Fund returns.

*Continued on next page.*



## FUND INFORMATION *(continued)*

### Risk Management Strategies and Techniques

The Manager seeks to manage the above risks by investing:

- In a globally diversified portfolio of Shariah-compliant equities;
- Only in equity securities traded on Eligible Markets;
- No more than 25% of the equity investments of the Fund in any one industry; and
- No more than 50% of the equity investments of the Fund in any one country.

The risk management strategies adopted by the Manager are as follows:

- monitoring adherence to the Fund's investment objective, investment restrictions and limits;
- conduct regular monitoring of market and economic conditions;
- escalating and reporting investment matters to members of a committee undertaking the oversight function of the Fund including the investment committee, senior management team, risk committee, Shariah Adviser and the Board;
- taking temporary defensive positions when appropriate;
- advising Investors to provide written notice in advance if they plan to make any large redemptions; and
- monitoring the performance of the Fund.

**The above list of risks may not be exhaustive. While every care will be taken by the Manager to mitigate the risk, Investors should be aware that investments in the Fund may be exposed to other risks of an exceptional nature from time to time. Events affecting investments cannot always be foreseen and it is not possible to protect investments against all risks.**

**Investors are recommended to read the whole Prospectus to assess the risks of the Fund and if necessary, they should consult their adviser(s), e.g. their bankers, lawyers, stockbrokers or professional advisers for a better understanding of investment risks.**

### Asset Allocation

Limits	Investment instruments
At least 70% of the Fund's NAV	Sustainable Shariah-compliant equities.
Up to 30% of the Fund's NAV	Islamic liquid assets including Islamic money market instruments and Islamic deposits with Islamic financial institutions and Islamic collective investment schemes.

### Performance Benchmark

MSCI ACWI Islamic index (US\$) (Source: [www.msci.com](http://www.msci.com))

The benchmark is used as a yardstick to assess the performance of the Fund only. The risk profile of the Fund is different from the risk profile of the benchmark.

### Permitted Investments

The Fund is permitted to invest in the following

- Sustainable Shariah-compliant equities;
- Islamic liquid assets including Islamic money market instruments;
- Islamic deposits with Islamic financial institutions;
- Islamic collective investment schemes; and
- Any other form of investment in line with the objective of the Fund, as may be agreed upon by the Manager and Shariah Adviser.

### Investment Restrictions and Limits

The Fund is prohibited from investing in Shariah non-compliant equities, options, derivatives, and equities of companies with high levels of debt (defined as total debt exceeding 30% of market capitalisation).

The investment restrictions and limits for the Fund are as follows:

- a) The aggregate value of the Fund's investments in Shariah-compliant transferable securities that are not traded or dealt in or under the rules of an Eligible Market must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer.
- b) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV.
- c) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the Fund's investment in instruments in paragraph a) issued by the same issuer must be included in the calculation.
- d) The value of the Fund's placement in Islamic deposits with any single institution must not exceed 20% of the Fund's NAV. This does not apply to placement of deposits arising from:
  - i. liquidation of investments prior to the termination or maturity of the Fund, where the placement of Islamic deposits with various Islamic financial institutions would not be in the best interest if Unit Holders; or
  - ii. monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various Islamic financial institutions would not be in the best interest of Unit Holders.

*Continued on next page.*

## FUND INFORMATION *(continued)*

- e) The aggregate value of the Fund's investments in Shariah-compliant transferable securities, Islamic money market instruments and Islamic deposits issued by or placed with any single issuer or institution must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph a) issued by the same issuer must be included in the calculation.
- f) The value of the Fund's investments in units or shares of any Islamic collective investment scheme must not exceed 20% of the Fund's NAV.
- g) The value of the Fund's investments in transferable Shariah-compliant securities and Islamic money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments paragraph a) issued by the issuers within the same group of companies must be included in the calculation.
- h) The Fund's investments in Shariah-compliant shares or securities equivalent to Shariah-compliant shares must not exceed 10% of the Shariah-compliant shares or securities equivalent to Shariah-compliant shares, as the case may be, issued by any single issuer.
- i) The Fund's investments in Islamic money market instruments must not exceed 10% of the instruments

issued by any single issuer. This limit does not apply to Islamic money market instruments that do not have a predetermined issue size.

- j) The Fund's investments in Islamic collective investment schemes must not exceed 25% of the units or shares in the Islamic collective investment scheme.
- k) The Fund may invest no more than 25% of the Fund's NAV in any one industry.
- l) The Fund may invest no more than 50% of the Fund's NAV in any one country.

There are no restrictions and limits imposed on securities or instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

The above investment restrictions and limits must be complied with at all times based on the most up-to-date value of the Fund's investments. The Manager will notify the SC within seven (7) Business Days of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of any appreciation or depreciation in the value of the Fund's investments, repurchase of Units or payment made out of the Fund, change in capital of a corporation in which the Fund has invested in or downgrade in or cessation of a credit rating, need not be reported to the SC and must be rectified as soon as practicable within three (3) months from the date of the breach. The three (3) months period may be extended if it is in the best interests of Unit Holders and the Trustee's consent is obtained. Such extension will be subject to a monthly review by the Trustee.

## Bases for Valuation of the Assets of the Fund

Investment Instruments	Valuation Basis
Sustainable Shariah-compliant securities listed on any exchange	<p>Valuation of securities should be based on market price. However, if:</p> <ul style="list-style-type: none"> <li>A valuation based on the market price does not represent the fair value of the securities, e.g. during abnormal market conditions; or</li> <li>No market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,</li> </ul> <p>then the securities should be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.</p>
Islamic money market instruments	Investments in Islamic money market instruments are valued daily at book cost, meaning cost of acquisition plus accretion of discount.
Placement in Islamic deposits	Valuation for Islamic deposits placed with Islamic financial institutions, will be performed by reference to the principal value provided by the Islamic financial institution that issues or provides such investments including profits accrued thereon for the relevant period, if any.
Unlisted collective investment schemes	Last published repurchase price.
Any other instruments	Fair value as determined in good faith by the Manager, on methods or bases, which have been verified by the auditors of the Fund and approved by the Trustee.

*Continued on next page.*

## FUND INFORMATION *(continued)*

### Shariah Investment Guidelines

The Shariah Adviser monitors the operations and investments of the Fund in accordance with the Shariah investment guidelines. To ensure compliance with Shariah principles, the Shariah Adviser reviews the Fund's operations and investments every month.

The Shariah investment guidelines stipulate that investments in shares of companies identified as morally deficient, such as those related to alcohol, tobacco, gambling, pork processing, and pornography are prohibited. In addition, because Shariah law prohibits the charging of interest (riba), investments in many financial companies are excluded. The Manager provides the Shariah Adviser with a monthly report on the holdings and transactions of the Fund.

Shariah investing requires that companies that do not comply with Shariah law are not considered for purchase. Securities of companies that fail to pass a series of financial ratio filters are also excluded from consideration.

The Fund does not invest in debt instruments and investments that might be considered as speculative, such as derivatives. As the Fund does not speculate, it does not engage in short-term trading and normally holds its investments for several years.

### Rules on divestment of Shariah non-compliant securities

In the event the following investment instances occur in the Fund, the Manager shall execute the following rules:

#### ***"Shariah-compliant securities" which are subsequently considered "Shariah non-compliant"***

This refers to those securities which were earlier classified as Shariah-compliant securities but are subsequently reclassified as Shariah non-compliant. In this regard, if on the date the securities turned Shariah non-compliant, the respective market price of Shariah non-compliant securities exceeds or is equal to the original investment cost, the Manager must liquidate them. Since it is not always feasible to liquidate an entire position in one day, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the date of the announcement at a market price that is higher than the closing price on the date of the announcement shall be recorded for reporting in the annual report in the section on purification.

On the other hand, the Fund is allowed to hold the investment in the Shariah non-compliant securities if the market price of the said securities is below the Fund's original investment costs. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-

compliant securities held equal the original investment cost. The Fund is allowed to hold such investment until breakeven.

#### ***"Shariah non-compliant" securities***

If the Manager mistakenly invests in Shariah non-compliant securities, the Manager needs to dispose of any Shariah non-compliant securities, within a month of becoming aware of the status of the securities. Any gain made in the form of capital gain or dividend received before or after the disposal of the securities shall be handled in the same manner as purification, detailed in "Purification Guidelines" section below. The Fund has a right to retain only the original investment cost, which may include brokerage fees and other transaction costs. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

### Purification Guidelines

Under the Shariah principles, any income or distribution received by the Fund from investments in its portfolio which relates to income from Shariah non-compliant investments are considered as tainted income. This tainted income is subject to an income purification process.

Income purification is calculated on two criteria:

- Benefit of riba-based loan (in cases where the companies obtain riba based loans); and
- Haram income, regardless of the sources.

The process of income purification is calculated as follows:

In the case of companies which are involved in **riba-based loans**, purification of the benefit arising out of money obtained through riba-based loans is done as follows:

- Total amount of riba-based loans of the company is divided over the company's assets;
- The result is then multiplied over total net dividend received by the Fund;
- The result would be total net dividend received by the Fund arising out of riba-based loans; and
- The amount would then be divided into two, capital and labour; capital is to be purified. The portion arising out of capital must be purified because the capital was obtained from Shariah non-compliant source while the portion arising out of the labour is allowed to be kept because the business activities are permissible. Purification of benefit from riba-based loans shall not be carried out when the companies are not paying any dividend. For short-term riba-based loans, purification shall be carried out in accordance with the tenure of the loan over the financial period.

In case of non-permissible or **haram income**, purification must be carried out on the total income regardless of the source of income or whether the company has gained profit or loss and whether dividend has been distributed or not.

*Continued on next page.*

## FUND INFORMATION *(continued)*

In cases where the actual amount of the non-permissible or haram income could not be obtained, such amount shall be estimated. Purification in this scenario shall be carried out by dividing the total haram income over total shares of the company and multiplied by the average number of shares owned by the Fund during the period. The purification amount would then be pro-rated according to the period of holding. The purification amount shall be deposited into a separate account which is segregated from the account of the Fund. The Manager shall distribute the purification amount to the Unit Holders, as soon as possible with consultation of the Shariah Adviser.

The Manager must inform Unit Holders that they are obliged to purify their specific purification amount in accordance with the Shariah principles by channelling it to Baitulmal

and/or any charitable bodies of their own choice.

The Fund's purification method has been approved by the Shariah Adviser.

**The investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SAC of SC and, where applicable the SAC of BNM. For instruments that are not classified as Shariah-compliant by the SAC of SC and, where applicable the SAC of BNM, the status of the instruments has been determined in accordance with the rulings of Shariah Investment Guidelines and the Shariah Adviser.**

### **Zakat for the Fund**

The Fund does not pay Zakat on behalf of Muslim individuals and Islamic entities who are Unit Holders of the Fund. Thus, Unit Holders are advised to pay Zakat by themselves.

## FEES, CHARGES, AND EXPENSES

### No direct fees or charges

The Fund seeks to minimise the expenses of Investors. There is no sales charge, redemption charge, transfer fee and switching fee payable by you.

### Indirect fees and expenses

The fees and expenses **indirectly** incurred by you when investing in the Fund are as follows:

#### Fees payable to the Manager

An **administration fee** of up to 0.25% per annum of the NAV of the Fund is paid to the Manager. The fee is accrued daily and paid monthly out of the Fund. The Manager's fund administration duties include:

- Maintaining the books and records of the Fund;
- Determining the daily NAV per Unit of the Fund;
- Maintaining Unit Holders' accounts, including the processing of purchases and redemptions;
- Complying with anti-money laundering procedures for all transactions;
- Complying with Foreign Account Tax Compliance Act obligations for United States of America investors;
- Preparing reports on the Fund, its performance, and investments for Unit Holders;
- Preparing reports for the SC or any other regulator as requested;
- Payment of expenses relating to the issuance and replacement of this Prospectus;
- Payment of expenses relating to the Board;
- Payment of expenses relating to the Shariah Adviser;
- Calculation of purification income;
- Convening meetings of the Unit Holders other than for the benefit of the Manager or Trustee; and
- Other services required in the Deed.

An illustration on how the administration fee is calculated:

$$\text{Administration fee for the day} = \text{NAV} \times 0.25\% / 365$$

*Example:*

If the NAV of the Fund is US\$20 million, then

$$\begin{aligned} \text{Administration fee for the day} &= \text{US\$20 million} \times 0.25\% / 365 \\ &= \text{US\$136.99} \end{aligned}$$

A **distribution fee** of up to 0.25% per annum of the NAV of the Fund is paid to the Manager in relation to the Fund's distribution plan (see page 22). The fee is accrued daily and paid quarterly out of the Fund.

An illustration on how the distribution fee is calculated:

$$\text{Distribution fee for the day} = \text{NAV} \times 0.25\% / 365$$

*Example:*

If the NAV of the Fund is US\$20 million, then

$$\begin{aligned} \text{Distribution fee for the day} &= \text{US\$20 million} \times 0.25\% / 365 \\ &= \text{US\$136.99} \end{aligned}$$

A **performance fee** of 10% of the gross asset value that cumulatively increases or decreases (excluding subscriptions and redemptions) for each day in the financial year is paid to the Manager. Please note that neither a benchmark nor a high water mark is considered in computation of the performance fee.

In the opinion of the Shariah Adviser of the Fund, taking a percentage of profit is better than charging a flat fee. As such, the Manager receives investment management compensation only from the daily increase in the gross asset value (excluding subscriptions and redemptions) of the Fund. Please note that the higher return of the Fund, the higher the performance fee charged to the Fund. The Manager receives no investment management compensation based on assets.

In computing the daily NAV per Unit, the accrued performance fee is included with the other accrued fees as mentioned in this section, namely administration fee (0.25%), distribution fee (0.25%) and trustee fee (0.05%). In total, these fees amount to 0.55% annually.

#### Illustration of performance fee at the beginning of financial year:

Assuming that on 1<sup>st</sup> July (day 1), NAV of the Fund is US\$20 million, with 20 million Units in circulation at per Unit price of US\$1.00. On 2<sup>nd</sup> July, the gross asset value of the Fund increased by 0.5% and no redemptions or additional subscriptions were made. Computations are rounded to the nearest number (except for the unit price).

*Continued on next page.*

## FEES, CHARGES, AND EXPENSES *(continued)*

### Day 2

	US\$
NAV on 1 <sup>st</sup> July	20,000,000
Unit price for 20 million units on 1 <sup>st</sup> July	1.0000
0.5% increase in gross asset value on 2 <sup>nd</sup> July (20,000,000 x 1.005)	20,100,000
Increased amount of gross asset value (20,100,000 – 20,000,000)	100,000
Other daily accrued fees (20,100,000 x 0.55%) /365	(303)
Daily performance fee accrual (100,000 x 10%)	(10,000)
NAV before subscription/redemption on 2 <sup>nd</sup> July (20,100,000 - 303 - 10,000)	20,089,697
Subscription/(redemption)	0
NAV incorporating subscription/redemption on 2 <sup>nd</sup> July	20,089,697
Unit price on 2 <sup>nd</sup> July (20,089,697 /20 million units)	1.0045
Cumulative performance fee accrual	10,000

On 2<sup>nd</sup> July, the investment value of the Fund increased by US\$100,000 (US\$20,000,000 x 0.5%) compared to the previous day. Performance fee of US\$10,000 charged to the Fund is derived by multiplying the increased amount of gross asset value with 10% (US\$100,000 x 10%).

### Day 3

On 3<sup>rd</sup> July, assuming the gross asset value decreased by 3%, subscription of US\$2 million was received and no redemption was made.

	US\$
NAV on 2 <sup>nd</sup> July	20,089,697
Unit price on 2 <sup>nd</sup> July	1.0045
3% decrease in gross asset value on 3 <sup>rd</sup> July (20,089,697 x 0.97)	19,487,006
Decreased amount of gross asset value (19,487,006 – 20,089,697)	(602,691)
Other daily accrued fees (19,487,006 x 0.55%)/365	(294)
Daily performance fee accrual (-602,691 x 10%)	60,269
NAV on 3 <sup>rd</sup> July before subscription/redemption (19,487,006 – 294 + 60,269)	19,546,981
Unit price before subscription/redemption (19,546,981/20 million unit)	0.9773
Subscription/(redemption)	2,000,000
NAV incorporating subscription/redemption on 3 <sup>rd</sup> July	21,546,981
No. of unit after additional subscription (20,000,000 + (2,000,000/0.9773)	22,046,455 units
Unit price on 3 <sup>rd</sup> July (21,546,981/22,046,455)	0.9773
Cumulative performance fee accrual (10,000 – 60,269)	(50,269)

The investment value of the Fund decreased by US\$602,691 (US\$20,089,697 x 0.97) compared to the previous day. The decrease resulted in the performance fee of US\$60,269 (US\$ 602,691 x 10%) being added back (reversed) to the Fund. The cumulative performance fee accrual became negative US\$50,269 (60,269-10,000). Please note that the subscription of US\$2 million is not taken into consideration when the performance fee is computed.

*Continued on next page.*



## FEES, CHARGES, AND EXPENSES *(continued)*

### Day 4

On 4<sup>th</sup> July, assuming no change in gross asset value, redemption of US\$3 million was made and no subscription was received.

	US\$
NAV on 3 <sup>rd</sup> July	21,546,981
Unit price on 3 <sup>rd</sup> July	0.9773
No change in gross asset value on 4 <sup>th</sup> July	21,546,981
Other daily accrued fees $(21,546,981 \times 0.55\%) / 365$	(325)
Daily performance fee accrual $(0 \times 10\%)$	0
NAV on 4 <sup>th</sup> July before subscription/redemption $(21,546,981 - 325 + 0)$	21,546,656
Unit price before subscription/redemption $(21,546,656 / 22,046,455 \text{ units})$	0.9773
Subscription/(redemption)	(3,000,000)
NAV incorporating subscription/redemption on 4 <sup>th</sup> July	18,546,656
No. of unit after redemption $22,046,455 - (3,000,000 / 0.9773)$	18,976,773 units
Unit price on 4 <sup>th</sup> July $(18,546,656 / 18,976,773 \text{ units})$	0.9773
Cumulative performance fee accrual $[0 + (-50,269)]$	(50,269)

On 4<sup>th</sup> July, investment of the Fund resulted in nil returns, therefore the gross asset value remains at US\$21,546,981 and no performance fee is imposed on the Fund. The redemption of US\$3 million has resulted in number of units reduced by 3,069,682 (US\$3 million divided by 0.9773) to 18,976,773. The cumulative performance fee accrual remained at – US\$50,269. Please note that the redemption of US\$3 million is not taken into consideration when the performance fee is computed.

### Illustration of performance fee at the end of financial year:

The performance fee is accrued daily, and paid on the last day of the financial year. Assume that the NAV on 29<sup>th</sup> June is US\$25 million, 20 million units in circulation, priced at US\$1.25 per unit and cumulative amount of performance fee is US\$12,000. On 30<sup>th</sup> June, the gross asset value of the Fund decreased by 0.5%, no subscriptions and redemptions were received.

30 <sup>th</sup> June (last day of the Fund's financial year)	US\$
NAV of previous day (29 <sup>th</sup> June)	25,000,000
Unit price of previous day (29 <sup>th</sup> June)	1.2500
0.5% decrease in gross asset value on 30 <sup>th</sup> June $(25,000,000 \times 0.995)$	24,875,000
Decrease amount of gross asset value $(25,000,000 - 24,875,000)$	(125,000)
Other daily accrued fees $(24,875,000 \times 0.55\%) / 365$	(375)
Daily performance fee accrual $(-125,000 \times 10\%)$	12,500
NAV on 30 <sup>th</sup> June before subscription/redemption $(24,875,000 - 375 + 12,500)$	24,887,125
Subscription/(redemption)	0
NAV incorporating subscription/redemption on 30 <sup>th</sup> June	24,887,125
Unit price on 30 <sup>th</sup> June $(24,887,125 / 20 \text{ million units})$	1.2444
Cumulative performance fee accrual $(12,000 - 12,500)$	(500)

On 30<sup>th</sup> June, the investment value of the Fund decreased by US\$125,000  $(US\$25,000,000 \times 0.5\%)$  compared to the previous day. The decrease resulted in the performance fee of US\$12,500  $(US\$125,000 \times 10\%)$  being added back (reversed) to the Fund. Cumulative performance fee accrual becomes – US\$500  $(US\$12,000 - US\$12,500)$ . Hence no performance fee is paid to the Manager for the financial year.

*Continued on next page.*

## FEES, CHARGES, AND EXPENSES *(continued)*

### Illustration of performance fee at the beginning of the following financial year:

1 <sup>st</sup> July of the following financial year (first day of financial year)	US\$
NAV of previous day (30 <sup>th</sup> June)	24,887,125
Unit price of previous day (30 <sup>th</sup> June)	1.2444
1% increase in gross asset value on 1 <sup>st</sup> July (24,887,125 x 1.01)	25,135,996
Changes in amount of gross asset value (25,135,996 - 24,887,125)	248,871
Other daily accrued fees (25,135,996 x 0.55%)/365	(379)
Daily performance fee accrual (248,871 x 10%)	(24,887)
NAV on 1 <sup>st</sup> July before subscription/redemption (25,135,996 - 379 - 24,887)	25,110,730
Subscription/(redemption)	0
NAV incorporating subscription/redemption on 1 <sup>st</sup> July	25,110,730
Unit price on 1 <sup>st</sup> July (25,110,730/20 million units)	1.2555
Cumulative performance fee accrual	24,887

On the first day of financial year (1<sup>st</sup> July of the following year), there is 1% increase on the gross asset value of the Fund. Performance fee is chargeable for this day without carrying forward the cumulative performance fee accrual on 30<sup>th</sup> June of previous year. The Manager only earns a performance fee at each financial year end when the accrual is positive, but is not obliged to pay the Fund when the accrual is negative. The cumulative accrual starts at zero at the beginning of each financial year. In this illustration, the performance fee at the beginning of the financial year started with US\$24,887.

### Fees payable to the Trustee

The Trustee is entitled to a trustee fee of 0.05% per annum of the NAV of the Fund (excluding foreign custodian fees and charges) that is accrued daily and paid monthly.

An illustration on how the trustee fee is calculated:

$$\text{Trustee fee for the day} = \text{NAV} \times 0.05\% / 365$$

*Example:*

If the NAV of the Fund is US\$10 million, then

$$\begin{aligned} \text{Trustee fee for the day} &= \text{US\$10 million} \times 0.05\% / 365 \\ &= \text{US\$13.70} \end{aligned}$$

### Illustration on the impact of fees on the returns of Unit Holder's investment:

#### Assumptions:

Unit Holder A invests into the Fund for 3 years with initial investment amount of US\$100,000, subscribed at US\$1.00 per unit, equivalent to 100,000 units. No redemptions or additional subscriptions were made throughout the 3-year period. The gross investment returns are -10% on year 1, 0% on year 2 and +10% on year 3. The illustrations shown on yearly basis, rounded to the nearest number (except for the unit price). Other accrued fees, as mentioned in this section, are administration fee (0.25%), distribution fee (0.25%) and trustee fee (0.05%). In total, these fees amount to 0.55% annually.

*Continued on next page.*

## FEES, CHARGES, AND EXPENSES *(continued)*

### Year 1

Investment at the beginning of year is US\$ 100,000 equivalent to 100,000 units at US\$ 1.000 per unit. At the end of year 1, with return of -10%, the investment value of Unit Holder A decreases from US\$ 100,000 to US\$ 90,000.

	US\$
Initial investment of 100,000 units	100,000
Sales charge for initial investment	0
Investment value at the beginning of year	100,000
investment value at the end of year 1 (100,000 x 0.9)	90,000
Less: Other accrued fees (90,000 x 0.55%)	(495)
Less: Performance fee	0
Investment value for 100,000 units at the end of year 1	89,505

At the end of year 1, no performance fee charged because the Fund had a negative return of 10%. The investment value of Unit Holder A reduced from US\$100,000 to US\$89,505.

### Year 2

Nil (0%) investment return at the end of year 2.

	US\$
Investment value at the beginning of year 2	89,505
Investment value at the end of year 2 (0% investment return)	89,505
Less: Other accrued fees (89,505 x 0.55%)	(492)
Less: Performance fee	0
Investment value for 100,000 units at the end of year 2	89,013

At the end of year 2, no performance fee charged because the investment return is 0%. The investment value of Unit Holder A reduces from US\$89,505 to US\$89,013 due to deduction of other accrued fees.

### Year 3

At the end of year 3 the Fund has positive investment return of 10%.

	US\$
Investment value at the beginning of year 3	89,013
Investment value the end of year 3 (89,013 x 1.1)	97,914
Less: Other accrued fees (97,914 x 0.55%)	(539)
Less: Performance fee (97,914 – 89,013) x 10%)	(890)
Investment value for 100,000 units at the end of year 3	96,484

Performance fee is charged on year 3 because there is an increase in Fund's value by 10%.

*Please note that all the calculations set out above are for illustration purposes only. It does not provide any indication for the performance of the Fund.*

## FEES, CHARGES, AND EXPENSES *(continued)*

### Fund Expenses

Only expenses directly related and necessary in operating and managing the Fund as provided in the Deed may be paid out of the Fund. These include the following:

- Commissions or fees paid to brokers 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 auditors appointed for the Fund;
- Fees for the valuation of any investment of the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- 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;
- Costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
- Costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- Costs, fees and expenses incurred in engaging any adviser of the Fund;
- Costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- Costs, fees and expenses incurred in the termination of the Fund or a class of Units or the removal or retirement of the Trustee or the Manager and the appointment of a new trustee or management company;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or

any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

- Remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless the Manager decides otherwise;
- 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;
- (Where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund, if any;
- Expenses and charges incurred in connection with the printing and postage for the annual or semi-annual report, tax certificates, reinvestment statements and other services associated with the management of the Fund;
- 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
- Any tax and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred above.

Expenses related to the issuance of this Prospectus are borne by the Manager.

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

## TRANSACTION INFORMATION

### Valuation Point

The Fund must be valued at least once every Business Day. However, certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia.

Accordingly, the valuation of the Fund will be carried out on the following Business Day when the closing prices of the foreign markets would be available. As such, the daily price of the Units for a particular Business Day will be published one (1) Business Day later.

Currency translation of foreign securities to the Fund's base currency (US\$) shall be based on the bid exchange rate quoted by Bloomberg/Reuters at UK time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 a.m. midnight (Malaysian time) on the same day, or such other time as prescribed from time to time by FIMM or any relevant laws.

The Unit price (i.e. NAV per Unit of the Fund) for a Business Day is available from the Manager. To contact the Manager, please refer to the section on Distributors.

### Computation of NAV and NAV per Unit

The NAV of the Fund is determined daily at the valuation point by deducting the value of the Fund's liabilities from the value of the Fund's assets. For the purpose of computing the annual administration fee, distribution fee, performance fee and annual trustee fee, the NAV of the Fund is inclusive of the fees for the relevant day. The NAV per Unit is then determined by dividing the NAV of the Fund by the number of Units in circulation at the valuation point.

An illustration on how the NAV and NAV per Unit is calculated:		US\$
	Investments	19,800,000
Add:	Other Assets	300,000
	Total Assets	20,100,000
Less:	Liabilities	100,000
	NAV before deducting administration fee, distribution fee and trustee fee for the day	20,000,000
Less:	Administration fee and distribution fee for the day (0.25% + 0.25% per annum)	(273.97)
Less:	Performance fee* for the day (10% of increased amount of gross asset value (excluding subscription and redemption for the day)	(1,000)
Less:	Trustee fee for the day (0.05% per annum)	(27.40)
	<b>NAV of the Fund</b>	<b>19,998,620.55</b>
	Number of Units in circulation	19,000,000 units
	<b>NAV per Unit</b> (rounded to 4 decimal places)	<b>1.0526</b>

Notes:

\* Assuming that the difference of NAV from previous day is US\$10,000, performance fee is  $10\% \times \text{US\$}10,000 = \text{US\$}1,000$ .

### Rounding Adjustment

The NAV per Unit of the Fund will be rounded up to four decimal places or as agreed between the Manager and Trustee.

### Pricing of Units

#### Single Pricing Regime

The Manager adopts a single pricing regime in calculating a Unit Holder's purchase and redemption of Units. This means that all purchases and redemptions are transacted on a single price. Unit Holders would therefore purchase and redeem Units at NAV per Unit. The Selling Price per Unit and Redemption Price per Unit are based on Forward Pricing.

#### Selling Price of Units

The Selling Price of a Unit for the Fund is the NAV per Unit of the Fund at the next valuation point after the request to purchase Units is received by the Manager (Forward Pricing). The Manager does not impose any sales charge on the purchase of Units by the Unit Holders.

#### Calculation of Selling Price

Illustration – Sale of Units without sales charge

Example:

If an investor wishes to invest US\$10,000.00 in the Fund before 4.00 p.m. on 31 March 2023, and there is no sales charge imposed, the total amount to be paid by the Investor and the number of Units issued to an Investor will be as follows:

Sales charge payable by an Investor =  $0 \times \text{US\$}10,000.00 = 0$

The total amount to be paid by an Investor for his or her investment will therefore be:  $\text{US\$}10,000.00 + 0 = \text{US\$}10,000.00$

Assuming that the NAV per Unit of the Fund on 31 March 2023 = US\$ 1.0000

The number of Units that will be issued to the Investor will be:

$\text{US\$}10,000.00 \text{ divided by } \text{US\$}1.0000 = 10,000.00 \text{ Units}$

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

#### Redemption Price of Units

The Redemption Price of a Unit of the Fund is the NAV per Unit at the next valuation point after the redemption request is received by the Manager (Forward Pricing). The Manager does not impose any redemption charge on the redemption of Units by the Unit Holders.

Continued on next page.

## TRANSACTION INFORMATION *(continued)*

### **Calculation of Redemption Price**

Illustration – Redemption of Units without redemption charge

*Example:*

If a Unit Holder wishes to redeem 10,000 Units from the Fund before 4.00 p.m. on any Business Day and there is no redemption charge imposed, the total amount to be paid to the Unit Holder will be as follows:

Assuming that the NAV per Unit of the Fund on 31 March 2023 = US\$1.0000

Amount redeemed would be: 10,000 Units x US\$1.000 = US\$10,000

Redemption charge would be: 0 x US\$10,000 = 0

The total amount to be paid to the Unit Holder will be US\$ 10,000 – 0 = US\$10,000.00

Therefore, the Unit Holder will receive US\$ 10,000.00 as redemption proceeds.

### **Error in Pricing of Units**

Subject to any relevant law, if there is an error in the valuation and/or pricing of the Fund and/or NAV per Unit of the Fund, the Manager will take immediate remedial action

to correct the error. Rectification shall, where necessary, extend to the reimbursements of money as follows if the error is, at or above the significant threshold of 0.5% of the NAV per Unit:

- If there is an over valuation and pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
- If there is an over valuation and pricing in relation to the repurchase of Units, the Manager shall reimburse the Fund;
- If there is an under valuation and pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and
- If there is an under valuation and pricing in relation to the repurchase of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

The Manager retains discretion in whether or not to reimburse if the error is below 0.5% of the NAV per Unit or where the total impact on an individual account is less than MYR10.00 or in the case of a foreign currency class of Units (if any), less than 10.00 denominated in the foreign currency denomination of the class of Units. This is because the reprocessing costs might be greater than the amount of the reimbursement.



## TRANSACTION DETAILS

**Investors in Malaysia intending to invest in foreign currencies are required to have a foreign currency account with any financial institution in Malaysia as all transactions relating to the foreign currencies will be made by telegraphic transfers. Investors investing in this Fund must comply with the relevant BNM (Bank Negara Malaysia) Foreign Exchange Administration rules and notices ("FEA Rules"), where applicable. Investors are advised to seek professional advice on the FEA Rules before making any investment decisions.**

### Purchase of Units

Investors can purchase and redeem Units of the Fund at the Manager's business office and the appointed Distributors. Please refer to "List of Distributors" on page 40.

The minimum initial investment is US\$5,000 or such other lower amount as the Manager may decide from time to time. Existing Unit Holders may make minimum additional investments of US\$1,000 or such other lower amount as the Manager may decide from time to time. Investors can obtain the Prospectus and investment forms from the Manager at [www.saturna.com.my](http://www.saturna.com.my) or from an authorised Distributor.

Any purchase request received (or deemed to have been received) after 4:00 p.m. on any Business Day will be regarded as received on the following Business Day. The cut-off time will be determined based on the time and date stamp made by us.

### For first time Investors

Applications by individuals require a copy of the applicant's identity card or passport or other documents of identification.

An application by a Malaysian corporation must be accompanied by a certified true copy of its memorandum and articles of association, certificate of incorporation, form 24\*, form 44\*, form 49\*, the latest audited financial statements of the corporation, board resolution relating to the investment, and a list of their authorised signatories and their respective specimen signatures.

An application by a non-Malaysian corporation must be accompanied by relevant corporate bylaws or charter, the latest audited financial statements of the corporation, board resolution relating to the investment, and a list of their authorised signatories and their respective specimen signatures.

*\*or any other equivalent documentation issued by the relevant authorities.*

### Redemption of Units

Unit Holders may request for redemption of Units by contacting the Manager on any Business Day by completing the redemption request form or such other manner as the Manager may accept. The redemption request form

is available at the business office of the Manager and the offices of the authorised Distributors.

Any redemption request received (or deemed to have been received) after 4:00 p.m. on any Business Day will be regarded as received on the following Business Day. The cut-off time will be determined based on the time and date stamp made by us.

There is no minimum redemption amount for redemption of Units and there are no restrictions on the frequency of redemption. There is no minimum holdings for Units.

Redemption proceeds will be paid within seven (7) Business Days from the date the Manager receives a complete redemption request form.

### Cooling-off Policy

A cooling-off right refers to the right of the Unit Holder to obtain a refund of his/her investment if he/she so requests within the cooling-off period. This is to allow Unit Holders the opportunity to reverse their investment decision that could have been unduly influenced by certain external elements or factors. Individual Investors who are investing in any of the unit trust funds managed by us for the first time may exercise their cooling-off right. However, the cooling-off right shall not extend to a staff of the Manager and persons registered with a body approved by the SC to deal in unit trusts.

The cooling-off period is for a total of six (6) Business Days commencing from the date the application for Units is received by the Manager. Within the cooling-off period, the refund to the Unit Holders for every Unit held by the Unit Holders shall be the sum of:

- if the original price of a Unit is higher than the price of a Unit at the point of exercise of the cooling-off right ("market price"), the market price at the point of cooling-off; or
- if the market price is higher than the original price, the original price at the point of cooling-off; and
- any sales charge imposed on the day the Units were purchased.

In other words, the Unit Holders shall be refunded their "original investment proceeds" within seven (7) Business Days from the date of receipt of the cooling-off notice from the Unit Holders.

### Transfer Ownership of Units

Unit Holders are permitted to transfer their Units by completing the transfer application form and returning it to the Manager. The minimum transfer amount is 1,000 Units. The transferee must also be an Investor, and provide identification documents such as identification card, passport, or other proof of identity.

Requests for transfer of Units will not be allowed if the transfer effective date is less than fourteen (14) Business Days prior to an income distribution declaration date.

*Continued on next page.*

## TRANSACTION DETAILS *(continued)*

### Switching Between Funds

Switching is not available for this Fund.

### Income Distribution Policy

Subject to availability of income, distribution will be made on a semi-annual basis. Any distribution of income can only be made from realised gains or realised income. All income distribution will be automatically reinvested in the form of additional Units at no additional cost at the date of distribution, unless the Unit Holder specifically requests, in the application or in writing, for distributions to be made in cash via bank transfer. The Units will be reinvested based on the NAV per Unit on the first Business Day following the day the distribution is declared.

Any unclaimed distribution cheques will be automatically reinvested in additional Units at the expiry of the six-month validity period for cheques, based on the prevailing NAV per Unit seven (7) Business Days after the validity period of the cheques.

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

### Borrowings or Financing

The Fund is not permitted to borrow cash or obtain cash financing or other assets (including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines) in connection with its activities.

### Securities Lending

The Fund does not participate in the lending of securities within the meaning of the Securities Borrowing and Lending Guidelines issued by the SC.

### Policy on Stockbroking, Rebates and Soft Commissions

The Manager, fund manager, Trustee or Trustee's delegate should not retain any rebate from, or otherwise share in any commission with, any broker or dealer in consideration for

directing dealings in the investments of the Fund.

However, soft commissions may be retained by 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 must not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

### Distribution Plan

Investors may purchase Units in the Fund directly from the Manager, or from Distributors such as banks, brokerage firms and investment platforms. The Fund pays the Manager 0.20% per annum of its Net Asset Value for its marketing and distribution expenses.

Investors often find it convenient to invest through Distributors, and the Manager has entered into agreements with certain Distributors and investment platforms for the distribution and servicing of Fund investments. The Manager compensates these Distributors and platforms for services to Investors with an annual fee of 0.20% to 0.30% of the Net Asset Value of the Fund based on the total assets serviced by the Distributor. The fee is computed daily and paid by the Manager to Distributors quarterly.

The fee payable to a Distributor is calculated as follows:

Assets in a Distributor's serviced accounts	Fee paid by Manager
Up to US\$2 million	0.20% of the NAV in the Fund
On the next US\$3 million, plus,	0.25% of the NAV in the Fund
On all amounts over US\$5 million.	0.30% of the NAV in the Fund

## THE MANAGER

### Background Information

**The Manager**, Saturna Sdn Bhd (“SSB”), was incorporated in Malaysia in April 1995 and began managing client accounts under the name Alpha Asset Management Sdn Bhd. In March 2010, Saturna Capital Corporation acquired ownership of the Manager. Under the CMSA, SSB is a holder of a valid capital markets services licence for Islamic fund management and dealing in securities restricted to unit trust products. SSB has more than 20 years’ experience in providing fund management and fund advisory services, for both institutional and retail clients. SSB office is located in Kuala Lumpur, where it manages the ASEAN Equity Fund and private client accounts with a total value exceeding MYR1.46 billion, as at LPD.

**The Manager’s parent company**, Saturna Capital Corporation (“SCC”) is a USA-based investment management and services firm incorporated in 1989. SCC manages 13 mutual fund portfolios, plus dozens of private accounts for individuals, corporations, and other clients with total assets of US\$5.33 billion as at LPD. Amana Mutual Funds Trust offers four Shariah-compliant equity public mutual funds managed by SCC. The Manager’s parent company is controlled by its chairperson, Ms. Jane K. Carten and owned by its employees, former employees and their families. It has offices in Bellingham, Chicago, and Henderson in Nevada. For its fiscal year ended June 30, 2022, Saturna Capital Corporation’s revenues were US\$34 million and its shareholders’ equity exceeded at US\$45 million. Additional information is available on our website [www.saturna.com](http://www.saturna.com).

### Functions, Duties, and Responsibilities of the Manager

The Manager is responsible for the investment management and administration of the Fund, servicing Unit Holders, keeping proper records of Unit Holders and the Fund and ensuring compliance with both internal procedures and the rules and regulations of relevant authorities.

### Board of Directors

The Manager has an experienced board of directors with background in the financial industry. The Board is responsible for the overall management of Saturna Sdn Bhd, administers corporate governance and supervises

compliance with guidelines. The functions of the Board are to elaborate, decide, endorse or resolve all matters pertaining to the Manager and the Fund at the board meetings that are held four times every year or more should the need arise.

The list of board of directors are available on our website, [www.saturna.com.my](http://www.saturna.com.my)

### Fund Management Function

The designated person responsible for the fund management function of the Fund is as follows:

**Monem Salam** – designated fund manager.

Monem Salam is the Executive Director of the Manager as well as a director of Saturna Capital Corporation. He received his degrees from the University of Texas: Bachelor of Arts (Austin) and Master of Business Administration (Dallas).

He worked as the Chief Investment Officer for ITG & Associates (Dallas) until 1999, then as a representative with Morgan Stanley (Dallas) until joining Saturna Capital in June 2003. He served as the Director of Islamic Investing and Deputy Portfolio Manager to the Amana Mutual Funds Trust until moving to Kuala Lumpur in 2012 to oversee Saturna Sdn. Bhd. In 2018, he returned to the United States. Monem is an Adjunct Professor at IE Business School and speaks at Islamic finance/investment conferences worldwide and he is co- author of ‘A Muslim’s Guide to Investing and Personal Finance’. Monem has authored the chapter on Islamic investing in both “Contemporary Islamic Finance”, “Islamic Capital Markets” and contributes articles to leading Islamic financial magazines. As a mark of recognition of his achievements in Islamic economy, in 2015 and 2019 the ISLAMICA 500 ranked Monem among 500 of the Islamic world’s most prominent and influential leaders.

### Material Litigation or Arbitration

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by the Manager nor are there any facts likely to give rise to any proceeding which might materially affect the business/ financial position of Saturna Sdn Bhd.

### Other Information

Further information on the Manager is provided on our website, [www.saturna.com.my](http://www.saturna.com.my).

## THE SHARIAH ADVISER

### Background

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

The company is led by Tan Sri Dr Mohd Daud Bakar and teamed with an active and established panel of consultants covering every aspect of the Islamic banking and finance industry, in Malaysia and the global market. Currently, the team comprises seven (7) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education.

Since 2005, Amanie has acquired seventeen (17) years of experience in an advisory role in capital markets including unit trust funds and funds management. As at LPD there are more than 150 funds for which Amanie acts as Shariah adviser.

### Roles & Responsibilities

As the appointed Shariah advisers for the Fund, the roles and responsibilities of Amanie are as follows:

- To ensure that the Fund is managed and administered in accordance with Shariah principles. The Shariah Adviser meets with the Manager once every quarter to discuss and advise Shariah matters relating to the Fund;
- Responsible for monthly review of the Fund's Shariah compliance report as provided by the compliance officer, and any other report deemed necessary for the purpose of ensuring that the Fund's investments are in line with Shariah requirements at all times;
- To provide expertise and guidance in all matters relating to Shariah principles, including the Fund's Deed and Prospectus, its structure and investment process, and other operational and administrative matters;
- To consult with SC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
- To prepare a report to be included in the Fund's semi-annual and annual reports certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.

### Profile of the Shariah Team

The designated person responsible for Shariah advisory matters relating to the Fund is Tan Sri Dr. Mohd Daud Bakar as the Chairman. Other consultants are Suhaida Mahpot and Nurain Mohd Zarir. The profile of the Shariah team is as below:

#### Tan Sri Dr. Mohd Daud Bakar – Shariah Adviser

Tan Sri Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its companies namely Amanie Advisors is operating in a few cities globally. He serves as the Chairman of Shariah Advisory Council (SAC) at Central Bank of Malaysia, Securities Commission Malaysia, the Astana International Financial Centre (AIFC, Kazakhstan), the First Abu Dhabi Bank (UAE), and Permodalan Nasional Berhad. He is also a Shariah board member of various global financial institutions, including the National Bank of Oman, Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg and Dow Jones Islamic Market Index (New York) amongst many others.

Tan Sri Dr. Mohd Daud Bakar serves as the Chairman of the Federal Territory Islamic Religious Department Majlis Agama Islam Persekutuan (MAIWP)]. In the corporate world, he is currently a member of the PNB Investment Committee. Previously, he served as a Board member of Sime Darby Property Berhad, Chairman of Malaysia Islamic Economic Development Foundation (YaPEIM) and as the President of International Islamic University of Malaysia (IIUM).

Recently, he received the "Royal Award for Islamic Finance 2022" from the King of Malaysia. While in 2014, he received the "Most Outstanding Individual" award, in conjunction with the national-level Prophet Muhammad's birthday. Under his leadership, Amanie Advisors received the "Islamic Economy Knowledge Infrastructure Award" at the Global Islamic Economy Summit, in Dubai 2015. In November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M) which carries the title of "Tan Sri".

He received his first degree in Shariah from University of Kuwait and obtained his PhD from University of St. Andrews, UK. He completed his external Bachelor of Jurisprudence at University of Malaya in 2002. He has published numerous articles in academic journals and has made many presentations at various conferences both local and overseas.

*Continued on next page.*

## THE SHARIAH ADVISER *(continued)*

### **Suhaida Mahpot, Chief Executive Officer**

Suhaida Mahpot is the Chief Executive Officer for Amanie Advisors in the Kuala Lumpur office. She joined Amanie in 2008 and was amongst the pioneers in the company. She is a specialist in Sukuk advisory and has advise numerous Sukuk locally and internationally. Apart from Sukuk advisory, her primary focus is on Shariah governance, structuring, enhancement and conversion exercises, the establishment of Islamic financial entities as well as the development of Islamic products.

Prior to joining Amanie, she worked with Affin Investment Bank Bhd since 2006 as an executive for the debt & capital markets department. She completed various project financing deals using private debt securities instruments ranging from infrastructure & utilities, real estate, plantation and many others.

She holds a Bachelor of Economics (Islamic Economics & Finance) from International Islamic University Malaysia, and currently pursuing MSc in Islamic Finance with INCEIF. Her career in the banking & financial industry started as a trainee under Capital Market Graduate Trainee Scheme organised by the SC.

### **Nurain Mohd Zarir, Associate Consultant**

Nurain Mohd Zarir is an Associate Consultant at Amanie Advisors Kuala Lumpur, Malaysia. Prior to joining Amanie, she worked as a compliance executive for AmBank Berhad, where she was responsible for ensuring the compliance of the bank's divisions. Her career in banking and finance began as a trainee under the Islamic Capital Market Graduate Training Scheme, which was organised by the Securities Industry Development Corporation (SIDC) in conjunction with the Securities Commission (SC).

She holds a Bachelor of Business Administration in Islamic Finance from University of Kuala Lumpur and is currently pursuing a Master of Islamic Finance Practice (MIFP) from INCEIF.

### **Other Information**

Further information on the Shariah Adviser is provided on our website, [www.saturna.com.my](http://www.saturna.com.my) or Shariah Adviser's website at [www.amanieadvisors.com](http://www.amanieadvisors.com).



## THE TRUSTEE

The Trustee, SCBMB Trustee Berhad ("STB") is a company incorporated in Malaysia under the Companies Act 2016 on 13 June 2012 and is registered as a trust company under the Trust Companies Act 1949.

### Experience as Trustee to Unit Trust Funds

STB has been registered and approved by the SC on 18 February 2013 to act as trustee for unit trust schemes approved or authorised under the CMSA. STB has suitably qualified and experienced staff in the administration of unit trust funds who have sound knowledge of all relevant laws. As at LPD, STB is the appointed trustee for 17 wholesale funds, 13 unit trust funds and appointed custodian for 8 private mandate funds.

STB's trustee services are supported by Standard Chartered Bank Malaysia Berhad ("SCBMB"), a subsidiary of Standard Chartered PLC, financially and for other various functions including but not limited to compliance, legal, operational risks and internal audit.

### Roles, Duties, and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interest of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the provisions of the Deed, the laws and all relevant guidelines.

The Trustee also assume an oversight function on the management company by ensuring that the management company performs its duties and obligations in accordance with the provisions of the Deed, the laws and all relevant guidelines.

### Trustee's Disclosure of Material Litigation and Arbitration

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 fact likely to give rise to any proceedings which might materially affect the business or financial position of the Trustee.

## Trustee's Delegate

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as custodian of the quoted and unquoted assets of the Fund. The custodian provides custody services to domestic, foreign, retail and institutional investors. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate event processing. The assets are registered in the name of the Trustee to the order of the Fund and held through the custodian's wholly owned subsidiary and nominee company Cartaban Nominees (Tempatan) Sdn. Bhd.

SCBMB was incorporated on 29 February 1984 in Malaysia under Companies Act, 1965 (now known as Companies Act, 2016) as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a licence on 1 July 1994 under the Banking and Financial Institutions Act 1989 (now known as the Financial Services Act 2013). SCBMB has been providing custody services for more than 20 years and has been providing sub-custody services to local investors in Malaysia since 1995.

The roles and duties of SCBMB as the Trustee's delegate inter alia are as follows:

- to act as custodian for the local investment of the Fund and to hold in safekeeping the assets of the Fund;
- to provide corporate action information or entitlements arising from the underlying assets and to provide regular reporting on the activities of the invested portfolios;
- to maintain proper records on the assets held to reflect the ownership of the assets belonging to the respective client; and
- to collect and receive for the account of the clients all payments and distribution in respect of the asset held.

The custodian acts only in accordance with instructions from the Trustee.

*Continued on next page.*



## SALIENT TERMS OF THE DEED

### 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 the Fund that automatically accord him rights and interest in the Fund.

#### Unit Holders' Rights

A Unit Holder has the right, amongst others:

- To receive distributions, if any, of the Fund;
- To participate in any increase in the NAV of Units of the Fund;
- To call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through special resolution;
- To exercise the cooling-off right;
- To receive annual and semi-annual reports on the Fund; and
- To exercise such other rights and privileges as provided for in the Deed.

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

#### Unit Holders' Liabilities

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

- A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Fund as set out in this Prospectus and the Deed.
- A Unit Holder shall not be under any obligation to indemnify the Manager and/or the Trustee in the event that the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

### Maximum Fees and Charges permitted by the Deed

<b>Fund</b>	<b>Maximum Sales Charge</b> <i>(Based on NAV per Unit of the Fund)</i>	<b>Maximum Redemption Charge</b> <i>(Based on NAV per Unit of the Fund)</i>	<b>Maximum Administration Fee</b> <i>(Based on NAV of the Fund)</i>	<b>Maximum Distribution Fee</b> <i>(Based on NAV of the Fund)</i>	<b>Maximum Trustee Fee</b> <i>(Based on NAV of the Fund)</i>	<b>Performance Fee</b>
Saturna Global Sustainable Fund (formerly known as ICD Global Sustainable Fund)	None	None	0.5% per annum	0.5% per annum	0.20% per annum (excluding foreign sub-custodian fees and charges)	10% of the gross asset value that cumulatively increases or decreases (excluding subscriptions and redemptions) for each day in the financial year.

Any increase of the fees and/or charges above the maximum rate stated in the Deed shall require Unit Holders' approval.

*Continued on next page.*

## **SALIENT TERMS OF THE DEED** *(continued)*

### **Procedures to Increase the Fees and Charges**

#### **Sales Charge**

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

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

#### **Redemption Charge**

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

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

#### **Administration Fee and Distribution Fee**

The Manager may not charge an annual administration fee and an annual distribution fee at a rate higher than that disclosed in the Prospectus unless:

- a) the Manager has come to an agreement with the Trustee on the higher rate in accordance with clause 13.1.3 of the Deed;
- b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;
- c) a supplemental prospectus or replacement prospectus stating the higher rate is registered, lodged and issued thereafter; and
- d) such time as may be prescribed by any relevant law shall have elapsed since the date of the supplemental prospectus or replacement prospectus.

#### **Trustee Fee**

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

- a) the Manager has come to an agreement with the Trustee on the higher rate;
- b) the Manager has notified the Unit Holders of the

higher rate and the date on which such higher rate is to become effective and such time as may be prescribed by any relevant law shall have elapsed since the notice is sent;

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

#### **Permitted Expenses Payable out of the Fund's Property**

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

- Commissions or fees paid to brokers 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 auditors of the Fund;
- Fees for the valuation of any investment of the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- 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;
- Costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
- Costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- Costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- Costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- Costs, fees and expenses incurred in the termination of the Fund or a class of Units or the removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

*Continued on next page.*

## **SALIENT TERMS OF THE DEED** *(continued)*

- Costs, fees and expenses deemed by the Manager and the Trustee 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;
- Remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function, unless the Manager decides otherwise;
- (Where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund, if any;
- Expenses and charges incurred in connection with the printing and postage for the annual or semi-annual report, tax certificates, reinvestment statements and other services associated with the management of the Fund;
- 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
- Any tax and/or other indirect or similar tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses listed above.

### **The Manager's Right to Retire**

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

- The retiring Manager shall appoint such corporation by writing under the seal of the retiring Manager as the management company of the Fund in its stead and assign and transfer to such corporation all its rights and duties as management company of the Fund;
- Such corporation shall enter into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund; and
- Upon the payment to the Trustee of all sums due from the retiring Manager to the Trustee hereunder at the date of such retirement, the retiring Manager shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Trustee or any Unit Holder or other person in respect of any act or omission on the part of the retiring Manager prior to such retirement

and the new management company may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations as fully as though such new management company had been originally a party to the Deed.

### **Removal and Replacement of the Manager**

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

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

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

### **Retirement of the Trustee**

Provided always that the Manager has in place a corporation approved by the relevant authorities to act as the trustee of the Fund, the Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire so to do, or such other period as the Manager and the Trustee shall agree, and may by deed appoint in its stead a new trustee approved by the relevant authorities and under any relevant law.

### **Removal and Replacement of the Trustee**

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

*Continued on next page.*

## **SALIENT TERMS OF THE DEED** *(continued)*

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

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

### **Termination of The Fund**

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

- The SC has withdrawn the authorisation of the Fund pursuant to section 256E of the Act;
- A special resolution is passed at a meeting of Unit Holders to terminate or wind up the Fund, following occurrence of events stipulated under section 301(1) of the Act and the court has confirmed the resolution, as required under section 301(2) of the Act; and
- A special resolution is passed at a meeting of Unit Holders to terminate or wind up the Fund.

Subject to the provisions of the relevant laws, the Manager may, without having to obtain the prior approval of the Unit Holders, terminate the trust and wind up the Fund if such termination:

- a) is required by the relevant authorities; or
- b) is in the best interests of Unit Holders and the Manager in consultation with the Trustee deems it to be uneconomical for the Manager to continue managing the Fund.

### **Power to Call for A Meeting**

The Manager, Trustee and/or Unit Holders may call a Unit Holders' meeting. Any such meeting must be convened in accordance with the Deed and/or the Guidelines.

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

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

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

Every question arising at any meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if such question requires a special resolution under the Deed, in which case a poll shall be taken. On a show of hands every Unit Holder who is present or by proxy shall have one vote.

The quorum required for a meeting of the Unit Holders of the Fund or a class of Units, as the case may be, shall be five (5) Unit Holders, whether present in person or by proxy, however, if the Fund or a class of Units, as the case may be, has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund or a class of Units, as the case may be, shall be two (2) Unit Holders, whether present in person or by proxy.

If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in circulation of the Fund or a particular class of Units, as the case may be, at the time of the meeting.

If the Fund or a Class of Units, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a class of Units, as the case may be.

## RELATED-PARTY TRANSACTIONS AND CONFLICT OF INTEREST

### Conflicts of Interest

#### Manager

The Manager has adopted a detailed Code of Ethics, which governs the actions of all its employees. The Manager, its directors, and any of its delegates including the investment committee members, will at all times act in the best interest of the Unit Holders of the Fund and will not conduct itself in any manner that will result in a conflict of interest or potential conflict of interest. The Code of Ethics of Saturna Sdn Bhd regulates its employees' securities dealings. Declaration of securities trading is required from all employees to ensure that there is no conflict of interest between the employees' securities trading and the execution of the employees' duties to the Fund.

In the unlikely event that Saturna Sdn Bhd faces a conflict with respect to its duties to the Fund and its duties to other funds that it manages, Saturna Sdn Bhd is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Manager shall not act as principal in the sale or purchase of any securities or investments to or from the Fund. The Manager shall not make any investment for the Fund in any securities, properties, or assets in which the Manager or its officers have financial interest or from which the Manager or its officers derive benefit, unless the Trustee approves the investment prior to the transaction.

The Code of Ethics of Saturna Sdn Bhd regulates the securities dealings of its directors, investment committee members and employees. The policies and procedures for securities dealing requires that the above-mentioned parties to report their securities holdings and securities dealings on a periodical basis. Employees are required to obtain clearance from compliance department before dealing their own securities. Holding of directorship and interest in any company shall also require to be reported. Compliance department reviews the securities trading to control and monitor such conflict of interest positions between personal securities dealing and securities traded for the Fund and other clients of the Manager.

#### SCBMB Trustee Berhad

The Trustee may have related party transactions involving or in connection with the Fund in the following events:

- Where the Fund invests in the products offered by Standard Chartered Bank Malaysia Berhad ("SCBMB") and any of its group companies (e.g. money market placement, etc.);
- Where the Manager utilised the services offered by SCBMB (e.g. Sukuk brokerage services, etc.); and,
- Where the Trustee has delegated its custodian functions for the Fund to SCBMB.

The Trustee will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm's length basis as if between independent parties. While the Trustee has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. The Trustee's commitment to act in the best interests of the Unit Holders of the Fund does not preclude the possibility of related party transactions or conflicts.

#### Interests in the Fund

Subject to any legal requirement, the Trustee, Manager or any related corporation thereof, or any officers, directors or employees of any of them, are encouraged to invest in the Fund. The directors of the Manager and of the Trustee will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Prospectus have been paid to any promoter of the Fund, or the Trustee (either to become a Trustee or for other services in connection with the Fund).

#### Advisers

The auditors, Shariah Adviser, tax advisers and solicitors have confirmed that they do not have any existing or potential conflict of interest with the Manager and/or the Fund.

*Continued on next page.*



## TAX ADVISER'S LETTER

Taxation adviser's letter in respect of the taxation of the unit trust and the unit holders (prepared for inclusion in this Prospectus).

15 December 2022

**Saturna Sdn Bhd**  
**Suite 5.03 5th Floor**  
**Menara Atlan**  
**161-B Jalan Ampang**  
**50450 Kuala Lumpur**

Dear Sirs,

### **SATURNA GLOBAL SUSTAINABLE FUND (F.K.A ICD GLOBAL SUSTAINABLE FUND) TAXATION OF THE FUND AND UNIT HOLDERS**

This letter has been prepared for the inclusion in the Prospectus which incorporates the investment information relating to Saturna Global Sustainable Fund (F.K.A ICD Global Sustainable Fund) (hereinafter referred to as "the Fund").

#### **1. INFORMATION ON THE FUND**

The Fund's Permitted Investments are primarily in Shariah-compliant equities and Islamic liquid assets from Malaysia and outside Malaysia. Accordingly, there may be tax implications in the relevant tax jurisdictions with regards to the profits or gains from the investment and disposal of those investments.

The scope of this letter is to address on the taxation implications in Malaysia.

#### **2. TAXATION OF A UNIT TRUST FUND**

##### **2.1 Taxable income**

The taxation of the Fund which is a unit trust scheme is governed principally by Sections 61 and 63B of the Income Tax Act, 1967 ("MITA"). Further, the Inland Revenue Board of Malaysia ("IRBM") has issued the Public Ruling 7/2013: Unit Trust Funds Part I – An Overview and Public Ruling 7/2014: Unit Trust Funds - Part II – Taxation of Unit Trusts dated 28 May 2013 and 4 November 2014 respectively to explain the tax treatments for Unit Trust Funds.

The Fund's trustee is SCBMB Trustee Berhad, which is a resident in Malaysia for tax purposes. As the trustee is a tax resident in Malaysia, the Fund is also regarded as a Malaysian tax resident.

##### **a. Malaysia sourced income**

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

##### **b. Foreign sourced income**

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income derived from outside Malaysia is subject to Malaysian income tax when the income is remitted into Malaysia from outside Malaysia at the prevailing tax rate applicable to the Fund. Where the Fund has suffered foreign tax on the foreign sourced income that is subject to Malaysian tax, the Fund may claim bilateral relief (for a country that has a double tax agreement with Malaysia) or unilateral relief (for a country not having a double tax agreement with Malaysia) against the Malaysian tax payable.

*Continued on next page.*



### 2.2 Exempt income / Non-taxable income

#### a. Profits from the realisation of investments

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

#### b. Dividend income

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

#### c. Interest income

Interest income received by the Fund from the following is exempted from income tax:

- i. Any savings certificates issued by the Government [Paragraph 19 to Schedule 6 of the MITA];
- ii. Securities or bonds issued or guaranteed by the Government [Paragraph 35(a) to Schedule 6 of the MITA];
- iii. Debentures or Sukuk, other than convertible stock, approved by the Securities Commission [Paragraph 35(b) to Schedule 6 of the MITA];
- iv. Bon Simpanan Malaysia issued by Central Bank of Malaysia [Paragraph 35(d) to Schedule 6 of the MITA];
- v. Deposits with banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013 or any development financial institution prescribed under the Development Financial Institutions Act 2002. The exemption shall not apply to a wholesale fund which is a money market fund [Paragraph 35A to Schedule 6 of the MITA];
- vi. Islamic securities (including Sukuk) originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorised by, or lodged with, the Securities Commission or approved by the Labuan Financial Services Authority, provided that the exemption shall not apply to interest paid or credited to a company in a same group, or interest paid or credited to a bank licensed under the Financial Services Act 2013, an Islamic bank licensed under the Islamic Financial Services Act 2013 or a development financial institution prescribed under the Development Financial Institutions Act 2002. With effect from 1 January 2022, the exemption shall not apply to interest paid or credited by a special purpose vehicle to a company pursuant to the issuance of asset-backed securities lodged with the Securities Commission Malaysia or approved by the Labuan Financial Services Authority if the company and the person who established the special purpose vehicle solely for the issuance of the asset-backed securities are in the same group [Paragraph 33B to Schedule 6 of the MITA];
- vii. Bonds and securities issued by Pengurusan Danaharta Nasional Berhad [Income Tax (Exemption) (No. 5) Order 2001];
- viii. Bonds (other than convertible loan stock) issued by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotations Berhad ("MESDAQ") [Income Tax (Exemption) (No.13) Order 2001];
- ix. Bonds and securities issued by Pengurusan Danaharta Nasional Berhad / Danaharta Urus Sdn Bhd [Income Tax (Exemption) (No. 6) Order 2003];
- x. Sukuk Issue which has been issued by Malaysia Global Sukuk Inc [Income Tax (Exemption)(No. 31) Order 2002];
- xi. Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad [Income Tax (Exemption) Order 2010];
- xii. Sukuk Wakala, other than convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad [Income Tax (Exemption) (No. 4) Order 2011];
- xiii. Sukuk Kijang issued by BNM Kijang Berhad [Income Tax (Exemption) (No. 10) Order 2013];
- xiv. Sukuk Wakala with a nominal value up to USD1.5b, other than convertible loan stock, issued by the Malaysian Sovereign Sukuk Berhad [Income Tax (Exemption) (No. 3) Order 2015]; and
- xv. Sukuk Wakala with a nominal value up to USD1.5b (other than convertible loan stock) issued by Malaysia Sukuk Global Berhad [Income Tax (Exemption) (No. 2) Order 2016].

#### d. Discount income or profit derived

Tax exemption is given on discount income received on the securities and debentures mentioned in items 2.2 (c) (ii) to (iv) above [Paragraph 35(a) to Paragraph 35(d) to Schedule 6 of the MITA].

*Continued on next page.*

### 2.3 Deductibility of expenses

Section 33(1) of the MITA allows expenses incurred “wholly and exclusively in the production of gross income” to be deductible against the gross income, e.g. interest incurred on a loan to finance investments can be deducted against the dividend or interest income from that investment.

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

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

**where:** A is the total of the permitted expenses incurred for that basis period;

B is gross income consisting of dividends, interest and rent chargeable to tax for that basis period; and

C is the aggregate of the gross income consisting of dividends and interest (whether such dividend or interest is exempt or not), rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period.

Dividend income is deemed to include income distributed by a unit trust for the purpose of calculating the above deduction.

The special deduction of expenses is subject to a minimum of 10% of the total permitted expenses incurred for that basis period. The allowable portion of permitted expenses will be deducted from the aggregate income. Should the deduction exceeds the income assessable to tax, the excess is not allowed to be carried forward for offset against the income of future years of assessment.

### 2.4 Real Property Gains Tax (“RPGT”)

Generally, gains on disposal of investments by the Fund will not be subject to Income Tax in Malaysia as mentioned in 2.2(a).

Nevertheless, capital gains from disposals of chargeable assets, such as real properties or shares in real property companies will be subject to RPGT as follows:

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

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

### 2.5 Sales and Service Tax (“SST”)

Pursuant to the Sales Tax Act 2018, sales tax shall be charged and levied on all taxable goods which are locally manufactured or imported into Malaysia. The rates for sales tax are 5%, 10% or a specific rate. On the other hand, pursuant to the Service Tax Act 2018, service tax shall be charged and levied on any taxable services provided in Malaysia by a registered person in carrying on his business or any imported taxable service. The rate for service tax is 6%.

If the Fund provides any taxable services such as management and consulting services with a total value of RM500,000 or more in a 12 months period, the Fund shall be liable for service tax registration and shall be required to charge service tax on the said services.

Expenses such as management fees, trustee fees and other expenses paid by the Fund may be subject to service tax at 6%.

*Continued on next page.*

### 3. TAXATION OF UNIT HOLDERS

#### 3.1 Distribution of taxable income

The general provisions under the MITA are applicable to income received by unit holders. In addition, the tax treatments for unit holders are explained in the IRBM's Public Ruling 5/2013 – Taxation of Unit Holders of Unit Trust Funds dated 23 May 2013. Unit holders will be taxed on their share of the total taxable income of the Fund distributed to them. This income distribution carries with it a tax credit for the tax paid by the Fund on its taxable income. This tax credit may be utilised by the unit holders to set off the tax payable by them pursuant to Section 110(9A) of the MITA. The tax authorities will refund any excess of tax credit over tax chargeable to the unit holders.

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

Corporate unit holders, whether resident or not resident in Malaysia, will be subject to tax at the corporate tax rate of 24% on the distributions of income from the Fund received by them. With effect from year of assessment 2020, small and medium scale companies with a paid-up capital of RM2.5 million and below (SME) and having an annual business income of not more than RM50 million, the corporate tax rate of 17% is applicable on chargeable income of up to RM600,000 and 24% on the amount exceeding RM600,000. However, a company with a paid-up capital of not exceeding RM2.5 million will not qualify as a SME under the following circumstances:

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

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

#### 3.2 Distribution of tax exempt income

Distributions of tax exempt income by the Fund from gains from realisation of investments, exempted interest/discount income, exempted dividends including single tier dividends, will be exempted from tax in the hands of the unit holders.

#### 3.3 Distribution to a unit trust holder other than an individual

Effective from 1 January 2022, where a unit trust is a retail money market fund:

- a. A unit holder other than an individual is chargeable to tax on income distributed from the interest income which is exempted under Paragraph 35A of Schedule 6 to the MITA [Section 61(1A) of the MITA]; and
- b. In view of this, a unit trust is required to withhold tax at 24% on distributions made out of the income exempted under Paragraph 35A of Schedule 6 to the MITA to the unit holders other than an individual, pursuant to Section 109DA of the MITA. The tax withheld must be remitted within one month of the distribution to the IRBM to avoid late payment penalty of 10%. Unit holders who are Malaysian tax residents are entitled for a set off against the tax charged on its chargeable income under Section 110(9A) in respect of the tax withheld. For non-resident unit holders, the tax withheld is a final tax.

#### 3.4 Unit splits, distribution out of capital of the Fund, sale, transfer or redemption of units

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

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

*Continued on next page.*

## **TAX ADVISER'S LETTER** *(continued)*

We hereby confirm that, as at the date of this letter, the statements made correctly reflect our understanding of the tax position under the current Malaysian income tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. In addition, unit holders are advised to seek professional advice on their respective tax positions.

Yours faithfully

**Crowe KL Tax Sdn Bhd**

**Poon Yew Hoe**

*Executive Director, Tax*

*Continued on next page.*

## ADDITIONAL INFORMATION

### Keeping Track of the Daily Prices of Units

A Unit Holder can track the performance of their Units by checking the Unit prices with Manager, website of Manager at [www.saturna.com.my](http://www.saturna.com.my) and Internet price providing services such as Bloomberg. Contact Information of Manager can be found under the Distributor Section of this Prospectus.

As the Fund has exposure to investment in foreign markets, the NAV per Unit for a particular Business Day will be published one (1) Business Day later.

### Reports relating to the Fund

Unit Holders will be informed of the Fund's performance through the audited annual reports and unaudited semi-annual reports. The reports will be sent to the Unit Holders within two (2) months after the close of the financial year-end or semi-annual period. The financial year end of the Fund is 30<sup>th</sup> June.

**The Fund's annual report is available upon request.**

### Customer Information Service

Investors can seek the assistance of our marketing personnel on queries or issues relating to the Fund or this Prospectus at the Manager's business office, during business hours from 9.00 a.m. to 5.00 p.m. (Malaysian time) from Monday to Friday (refer to the *Corporate Directory* section on page 5 for contact details). Unit Holders may also send an email for their enquiries.

Alternatively, for lodging a complaint, Investors can contact FIMM Complaints Bureau via:

*Phone:* 03-7890 4242  
*Email:* [complaints@fimm.com.my](mailto:complaints@fimm.com.my)  
*Online complaint form:* [www.fimm.com.my](http://www.fimm.com.my)  
*Letter:* Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers  
Malaysia  
19-06-1, 6th Floor, Wisma Tune, No. 19,  
Lorong Dungun Damansara Heights,  
50490 Kuala Lumpur

Should an individual or a sole proprietor Investor be dissatisfied with the outcome of the internal dispute resolution process, he may refer his dispute to the Securities Industry Dispute Resolution Center (SIDREC) via:

*Phone:* 03-2282 2280  
*Fax:* 03-2282 3855  
*Email:* [info@sidrec.com.my](mailto:info@sidrec.com.my)  
*Letter:* Securities Industry Dispute Resolution Center  
(SIDREC)  
Unit A-9-1, Level 9, Tower A Menara UOA  
Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

The Investor can also direct his complaint to the SC even if he has initiated a dispute resolution process with SIDREC. To make a complaint, he may contact the SC's Investor Affairs & Complaints Department via:

*Phone:* 03 – 6204 8999  
*Fax:* 03 – 6204 8991  
*Email:* [aduan@seccom.com.my](mailto:aduan@seccom.com.my)  
*Online complaint form:* [www.sc.com.my](http://www.sc.com.my)  
*Letter:* Investor Affairs & Complaints  
Department  
Securities Commission Malaysia  
No. 3 Persiaran Bukit Kiara, Bukit Kiara  
50490 Kuala Lumpur

### Deed

The deed of the Fund is dated 7 March 2017 as amended by the first supplemental deed dated 26 January 2023.

### Unclaimed Moneys Policy

Any presented cheques will be filed with and paid to the Registrar of Unclaimed Moneys after the lapse of one (1) year from the date of payment in accordance with the requirements of the Unclaimed Moneys Act 1965. A Unit Holder will have to liaise directly with the Registrar of Unclaimed Moneys to claim their moneys.

### Foreign Account Tax Compliance Act

Foreign Account Tax Compliance Act (FATCA) is the United States of America (US) tax legislation that enables the Internal Revenue Service (IRS) to identify and collect tax from US entities that invest in assets through non-US entities. The Manager is registered as Foreign Financial Institution (FFI) under FATCA and will endeavour to comply with FATCA obligations, as determined by the inter-governmental agreement (IGA) between Malaysia and the US.

Under FATCA obligations, the Fund will need to disclose information about certain investors to the Malaysian Inland Revenue Board and/or IRS. US entity (i.e. resident or citizen), for tax purposes, will need to declare US status to the Manager. The Manager may request certain additional information not contained in our application form.

## APPROVALS AND CONDITIONS

The SC has, via its letter dated 27 March 2017, authorised the establishment of the Fund. The terms and conditions imposed by the SC in its letter dated 27 March 2017 and the status of compliance are as follows:

No.	Details of the terms and conditions imposed	Status of compliance
1.	<p><b>Terms</b></p> <p>In relation to the authorisation of the Fund, the fee structure of the Fund ("<b>Fee Structure</b>") is as follows:</p> <p>(a) There is no upfront sales charge;</p> <p>(b) Fees payable to Saturna comprise the following:</p> <ul style="list-style-type: none"> <li>i. An administration fee of up to 0.25% per annum of the Fund's NAV;</li> <li>ii. A distribution fee of up to 0.25% per annum of the Fund's NAV; and</li> <li>iii. A performance fee of up to 10% of the gross asset value that cumulatively increases or decreases (excluding subscription and redemption) for each day in the financial year. Saturna will only earn a performance fee at each financial year end when the accrual is positive, but is not obliged to pay the Fund when the accrual is negative. The cumulative accrual starts at zero at the beginning of each financial year.</li> </ul>	Complied. Please refer to the Fees, Charges and Expenses section.
2.	<p><b>Conditions</b></p> <p>Saturna is to obtain SC's prior approval for any material revision to the Fee Structure which would prejudice the interest of the Unit Holders of the Fund.</p>	Noted and to be complied with.



## CONSENTS

- i. The consent of the Trustee and Shariah Adviser for the inclusion of its name in this Prospectus in the manner and form in which such name appear has been given before the date of issue of this Prospectus and has not subsequently withdrawn its written consent.
- ii. The tax adviser has given its consent to the inclusion of its name and the Tax Adviser's Letter on taxation of the Fund and Unit Holders in the form and context in which it appears in this Prospectus and has not subsequently withdrawn its consent prior to the date of this Prospectus.

## DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Manager's registered office or such other place as the SC may determine, during normal business hours:

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

## DISTRIBUTORS

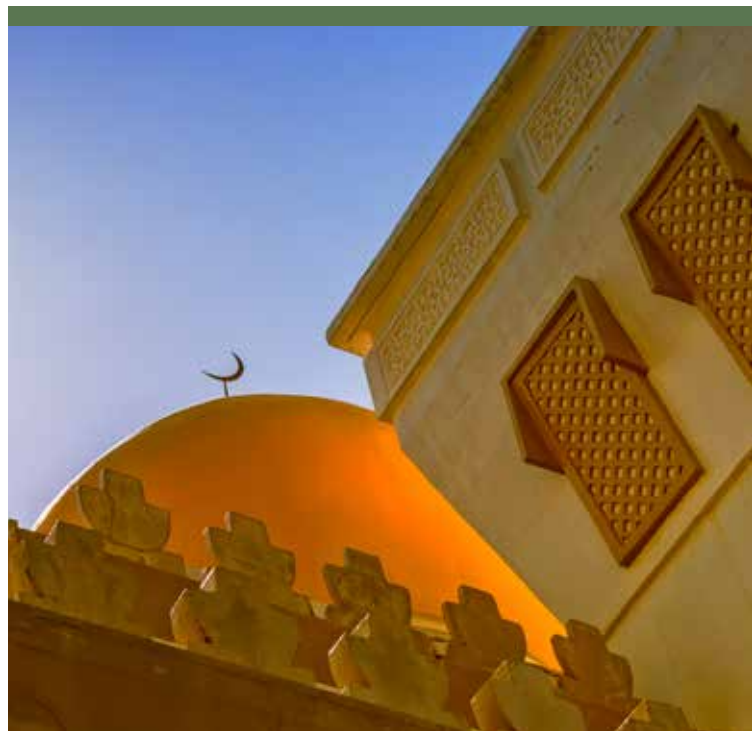
### Manager

Saturna Sdn Bhd  
Suite 5.03, 5<sup>th</sup> Floor Menara Atlan  
161-B Jalan Ampang  
50450 Kuala Lumpur  
Tel: 03-2164 5303  
Fax: 03-2164 5308  
Email: [info@saturna.com.my](mailto:info@saturna.com.my)  
Website: [www.saturna.com.my](http://www.saturna.com.my)

### Institutional Unit Trust Advisers

iFAST Capital Sdn Bhd  
Level 29, Menara AIA Sentral,  
No. 30, Jalan Sultan Ismail,  
50250 Kuala Lumpur, Malaysia.  
Tel: 03-2149 0567  
Websites: [www.ifastcapital.com.my](http://www.ifastcapital.com.my)  
[www.fsmone.com.my](http://www.fsmone.com.my)

Phillip Mutual Berhad  
B-18-6 Megan Avenue II  
No. 12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Tel: 03-2783 0300  
Website: [www.phillipmutual.com](http://www.phillipmutual.com)



Suite 5-03, 5<sup>th</sup> Floor, Menara Atlan, 161B, Jalan Ampang, 50450 Kuala Lumpur, Malaysia  
Phone: +603 2164 5303 Fax: +603 2164 5308 Email: info@saturna.com.my Website: www.saturna.com.my

Account Number:

--
**IMPORTANT NOTE:**

1. Please read the latest Prospectus, the Supplementary Prospectus (if any) and Notes on pages 3-4 before completing this Application Form.
2. This Application Form should be circulated together with the Prospectus in accordance with the requirements of the Capital Markets and Services Act 2007.
3. Complete this form in "Block Letter", tick (✓) in the appropriate boxes and delete where applicable.

Fund Name

Investor Type

☐ Currency **USD** ☐ Individual Applicant ☐ Joint Applicant ☐ Corporate Applicant

**PART A**
**PRINCIPAL ACCOUNT HOLDER INFORMATION**

Name (as in NRIC / Passport / Other ID) ☐ Mr ☐ Mrs ☐ Dr ☐ Ms ☐ Mdm

New NRIC Number

Old NRIC / Passport / Others

Date of Birth (ddmmyyyy)




Correspondence Address





Town / City / State

Country

Postal Code

Telephone Number

Mobile Telephone Number

Facsimile Number




Email Address

Details of Bank Account

Bank Name: \_\_\_\_\_ Account No: \_\_\_\_\_

Marital Status:

Gender:

Nationality:

Religion:

Race:

☐ Single

☐ Male

☐ Malaysian

☐ Islam

☐ Malay

☐ Indian

☐ Married

☐ Female

☐ Other \_\_\_\_\_

☐ Other \_\_\_\_\_

☐ Chinese

☐ Other \_\_\_\_\_

**PART B**
**JOINT ACCOUNT HOLDER INFORMATION (If Applicable)**
**Joint Account Holder**

Relationship to Principal Account Holder \_\_\_\_\_

Name (as in NRIC / Passport / Other ID) ☐ Mr ☐ Mrs ☐ Dr ☐ Ms ☐ Mdm

New NRIC Number

Old NRIC / Passport / Others

Date of Birth (ddmmyyyy)




Telephone Number

Mobile Telephone Number

Facsimile Number




Email Address

Marital Status:

Gender:

Nationality:

Religion:

Race:

☐ Single

☐ Male

☐ Malaysian

☐ Islam

☐ Malay

☐ Indian

☐ Married

☐ Female

☐ Other \_\_\_\_\_

☐ Other \_\_\_\_\_

☐ Chinese

☐ Other \_\_\_\_\_

**Signature Conditions:** ☐ Either Principal or Joint Account Owner Can Sign ☐ Principal Account Holder Must Sign ☐ All Account Holders Must Sign

**PART C****CORPORATE ACCOUNT HOLDER INFORMATION**

Name of Corporation / Trust / Co-operative / Foundation (as in Certificate of Incorporation)

Company / Business Registration Number (as in Certificate of Incorporation)

Date of Incorporation (ddmmyyyy)

Principal Business Activities

Place of Incorporation:

☐ Within Malaysia☐ Outside Malaysia

Corporate Status:

☐ Bumiputera Controlled☐ Non-Bumiputera Controlled☐ Non-Malaysian Controlled

Correspondence Address

Town / City / State

Country

Postal Code

Telephone Number

Mobile Telephone Number

Primary Contact Person

Designation

Primary Contact Person Telephone Number

Email Address

Secondary Contact Person (if applicable)

Designation

Secondary Contact Person Telephone Number

Email Address

**Type of Entity**☐ Financial Institution <sup>(1)</sup>☐ Trust <sup>(2)</sup>☐ Listed Company

Trading Name/Stock Code \_\_\_\_\_

Exchange Name \_\_\_\_\_

☐ Non-Listed Company. Does any US Person/Entity <sup>(3)</sup> directly or indirectly own more than 10% of the organization?☐ Yes (Please provide FATCA forms)\* ☐ No☐ Others \_\_\_\_\_**Source of Funds**☐ Disposal of non-core business asset/investments☐ Fundraising exercise such as rights issue☐ Cash in hand/surplus fund/working capital

- (1) Financial institution refers to any organisation that holds a banking, securities, and/or life insurance license. Example of financial institutions include banks, life insurers, custodians, asset managers, and investment funds.
- (2) Trust refers to any legal arrangement or structure that holds and controls asset(s) for the benefit of others (i.e., an individual or company that is not the trust or trustee).
- (3) U.S. Person is indicated by the following U.S. Indicia Status:
- a) a U.S. citizen or resident (including green card holder);
  - b) U.S. is your country birth;
  - c) currently holds a U.S. residence address or mailing address (including a U.S. post office box);
  - d) currently assign power or attorney or signatory authority to a person within the U.S.; OR
  - e) currently have a 'hold mail' or 'in care of' address as your sole address.

**PART D****FATCA & CRS SELF-CERTIFICATION**

Please note that nothing on this form is intended to constitute a tax advice. Please seek independent tax advice for more information on the appropriate tax advice to be provided.

**SECTION A – FATCA SELF-CERTIFICATION**

Please select one option

☐ I am a U.S. Person\*

(Please provide **IRS W-9 form**)

☐ I am Non-U.S. Person

(For Individual, please provide **IRS W-8BEN form**)

(For Entity, please provide **IRS W-8BEN-E form**)

\* U.S. Person is indicated by the following U.S. Indicia Status:

- (a) a U.S. citizen or resident (including green card holder);
- (b) U.S. is your country birth;
- (c) currently holds a U.S. residence address or mailing address (including a U.S. post office box);
- (d) currently assign power or attorney or signatory authority to a person within the U.S.; **OR**
- (e) currently have a 'hold mail' or 'in care of' address as your sole address.

**SECTION B – CRS SELF-CERTIFICATION** (only for Non-U.S. Person)

Please select one option

☐ I am a Tax Resident in Malaysia

☐ I am a tax resident in the following countries:

**Note: Please indicate if you have more than one country/jurisdiction**

	Country/Jurisdiction of Tax Residence	Tax Identification Number (TIN)	If no TIN available, please indicate Reason A, B or C
1.	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please complete the above table. If a TIN is unavailable, please provide the appropriate reason **A**, **B**, or **C** where indicated below:

**Reason A:** The country/jurisdiction where the Account Holder is resident does not issue TINs to its residents

**Reason B:** The Account Holder is otherwise unable to obtain a TIN or equivalent number  
(Please explain why you are unable to obtain a TIN in the above table if you have selected this reason)

**Reason C:** No TIN is required.  
(Note. Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction)

**PART E****INVESTMENT / DISTRIBUTION INSTRUCTION**

I/We wish to invest in the above fund upon the condition of the latest Prospectus and the Supplementary Prospectus (if any) issued together with this Application Form which I/We have read, on becoming a unitholder, I/We agree to be bound by the Provisions of the Deed relating to the fund.

Investment Amount		Mode of Payment		Income Distribution Instruction (if any)	
USD _____		<input type="checkbox"/> Cheque / Bank Draft <input type="checkbox"/> Debit Account / TT / Bank Transfer		<input type="checkbox"/> Reinvest <input type="checkbox"/> Pay by Cheque	
Telegraphic Transfer to		Intermediary Bank Information			
Beneficiary's A/C Name:	Saturna Sdn Bhd-Client Trust A/C (Resident)	Name of Bank:	Standard Chartered Bank, New York		
Beneficiary's A/C No:	312194-154228	Swift Address:	SCBLUS33XXX		
Beneficiary's A/C Name:	Saturna Sdn Bhd-Client Trust A/C (Non-Resident)	A/C No With Intermediary Bank:	3582088502001		
Beneficiary's A/C No:	312193-622031				
Name of Bank:	Standard Chartered Saadiq Berhad				
Address:	Level 23, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur				
Swift Address:	SCBLMYKXXX				

**PART F****DECLARATIONS AND SIGNATURES**

I/We hereby declare that the above information given by me/us are true and accurate and that I/We have not been declared a bankrupt person/s and that the funds invested herein does not contravene the laws of Malaysia including the Anti-Money Laundering and Anti-Terrorism Financing Act 2001. I/We acknowledge that I/We are aware that there are fees and charges that I/We will incur directly or indirectly when investing in the fund.

I/We have read and fully understood the notes and the terms and conditions in this Form and the latest Prospectus, the Supplementary Prospectus (if any) and the investment services rendered (including any amendments as may be in force from time to time).

_____ Principal Account Holder Signature	_____ Authorised Signatory(ies) of Corporate Applicant	Corporate Applicant Common Seal / Company Stamp <div style="border: 1px solid black; height: 150px; width: 100%;"></div>
_____ First Joint Account Holder Signature	Name: _____ Designation: _____	
_____ Second Joint Account Holder Signature	Authorised Signatory(ies) of Corporate Applicant	
_____ Date: _____	Name: _____ Designation: _____	

**FOR IUTA DISTRIBUTION ONLY**

IUTA Name / Distributor Code \_\_\_\_\_  
 UTC Name \_\_\_\_\_ UTC No. \_\_\_\_\_  
 Category of Investor: ☐ Retail ☐ Institutional  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR SATURNA USE ONLY**

Received by \_\_\_\_\_  
 Date \_\_\_\_\_  
 Category of Investor ☐ Retail ☐ Institutional  
 Verified by \_\_\_\_\_ Date \_\_\_\_\_



## PLEASE READ THESE NOTES BEFORE COMPLETING THE APPLICATION FORM

1. **AUTHORISED PERSON TO SELL**  
Please check that the Unit Trust Consultant (UTC) servicing you has a valid authorisation and registration card.
2. **PRINCIPAL APPLICANT**
  - (a) Principal applicant must be an individual of 18 years old and above.
  - (b) Applicant must sign on this application form and enclose a photocopy of his/her NRIC, Passport, or Other ID.
  - (c) For the applicant below 18 years old, opening an account must be joined together with the principal applicant.
3. **JOINT APPLICANT(S)**
  - (a) A joint holder(s) of units, who is/are 18 years of age and above, both or all parties must sign the Application Form. In the case of death of one or both holder(s) of units, the survivor will be the person recognised by the Manager and the Trustee as having any title or interest in such units, except where the units are pledged as collateral to the financial/other institution.
  - (b) A joint holder of units who is below 18 years of age, a photocopy of his/her NRIC, Passport, Birth Certificate, or Other ID is required. In the case of death of the principal unitholder, before the minor attains the age of 18, the estate of the principal unitholder will be recognised by the Manager and the Trustee as having title to or interest in such units except where the units are pledged as collateral to the financial/other institution.
  - (c) For joint holders accounts, all correspondences and payments relating to the units will be sent only to the principal account holder.
  - (d) In the absence of written explicit instructions, Joint Applicant(s) acknowledge that instructions must be given by both of them.
4. **CORPORATE APPLICANT**
  - (a) For a corporate applicant, please fill in the Name of Corporation, Trust, Co-Operative or Foundation, the Company/Business Registration Number as in Certificate of Incorporation and Correspondence Address in full.
  - (b) Enclose a certified copy of Business Registration Certificate (Form 9 & 13), Memorandum & Articles of Association, Form 24, Form 44, Form 49, Board of Directors' Resolution approving investing in Saturna's fund, list of authorised signatories with specimen signatures and latest audited account.
  - (c) The application must be signed by the Authorised Signatory(ies) whose name and designation must be stated. The Company's Common Seal or the Company's Rubber Stamp must be affixed where applicable. If signed under a Power of Attorney, the Attorney should confirm that he/she has notice of revocation of power.
5. **PAYMENT OF INVESTMENT**
  - (a) Payment for investment may be made at our office or any of our IUTA/other distribution branches nearest to you. Payment for investment can be in the form of Cheques, Bank Drafts, Debit Account, Telegraphic Transfer (TT) or Bank Transfer. Payment in the form of Cash will not be accepted.
  - (b) All payments must be accompanied by the proof of payment and application form. Payments by Cheque/Bank Draft must be made out in favour of 'Saturna Sdn Bhd-Client Trust A/C (Fund)' and crossed 'Account Payee Only'.
  - (c) The purchase of units will be based on the NAV per unit determined at the close of the business day and published the following day in our website and newspaper.
  - (d) Units will be credited upon receiving of cheques or bank draft based on NAV per unit and initial sales charge (if any). Please refer to the Prospectus/Supplementary Prospectus (if any) for more information.
  - (e) Initial and subsequent investment must be for a minimum amount stated in the latest Prospectus/Supplementary Prospectus (if any).
6. **STATEMENT**
  - (a) A statement will be issued upon receipt and acceptance of the application by the Manager.
  - (b) In the case of joint holders account, all correspondence and payments relating to the Units will be sent to the principal account holder. Statement will be sent by post at Investor's own risk.
7. **REPURCHASE/REDEMPTION OF UNITS**
  - (a) The registered unitholder may sell all or part of the units by completing and signing the Form of Request to Repurchase.
  - (b) The repurchase price shall be based on the NAV per unit determined at the close of the business day on which the completed and valid repurchase request is received by the Manager or any IUTA/other distribution branches.
8. **COOLING-OFF RIGHT**  
The right is only given to an investor who is investing in the Saturna family of funds/class of fund for the first time, save and except for a corporation or institution, a staff of that management company, and a person registered with a body approved by the SC to deal in unit trusts.
9. **COOLING-OFF PERIOD**  
The cooling-off period of any of the Saturna family of funds/class of fund is within six(6) business days commencing from the date of purchase (i.e., the date on which the Manager receives the application form and the investment amount).
10. **INCOME DISTRIBUTIONS/INSTRUCTIONS**
  - (a) The income from the investment will either be distributed to the registered unitholder's account in the form of units or paid by cheque.
  - (b) The Manager reserves the right to reinvest the distribution for additional units on behalf of unitholder in accordance with the deed of the respective funds/class of fund.
11. **ANTI-MONEY LAUNDERING STATEMENTS**
  - (a) The customer is the underlying principal of the account (where applicable);
    - No person other than the customer shall have any interest in the account (where applicable); and all monies paid to the Manager from time to time shall come from a legitimate (and not an illegal) source; and
    - The customer agrees to provide all information and documents to verify the customer's identity and also to do all acts whatsoever to assist/enable the Manager to comply with all relevant laws, regulations and rules with regards to Anti-Money Laundering and Anti-Terrorism Financing Act 2001.
    - The customer agrees that the Manager shall not be liable for any reason whatsoever and agrees to indemnify the Manager for any losses whatsoever as a result or in connection with any delay or failure to process any application or transaction if such information or documents requested by the Manager have not been promptly provided by the customer to the Manager.
    - The Manager reserves the right to terminate all relationship(s) with the customer if any documents requested by the Manager are not received and/or if the customer is found to have violated and/or not in compliance with any laws, regulations and rules on Anti-Money Laundering and Anti-Terrorism Financing Act 2001.
  - (b) In the event of termination, units will be redeemed and the repurchase price shall be based on the NAV per unit determined at the close of the business day.
12. **PERSONAL DATA PROTECTION ACT 2010**
  - (a) In line with the enforcement of the Personal Data Protection Act 2010, Saturna as a data user shall ensure that the privacy of customers' personal data which have been disclosed or presently being maintained by Saturna ("Personal Data") is protected and safeguarded. Saturna is allowed to collect, store, process and use my Personal Data in accordance with the Privacy Policy set out in the website [www.saturna.com.my](http://www.saturna.com.my) and disclose and share my Personal Data among group of companies, authorised agents and distributors and service providers (who have agreed to keep all personal information confidential) for purposes of providing the products and services of Saturna or any other related services and purposes. Provision of Personal Data is mandatory. If the applicant does not allow their Personal data to be used for the purposes as stated above, the application to subscribe to Saturna products and services will be cancelled.
  - (b) The applicant has the right to access, update, or make correction to his/her/its Personal Data. The applicant can also restrict and limit the processing of his/her/its Personal Data to be used for any marketing purpose or to be contacted by Saturna or any other agents or distributors for any sales and promotional activities, by informing Saturna in writing or via email to [info@saturna.com.my](mailto:info@saturna.com.my).

**PLEASE READ THESE NOTES BEFORE COMPLETING THE APPLICATION FORM** *(continued)*

**13. RIGHTS OF MANAGER**

- (a) The Manager reserves the right to accept or reject any application in whole or in part thereof without assigning any reason which is not completed in full and supported by the requested documents and payments.
- (b) All notices and other communications sent by or to the applicant shall be sent at the risk of the applicant. Unless due to willful default or negligence of the Manager, the Manager shall not be responsible for any inaccuracy, interruption, error, delay, or failure in transmission or delivery of any notices via whatever means, or for any equipment failure or malfunction. The Manager shall not be liable for any direct or indirect consequential losses arising from the foregoing.
- (c) The information that you have provided shall be used strictly for our own purpose and shall not be shared with any other parties unless as required by law.

**14. FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") AND COMMON REPORTING STANDARD ("CRS") SELF-CERTIFICATION**

- (a) In compliance with the tax authorities in Malaysia, the Manager is obliged to comply with the FATCA and CRS under the requirements of the U.S. Inland Revenue Service ("IRS") and Organisation for Economic Cooperation and Development ("OECD") respectively. As such, the Manager is obliged to collect certain information about each investor's tax arrangement. Please complete the sections below and provide any document that is requested. The Manager may be legally required to share this information and other financial information with Lembaga Hasil Dalam Negeri ("LHDN"), who in turn may share the information with relevant tax authorities of other countries where you are a tax resident.
- (b) If you have any questions on how to define your US indicia or tax residency status, please consult your tax adviser or visit the IRS FATCA website (<https://www.irs.gov/businesses/corporations/foreign-account-tax-compliance-act-fatca>) or OECD automatic exchange of information portal at (<https://www.oecd.org/tax/automatic-exchange/>). The Manager does not provide tax advice.
- (c) If any of the information provided changes or becomes incorrect due to change in circumstances, please advise of these changes within 30 days from such changes with the supporting documents, as applicable.
- (d) For joint account holders, each investor is required to complete this form. A legal guardian should complete the form on behalf of an account holder who is a minor.

15. By signing the application form, I/we hereby consent that the information provided herein and any other information relating to my/our account/s from time to time may be disclosed by the Manager or its affiliates or authorised agents to the United States IRS and/or such other tax or other government authority of any country, in order to enable the Manager to comply with its obligations as described in clause 15 above.

Thank you for reading this note. For further information please contact or write to the Manager.

Saturna Sdn Bhd  
Suite 5-03, 5<sup>th</sup> Floor  
Menara Atlan  
161B, Jalan Ampang  
50450 Kuala Lumpur

Tel: +603 2164 5303  
Fax: +603 2164 5308  
Website: [www.saturna.com.my](http://www.saturna.com.my)  
E-mail: [info@saturna.com.my](mailto:info@saturna.com.my)

**UNIT TRUST LOAN FINANCING RISK DISCLOSURE STATEMENT**

You should assess if loan financing is suitable for you in light of your objectives, attitudes to risk, and financial circumstances. You should be aware of the risks, which would include the following:

- 1. The higher the margin of financing (that is, the amount of money you borrow for every ringgit of your own money that you put in as deposit or down payment), the greater the potential for losses as well as gains.
- 2. You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
- 3. If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral or pay additional amounts on top of your normal installments. If you fail to comply within the time prescribed, your units may be sold to settle your loan.
- 4. Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

The brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take a loan. If you are in doubt with respect to any aspect of the Risk Disclosure Statement or the terms of the loan financing, you should consult the institution offering the loan.

**Investing in a unit trust fund with borrowed money is more risky than investing with your own savings.**

**ACKNOWLEDGEMENT OF RECEIPT OF RISK DISCLOSURE STATEMENT**

I acknowledge that I have received a copy of this Unit Trust Loan Financing Risk Disclosure Statement and understand its contents.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Full Name (Please Print)

\_\_\_\_\_  
Date