

HWANG PRS

Your Trusted Retirement Expert

DISCLOSURE DOCUMENT

Date: 31 October 2012

RELATING TO THE FOLLOWING FUNDS:

HWANG PRS GROWTH FUND

HWANG PRS MODERATE FUND

HWANG PRS CONSERVATIVE FUND

HWANG AII MAN PRS SHARIAH GROWTH FUND

Trustee(s):

CIMB Commerce Trustee Berhad (313031-A)
(formerly known as BHLB Trustee Berhad)

Manager:

Hwang Investment Management Berhad (429786-T)
(formerly known as HwangDBS Investment Management Berhad)

PROSPECTIVE INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE DISCLOSURE DOCUMENT. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE THE "RISK FACTORS" COMMENCING ON PAGES 18.

Responsibility Statement

This Disclosure Document has been reviewed and approved by the directors of Hwang Investment Management Berhad (*formerly known as HwangDBS Investment Management Berhad*) and they collectively and individually accept full responsibility for the accuracy of the information contained in this Disclosure Document. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Disclosure Document false or misleading.

Statement of Disclaimer

The Securities Commission Malaysia has approved the Scheme and authorised the Funds under the Scheme, and a copy of this Disclosure Document has been registered with the Securities Commission Malaysia.

The approval and authorization, as well as the registration of this Disclosure Document should not be taken to indicate that the Securities Commission Malaysia recommends the Scheme or the Funds under the Scheme or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Disclosure Document.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Hwang Investment Management Berhad (*formerly known as HwangDBS Investment Management Berhad*), the private retirement scheme provider responsible for the Scheme and the Funds under the Scheme, and takes no responsibility for the contents in this Disclosure Document. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Disclosure Document, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Prospective members should rely on their own evaluation to assess the merits and risks of the investment. In considering the investment, prospective members who are in doubt on the action to be taken should consult professional advisers immediately.

Additional Statement

Members are advised to note that recourse for false or misleading statements or acts made in connection with this Disclosure Document is directly available through section 92A(3) of the *Capital Markets and Services Act 2007*.

The Hwang AIIIMAN PRS Shariah Growth Fund has been certified as being Shariah-compliant by the Shariah Adviser appointed for the Fund.

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1. CORPORATE DIRECTORY

The Provider

Hwang Investment Management Berhad (429786-T) (formerly known as HwangDBS Investment Management Berhad)

Registered Office

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10200 Penang
Tel No. : (604) 263 6996
Fax No. : (604) 263 9597

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203 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel No. : (603) 2116 6000
Fax No. : (603) 2116 6100
Toll free line : 1-800-88-7080
E-mail : customercare@hwangim.com
Website : www.hwangim.com

Board of Directors of the PRS Provider

- Mr Hwang Lip Teik
- Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar
- Mr Teng Chee Wai
- Mr Blair Chilton Pickerell
- Y.A.M. Tengku Syed Badarudin Jamalullail (Independent Director)
- Mr. Ong Eng Kooi (Independent Director)
- Ms Seet Oon Hui Eleanor (Alternate Director to Mr Blair Chilton Pickerell)

Investment Committee Members

- Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar
- Y.A.M. Tengku Syed Badarudin Jamalullail (Independent member)
- Dr Neoh Soon Kean (Independent member)
- Mr Wong Ming Tek
- Mr Goh Yin Foo

Audit Committee Members

- Mr Ong Eng Kooi (Chairman/Independent member)
- Y.A.M. Tengku Syed Badarudin Jamalullail (Independent member)
- Dato' Seri Hwang Sing Lue (Non-independent member)
- Mohamed Tarmizi Tun Dr. Ismail (Independent member)
- Hwang Lip Teik (Non-independent member)

Risk Management Committee Members

- Mr Hwang Lip Teik
- Mr Ong Eng Kooi
- Mr Blair Chilton Pickerell

Company Secretaries

Ms Tan Lee Peng (LS 0000882)
Ms Mah Yee Wan (MAICSA 7042003)
Ms Ooi Hui Ling (MAICSA 7045592)
Level 8, Wisma Sri Pinang
60 Green Hall
10200 Penang.

The Scheme Trustee & The Provider's Delegate

(fund valuation & accounting function)

CIMB Commerce Trustee Berhad (313031-A)

(formerly known as BHLB Trustee Berhad)

Registered Office

5th Floor, Bangunan CIMB
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel No. : (603) 2084 8888
Fax No. : (603) 2093 9688

Business Address

7th Floor, Wisma Amanah Raya Berhad
Jalan Semantan, Damansara Heights
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Tel No. : (603) 2084 8888
Fax No. : (603) 2095 5473

The Scheme Trustee's Delegate (Custody Services)

CIMB Group Nominees (Tempatan) Sdn Bhd

Registered Address

5th Floor, Bangunan CIMB
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel No. : (603) 2084 8888
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7th Floor, Wisma Amanah Raya Berhad
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel No. : (603) 2084 8888
Fax No. : (603) 2093 3720

Agents

Registered PRS consultants and other approved Institutional PRS Advisers (as and when appointed) of the Provider

The Shariah Adviser

Amanie Advisors Sdn Bhd
(684050-H)
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Menara Ambank
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Tel No. : (603) 2164 1651
Fax No. : (603) 2164 1644

Auditor

PricewaterhouseCoopers
Level 10, 1 Sentral
Jalan Travers, KL Sentral
P.O. Box 10192
50706 Kuala Lumpur

Solicitors

Messrs. Raja, Darryl & Loh
18th Floor, Wisma Sime Darby
Jalan Raja Laut
50350 Kuala Lumpur

Tax Adviser

Deloitte KassimChan Tax Services
Sdn. Bhd.
Level 16, Uptown 1
1, Jalan SS 21/58
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47400 Petaling Jaya

Banker

HSBC Bank (M) Berhad
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50100 Kuala Lumpur.

FiMM

Federation of Investment
Managers Malaysia
19-07-3, 7th Floor, PNB
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2. GLOSSARY

<p>Act or CMSA means the Capital Markets and Services Act 2007 as may be amended from time to time.</p> <p>Assets of the Fund means investments of the Fund (whether in the form of securities, derivatives, property or any other kind of assets) and all amounts belonging or due to the Fund</p> <p>Board means the Board of Directors of the Provider.</p> <p>Bursa Malaysia means the stock exchange managed and operated by the Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time.</p> <p>Business Day means a day on which the Bursa Malaysia is open for trading and this information can be obtained from the Bursa Malaysia’s website at www.bursamalaysia.com.</p> <p>Commencement Date means the date on which sale of Units of the Funds of the Scheme is first made.</p> <p>Cooling – Off Period means within six (6) Business Days of the date of receipt of the application by the Provider.</p> <p>Cooling – off Right means the right given to an individual who makes a contribution in a private retirement scheme for the first time. Once an individual is a member of a private retirement scheme and has exercised his cooling-off right, the cooling-off right is not available for contributions in other private retirement schemes. This right is not applicable to a staff of that private retirement scheme provider and a person registered with a body approved by the SC to deal in private retirement schemes.</p> <p>Core Fund(s) refers to the Hwang PRS Growth Fund, the Hwang PRS Moderate Fund and the Hwang PRS Conservative Fund.</p> <p>Default Option means Core Funds that will be selected automatically for a Member who does not specify his or her fund option upon participating in the Scheme.</p> <p>Debenture includes debenture stock, bonds, notes and any other evidence of indebtedness of a corporation for borrowed moneys, whether or not constituting a charge on the assets of the corporation.</p>	<p>Deed refers to the Deed dated 25 October 2012 entered into between the Provider and the Scheme Trustee and includes any subsequent amendments and variations to the Deed.</p> <p>Disclosure Document refers to this Disclosure Document and includes any supplementary or replacement Disclosure Document, as the case may be.</p> <p>FiMM means the Federation of Investment Managers Malaysia.</p> <p>Forward Pricing means the price of Units (which is the NAV per Unit) calculated as at the next valuation point after an instruction or a request is received.</p> <p>Funds means the following Funds:-</p> <p>Hwang PRS Growth Fund Hwang PRS Moderate Fund Hwang PRS Conservative Fund Hwang AIIIMAN PRS Shariah Growth Fund</p> <p>and “Fund” where the context appears, shall refer to any one of them.</p> <p>Guidelines means the Guidelines on Private Retirement Schemes issued by the SC and as may be amended, substituted or replaced from time to time.</p> <p>Institutional PRS Adviser means an institutional PRS advisers registered with FiMM in accordance with the Guidelines on Registration of PRS Distributors and Consultants to market and distribute private retirement schemes.</p> <p>Latest Practicable Date (LPD) means 1 October 2012 and is the latest practicable date for the purposes of ascertaining certain information in this Disclosure Document.</p> <p>Long term means a period of more than five (5) years.</p> <p>Medium term means a period of between three (3) to five (5) years.</p> <p>Member means an individual who has a private pension account and holds Units in any one or more Funds of the Scheme.</p>
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<p>NAV per Unit means the Net Asset Value of a Fund at a particular valuation point divided by the total number of Units in circulation at the same valuation point.</p> <p>Net Asset Value/ NAV of the Fund means the value of all the assets of a Fund less the value of all the liabilities of that Fund at the valuation point; solely for the purpose of computing the annual management fee, annual trustee fee and annual PPA administration fee, the NAV of the Fund is inclusive of the management fee, the trustee fee and the PPA administration fee for the relevant day.</p> <p>Non-core Fund refers to Hwang AIIIMAN PRS Shariah Growth Fund.</p> <p>PPA Account Opening Fee means the one-off fee charged by the PPA and payable by the Members when opening a private pension account.</p> <p>PPA Annual Fee means the fee charged by the PPA on an annual basis and payable by the Members of the Scheme.</p> <p>PPA Pre-retirement Withdrawal Fee means the fee charged by the PPA upon withdrawal of accrued benefits from the Scheme, and to be deducted from the withdrawal amount.</p> <p>the Provider / PRS Provider / HwangIM refers to Hwang Investment Management Berhad (formerly known as HwangDBS Investment Management Berhad).</p> <p>private pension account means an account opened and maintained by the PPA through the Provider for a Member.</p> <p>Private Pension Administrator / PPA means a person who is approved under section 139C of the CMSA to perform the function of record keeping, administration and customer service for Members and contributors in relation to contributions made in respect of a private retirement scheme and such other duties and functions as may be specified by the SC.</p>	<p>private retirement scheme / PRS means a retirement scheme governed by a trust, offered or provided to the public for the sole purpose, or having the effect, of building up long term savings for retirement for members where the amount of the benefits is to be determined solely by reference to the contributions made to the scheme and any declared income, gains and losses in respect of such contributions but does not include—</p> <p>(a) any pension fund approved under section 150 of the Income Tax Act 1967; or</p> <p>(b) any retirement scheme or retirement fund established or provided by the federal government, state government or any statutory body established by an Act of Parliament or a state law.</p> <p>RAM refers to RAM Rating Services Berhad.</p> <p>Redemption Charge means a charge imposed by the Provider pursuant to a request for redemption of Units of the Fund.</p> <p>Redemption Price means the price payable to a Member for a Unit in the Fund pursuant to a withdrawal request and it shall be exclusive of any Redemption Charge.</p> <p>Repo means a repurchase agreement or sale and repurchase agreement relating to the money market instruments.</p> <p>Retirement Age in relation to any Member, means the age of fifty-five (55) years or, where there is any written law applicable to the Member stipulating an age of compulsory retirement, the age of compulsory retirement as stipulated by that written law.</p> <p>SC means the Securities Commission of Malaysia established under the Securities Commission Act 1993.</p> <p>Sales Charge means a charge imposed by the Provider pursuant to a subscription request.</p>
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<p>the Scheme refers to the Hwang Private Retirement Scheme.</p> <p>the Scheme Trustee refers to CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad).</p> <p>Selling Price means the price payable by a Member for a Unit pursuant to a subscription request and it shall be exclusive of any Sales Charge.</p> <p>Shariah Adviser / Amanie refers to Amanie Advisors Sdn. Bhd.</p> <p>Shariah means the principles of Islamic law which are embodied in the Qur'an, Sunnah of the Prophet Muhammad as well as the interpretations of the Muslim jurists.</p> <p>Shariah requirements means a phrase or expression which generally means making sure that any human conduct must not involve any prohibition and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions as required by the Shariah for that element.</p> <p>Short-term means a period of less than 3 years.</p> <p>Special Resolution means a resolution passed at a meeting of Members duly convened in accordance with the Deed by a majority of not less than three-fourths of the Members present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths of the Members present and voting" means three-fourths of the votes cast by Members present and voting; for the purpose of winding-up a Non-core Fund of the Scheme, "Special Resolution" means a resolution passed at a meeting of Members duly convened in accordance with the Deed by a majority in number holding not less than three-fourths of the value of the votes cast by the Members present and voting at the meeting in person or by proxy;</p> <p>Sub-account A means the sub-account maintained by the Provider for every Member into which shall be placed 70% of the Units of each of the Funds purchased by the Member each time he purchases Units.</p> <p>Sub-account B means the sub-account maintained by the Provider for every Member into which shall be placed 30% of the Units of each of the Funds purchased by the Member each time he purchases Units.</p>	<p>Sukuk means a document or certificate, documenting the undivided pro-rated ownership of underlying assets. The <i>sak</i> (singular of <i>sukuk</i>) is freely traded at par, premium or discount. In Malaysia, the term <i>sukuk</i> is used for fixed income securities which comply with the Shariah requirements. It is normally used together with the Shariah contracts applied in the structure, such as "<i>bai bithaman ajil, murabahah and istisna</i>" for underlying transactions based on indebtedness or <i>musyarakah</i> and <i>mudharabah</i> for underlying transactions based on partnership.</p> <p>Unit or Units is an undivided share in the beneficial interest and/or right in a Fund of the Scheme and a measurement of the interest and/or right of a Member in the Fund and means a Unit of the Fund.</p> <p>Units in Circulation (UIC) means a Unit created and fully paid for and which has not been cancelled.</p>
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3. KEY DATA/INFORMATION SUMMARY

Name of Scheme:

HWANG PRIVATE RETIREMENT SCHEME

General Information of the Scheme:

The Scheme has been set up with the purpose of providing an avenue for Members to facilitate an accumulation of wealth for their retirement needs.

Brief Summary

The Funds under this Scheme have been carefully crafted out with the purpose of achieving long term optimum returns, through the Provider’s stringent investment process with the emphasis of meeting the individual Fund’s investment objective.

There will be four (4) Funds offered under the Hwang Private Retirement Scheme to cater for the diverse retirement needs of various Members. The details of the Funds are as follows:

- 1) Fund name : **Hwang PRS Growth Fund**
Fund category : Core (Growth)
- 2) Fund Name : **Hwang PRS Moderate Fund**
Fund category : Core (Moderate)
- 3) Fund Name : **Hwang PRS Conservative Fund**
Fund category : Core (Conservative)
- 4) Fund Name : **Hwang AIIAMAN PRS Shariah Growth Fund**
Fund category : Feeder (Equity)

The differences in the asset allocation among the Funds are based on the investment objective of each individual Fund.

Please refer to Section 5 and Section 6 below for detailed description of the operations of the Scheme.

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIAMAN PRS Shariah Growth Fund	
Fund Category	Core (Growth)	Core (Moderate)	Core (Conservative)	Feeder (Equity)	
Base Currency	Ringgit Malaysia				
Initial Offer Price	RM0.50 (fifty sen) only				
Initial Offer Period	A period of not more than 21 days from the Commencement Date of the Scheme.				
Financial Year End	31 July	31 July	31 July	31 July	
Investment Objective	To facilitate the accumulation of retirement savings [#] by Members for their retirement needs, the Fund aims to generate capital growth.	The Fund seeks income and capital growth from its investments to facilitate the accumulation of retirement savings [#] for Members’ retirement needs.	To provide Members with a Fund that preserves [#] capital for their retirement needs.	To facilitate the accumulation of Shariah-compliant retirement savings [#] by Members for their retirement needs, the Fund aims to generate capital growth through investments in a collective investment scheme	23-27

[#] The Fund is not a capital guaranteed nor a capital protected fund.

FUNDS INFORMATION									
Funds Name	CORE FUNDS						NON-CORE FUND	Page	
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund		Hwang PRS Conservative Fund		Hwang AIIMAN PRS Shariah Growth Fund			
							that invests primarily in Shariah-compliant equities.		
<p><i>Any material change to the investment objective of the Fund would require Members' approval. Please refer to Section 5.1 for further details.</i></p>									
Asset Allocation	Asset Type	% of NAV of the Fund	Asset Type	% of NAV of the Fund	Asset Type	% of NAV of the Fund	Asset Type	% of NAV of the Fund	23-27
	Equities and equity-linked instruments	Minimum of 0% to maximum of 70% of the NAV of the Fund	Equities and equity-linked instruments	Minimum of 0% to maximum of 60% of the NAV of the Fund	Equities and equity-linked instruments	Minimum of 0% to maximum of 20% of the NAV of the Fund	Shariah based collective investment scheme namely the Hwang AIIMAN Growth Fund	Minimum of 95% to maximum of 100% of the NAV of the Fund	
	Fixed income instruments	Minimum of 30% to maximum of 100% of the NAV of the Fund	Fixed income instruments	Minimum of 40% to maximum of 100% of the NAV of the Fund	Fixed income instruments (including money market instruments)	Minimum of 80% to maximum of 100% of the NAV of the Fund			
<p><i>Note: The Provider will maintain a minimum of 20% of the Fund's NAV in money market instruments at all times.</i></p>									
<p><i>The Provider will maintain a sufficient level of cash or cash equivalent for liquidity purposes.</i></p>									
Investment Strategy	To achieve the objective of generating capital growth, the Fund will invest in a portfolio of mixed assets. Because of the Fund's relatively aggressive nature, the Fund will be investing in a portfolio of growth biased equities to achieve capital		The Fund will be investing into a portfolio which will mainly consist of dividend paying equities and fixed income instruments to achieve income and capital growth. The Fund's portfolio may also include foreign equities exposure to		To provide Members with a Fund that facilitates preservation [#] of capital for their retirement needs, the Fund will be investing primarily in fixed income instruments (including money market instruments) such as bonds, private debt		To achieve the objective of generating capital growth, 95% to 100% of the Fund's NAV will be invested in a single collective investment scheme, namely the Hwang AIIMAN Growth Fund ("AGF") that invests primarily in Shariah-	23-28	

[#] The Fund is not a capital guaranteed nor a capital protected fund.

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIAMAN PRS Shariah Growth Fund	
	<p>growth. The Fund's exposure into the equity markets will be capped at a maximum of 70% of the Fund's NAV and it may include foreign exposure to increase the portfolio's investment opportunities.</p> <p>The Fund will also have a minimum of 30% of its NAV investing in both local and foreign fixed income instruments such as government bonds, treasury bills, private debt securities and other permitted investments as listed in Section 5.8 below. The Provider will mainly invest in fixed income instruments with a minimum of BBB- / P2 ratings by RAM or its equivalent. However, the Provider may also take on exposure in fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 30% of the Fund's NAV. The Provider will remain focused on a stringent credit selection</p>	<p>increase the portfolio's investment opportunities. The Fund's exposure into the equity markets will be capped at a maximum of 60% of the Fund's NAV.</p> <p>The Fund will also have a minimum of 40% of its NAV investing in both local and foreign fixed income instruments such as government bonds, treasury bills, private debt securities and other permitted investments as listed in Section 5.8 below. The Provider will invest in fixed income instruments with a minimum of BBB- / P2 ratings by RAM or its equivalent. However, the Provider may also take on exposure of fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings by RAM or its equivalent. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 30% of the Fund's NAV. The Provider will remain focused on a stringent credit selection process to reduce potential volatility and</p>	<p>securities, commercial papers and other permitted investments as listed under Section 5.8 below, which will be at a minimum of 80% of the Fund's NAV. The Provider will mainly focus on investments in fixed income instruments with a minimum of BBB- / P2 ratings by RAM or its equivalent. The Provider may also invest in fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings by RAM or its equivalent. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 5% of the Fund's NAV.</p> <p>To enhance returns, the Fund may be investing in dividend paying equities. Exposure in equities will be within the domestic equity market and will be capped at a maximum of 20% of the Fund's NAV.</p>	<p>compliant equities.</p>	

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIAMAN PRS Shariah Growth Fund	
	process to reduce potential volatility and credit default risk.	credit default risk.			
	Please refer to Section 5.1 for further details	Please refer to Section 5.2 for further details.	Please refer to Section 5.3 for further details.	Please refer to Section 5.4 for further details.	
Performance Benchmark	35% FTSE Bursa Malaysia Top 100 Index	30% FTSE Bursa Malaysia Top 100 Index	Maybank 12-month Fixed Deposit Rate	FTSE Bursa Malaysia Emas Shariah Index	23-27
	35% MSCI AC Asia ex Japan Index	30% Dow Jones / Asia Pacific Select Dividend 30 Index			
	30% Maybank 12-Month Fixed Deposit Rate	40% Maybank 12-Month Fixed Deposit Rate			
	Please note that the risk profile of the performance benchmark does not reflect that of the Fund.				
	<i>Please refer to Section 6.1 for further details</i>				
Member Profile	(i) Suitable for Members who: <ul style="list-style-type: none"> • seek potential capital growth; • are risk tolerant; (ii) If under the Default Option, you are in the age group of below forty (40) years old.	(i) Suitable for Members who: <ul style="list-style-type: none"> • seek potential capital growth; • have moderate risk tolerance; (ii) If under the Default Option, you are in the age group of between forty (40) to below fifty (50) years old.	(i) Suitable for Members who are generally conservative and risk averse;	Suitable for Members who: <ul style="list-style-type: none"> • seek potential capital growth; • are risk tolerant. (ii) If under the Default Option, you are in the age group of fifty (50) years old and above.	23-27
Specific Risks of Investing in the Core Funds and Non-core Fund	<ul style="list-style-type: none"> • Equity investment risk • Collective investment scheme risk • Currency risk * 	<ul style="list-style-type: none"> • Credit / default risk • Equity-linked instruments investment risk * • Country risk * 	<ul style="list-style-type: none"> • Interest rate risk • Counterparty risk* 	<ul style="list-style-type: none"> • Concentration risk • Fund manager risk 	20-21
	*Only applicable to Hwang PRS Growth Fund and Hwang PRS Moderate Fund.				

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIAMAN PRS Shariah Growth Fund	
Fees and Charges <i>The current fees and charges can be increased in accordance to our policy as stated in Section 10.4 of this Disclosure Document.</i> <i>You can also compare the fees and charges of other private retirement schemes by visiting the Private Pension Administrator's website at www.ppa.my.</i>					
The following describes the fees and charges that Members may <i>directly incur</i> when subscribing or redeeming Units of a Fund					
The following fees and charges are charged by the Provider of the Scheme				46	
Sales Charge	Not applicable				
Redemption Charge	Not applicable				
Switching Fee (between funds in this Scheme)	Not applicable				
Transfer Fee* (to another PRS provider)	RM25.00 for each transfer request to another private retirement scheme provider				
The following fees and charges are charged by the Private Pension Administrator					
PPA Account Opening Fee	RM 10.00 (one-off)				
PPA Annual Fee	RM 8.00 per annum (Please note that this fee is not payable by the Member for the year the Member's account is first opened and the year(s) where no contribution has been made)				
PPA Pre-Retirement Withdrawal Fee	RM25.00 for each withdrawal request				
PPA Transfer Fee* (to another PRS provider)	RM25.00 for each transfer request to another private retirement scheme provider				
The following describes the fees, charges and expenses that Members may <i>indirectly incur</i> when investing in a Fund.					
Annual Management Fee	Up to 1.8% per annum of the NAV of the Fund	Up to 1.5% per annum of the NAV of the Fund	Up to 1.3% per annum of the NAV of the Fund	Up to 1.8% per annum of the NAV of the Fund	46
Annual Trustee Fee	0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges, if any).				
PPA Administration Fee	0.04% per annum of the NAV of the Fund				

* You are advised that there will be a total charge of RM50.00 for each transfer request to another private retirement scheme provider.

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIMAN PRS Shariah Growth Fund	
Fund Expenses	<ul style="list-style-type: none"> • Commissions/fees paid to brokers/dealers in effecting dealings in the investments of the Funds; • (where the custodial function is delegated by the Scheme Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Funds; • Tax and other duties charged on the Fund by the government and other authorities; • Fee and other expenses properly incurred by the auditor appointed for the Funds; • Fees for the valuation of any investments of the Fund by independent valuers for the benefit of the Funds; • Cost incurred for the modification of the Deed of the Scheme and the Funds of the Scheme other than those for the benefit of the Provider or the Scheme Trustee, if any; • Cost incurred for any meeting of the Members other those convened by, or for the benefit of, the Provider or Scheme Trustee, if any; and • Other fees/expenses related to the Funds as permitted under the Deed. 				47
Transaction Details					
Minimum Initial Subscription	RM 100	RM 100	RM 100	RM 100	37
Minimum Additional Subscription	RM 50	RM 50	RM 50	RM 50	

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIIMAN PRS Shariah Growth Fund	
Circumstances of Withdrawal	<p>Members may request for withdrawals under the following circumstances:</p> <p>(a) After the day the Member reaches the Retirement Age, withdrawals may be made in part or in full;</p> <p>(b) Following the death of a Member, only full withdrawals may be made;</p> <p>(c) Prior to the Member reaching the Retirement Age, withdrawals from Sub-account B may be made in part or in full; or</p> <p>(d) Permanent departure of a Member from Malaysia, only full withdrawals may be made.</p> <p><u>Depending on the withdrawal circumstances, request may be submitted for payment in part or in full. Withdrawal request is subject to the following conditions:</u></p> <p>(1) Pre-retirement withdrawal can only be requested by a Member from any fund within a private retirement scheme after one year from the first contribution to that private retirement scheme;</p> <p>(2) The pre-retirement withdrawal can only be requested by a Member (from one or multiple private retirement schemes) via one application to the PPA once every calendar year; and</p> <p>(3) The following requests by a Member are not considered as withdrawal from the Scheme:</p> <p>(i) The exercise of any cooling-off right;</p> <p>(ii) Redemption of Units following a request by a Member to transfer the proceeds of such withdrawal to another private retirement scheme operated by another private retirement scheme provider; and</p> <p>(iii) Switching of Units of a Fund with the Units of any other Fund of the Scheme.</p>				38
Withdrawal Frequency and Minimum Units of Withdrawal	<p>Prior to Members reaching the Retirement Age, withdrawal may be requested by the Members (from one or multiple private retirement schemes) via one application to the PPA once every calendar year provided that no withdrawal can be made from a scheme where the individual has been a member of that scheme for less than a year.</p> <p>Note: The first request for a withdrawal from a private retirement scheme may only be made after one year has elapsed from the date of the first contribution to that private retirement scheme.</p> <p>There is no minimum number of Units for withdrawal request to be made.</p>				43
Period of Payment of Withdrawal Proceeds	<p>The Provider shall pay the proceeds of the withdrawal of Units as soon as possible, at most within 10 days from the date the withdrawal request is authorised by the PPA and provided that all documentations is complete and verified.</p> <p>Note: The Provider will deduct 8% tax penalty (or such other applicable tax penalty) which may be imposed by the Inland Revenue Board of Malaysia for pre-retirement withdrawal from Sub-Account B before making payment to the Member.</p>				43
Cooling-off Period	<p>Within six (6) Business Days of the date of receipt of the application by the Provider.</p> <p><i>Please refer to Section 7.4 for further details.</i></p>				43

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIMAN PRS Shariah Growth Fund	
Switching Facility	<p>Members are allowed to switch to another Fund within the Scheme at the prevailing Selling Price of the intended Fund.</p> <p><i>Please note that switching from Hwang AIIMAN PRS Shariah Growth Fund to a conventional fund is discouraged for Muslim Members.</i></p>				44
Transfer Facility	<p>Members are permitted to transfer their Units in the Funds under this Scheme to another private retirement scheme of another private retirement scheme provider <u>once</u> every calendar year provided no other transfer has been made by the Member from any other private retirement scheme provider in that calendar year, and such transfer will be subject to the authorisation of the PPA.</p> <p>Note: The first request for transfer may only be made after one year has elapsed from the date of the first contribution to any fund within a private retirement scheme, and subsequent requests can only be made once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for a transfer was made.</p>				44
Distribution Policy and Mode of Distribution	The Fund will endeavour to declare distribution* on an annual basis after the end of its first financial year, subject to the availability of income.	The Fund will endeavour to declare distribution* on a semi-annual basis after the end of its first financial year, subject to the availability of income.	The Fund will endeavour to declare distribution* on a semi-annual basis after the end of its first financial year, subject to the availability of income.	The Fund will endeavour to declare distribution* on an annual basis after the end of its first financial year, subject to the availability of income.	24-28
*All distributions will be automatically reinvested on behalf of the Members based on the NAV per Unit of the Fund(s), computed at the close of the second (2 nd) Business Day after the distribution declaration date.					
Other Information					
The Provider	Hwang Investment Management Berhad				58
Designated Fund Manager	David Ng Kong Cheong	David Ng Kong Cheong	David Ng Kong Cheong & Esther Teo Keet Ying	David Ng Kong Cheong	61
The Scheme Trustee	CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad)				66
The Shariah Adviser	-	-	-	Amanie Advisors Sdn. Bhd.	68
The Target Fund	-	-	-	Hwang AIIMAN Growth Fund ("AGF")	33
Fund Manager of the Target Fund	-	-	-	Hwang Investment Management Berhad	

FUNDS INFORMATION					
Funds Name	CORE FUNDS			NON-CORE FUND	Page
	Hwang PRS Growth Fund	Hwang PRS Moderate Fund	Hwang PRS Conservative Fund	Hwang AIIMAN PRS Shariah Growth Fund	
External Fund Manager of the Target Fund	-	-	-	Asian Islamic Investment Management Sdn. Bhd.	
Country of Origin of the Target Fund	-	-	-	Malaysia	
Regulator of the Target Fund	-	-	-	Securities Commission Malaysia	
Date of Establishment of the Target Fund	-	-	-	8 October 2002	
Fund Accounting and Valuation Agent	CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad)				63
Deed that govern the Fund(s)	Deed dated 25 October 2012				
<p>How do I make a complaint?</p> <p>(i) For internal dispute resolution, you may contact HwangIM’s Customer Service personnel at HwangIM’s office or at any location listed in Section 19 of this Disclosure Document during the stated office hours (9 a.m. – 6 p.m.). Alternatively, Members can email to customercare@hwangim.com.</p> <p>(ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Corporation (SIDREC) via phone at 03-2282 2280 or email to info@sidrec.com.my. Or, Members can refer to Section 11 of this Disclosure Document for alternate source of contacts.</p> <p>(iii) You can also direct your complaints to Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC, please contact the SC’s Investor Affairs & Complaints Department via phone to the Aduan Hotline at 03 – 6204 8999 or email to aduan@seccom.com.my. Or, Members can refer to Section 11 of this Disclosure Document for alternate source of contacts.</p>					56-57
<p>Who should I contact if I have questions or need additional information about my investment?</p> <p>You can seek assistance from the customer service personnel at HwangIM’s office or at any location listed in Section 19 of this Disclosure Document during the stated office hours (9 a.m. – 6 p.m.). Alternatively, you can communicate with us via its toll free number 1-800-88-7080 or email to customercare@hwangim.com.</p>					

There are fees and charges involved and potential Members are advised to consider the fees and charges before investing in the Funds under this Scheme.

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

4. RISK FACTORS

This section of the Disclosure Document provides you with information on the general risks involved when investing in the Funds under the Scheme and the specific risks associated with the securities/instruments that the Funds will be investing in.

4.1 GENERAL RISK

The general risks associated with investing in the **Core Funds** and **Non-core Fund** include:-

- (1) **Capital and returns not guaranteed risk** – Unlike fixed deposits which generally provide a guarantee on capital invested and carry a specific rate of return, the Funds do not provide a guarantee on capital contributed nor does it guarantee a fixed rate of return.
- (2) **Fund manager risk** – The performance of a Fund depends on the experience, expertise and ability of the Provider to generate returns. Lack of any of the above mentioned may adversely affect the performance of the Funds.
- (3) **Market risk** – Market risk arises because of factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. If the Fund is a feeder fund, it is also subject to the market risk of the target fund.
- (4) **Inflation risk** – Inflation risk is the risk of loss in the purchasing power of your contribution due to the general increase of consumer prices. Inflation erodes the nominal rate of your return giving you a lower real rate of return. Inflation is thus one of the major risks to you and results in uncertainty over the future value of contributions. Members are advised that the Funds are not constituted with the objective of matching the inflation rate of Malaysia or any other country. As the Funds have a specific objective as to what they seek to achieve, they do not take into account the rise or fall of inflation rates.
- (5) **Liquidity risk** – Liquidity risk refers to two scenarios. The first is where an investment cannot be sold due to the unavailability of a buyer for that investment. The second scenario exists where the investment, by its nature, is thinly traded. Liquidity risk will have the effect of causing the investment to be sold below its fair value.
- (6) **Risk associated with Default Option** – For Members who fail to exercise their right to select a Fund, their contribution will, by default, be invested into a Core Fund (i.e. Default Option) based on the age group the Members fall within (refer to Section 6.1 for details). As Members progress to the next age group, their current investments will be switched by default to the investments of the next age group. At the point of switching, the Unit price may be lower than the price Members paid when they contributed into the Fund, and as such Members may be faced with the likelihood of having to realise losses. However, Members should note that the Provider will notify them in writing one month before they reach the maximum age of a particular age group. As such, this risk can be avoided if Members elect to stay on with the particular Core Fund before their investments are switched.
- (7) **Risk of non-compliance** – The establishment of this Scheme follows rules set out in the Deed and the Guidelines. There is a risk that the Provider may not observe the rules whether intentionally or through inadvertence. Whilst not every non-observance to the rules governing the Funds will necessarily result in some losses to the Funds, you cannot discount the risk that losses may be suffered by the Funds if the non-observance of the rules is serious. This may occur, for instance, if the Provider decides to buy an instrument which is not permitted, whether intentionally or through inadvertence, and thereafter having to sell that instrument which may be at a loss to the Funds.
- (8) **Operational risk** – This risk refers to the possibility of a breakdown in the Provider's internal controls and policies. The breakdown may be a result of human error, system failure or may be fraud where employees of the Provider collude with one another. Whilst this risk may not necessarily cause monetary loss to the Funds, it will most certainly cause inconvenience to Members. The Provider will review its internal policies and system capability to mitigate instances of this risk. Additionally, the Provider maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Provider.

- (9) **Legal and regulatory risk** - The investments of the Fund would be exposed to changes in the laws and regulations in the countries the Fund is invested. These regulatory changes pose a risk to the Fund as it may materially impact the investments of the Fund. In an effort to manage and mitigate such risk, the Provider seeks to continuously keep abreast of regulatory developments (for example, by closely monitoring announcements on regulators' website and mainstream medias) in that country. The Provider may dispose its investments in that particular country should the regulatory changes adversely impact the Members' interest or diminish returns to the Fund. Apart from the aforesaid, the Scheme is also exposed to changes in the law and guidelines relating to private retirement schemes, which may amongst others, affect the Member's PRS account and/or his/her ability to access his/her balance in the account.

4.2 SPECIFIC RISKS FOR THE CORE FUNDS

- (1) **Equity investment risk** - The buying and selling of equities carry a number of risks, the most important being the volatility of the capital markets on which those securities are traded and the general insolvency risk associated with the issuers of equities. The value of an equity investment depends on its earnings potential, sound management, treatment of minority shareholders, as well as a myriad of other factors. Failure to achieve the expected earnings would result in declining investment value which in turn affects the performance of the Fund. The Provider will employ stringent stock selection criteria which would effectively filter its stock components to equities which can provide returns to the Fund. This risk can be mitigated by diversifying the Fund's portfolio.
- (2) **Credit/default risk** - This risk concerns the issuers of fixed income instruments (including money market instruments). The risk arises when the issuers of such instruments will not make timely payment of interest and principal upon maturity. If such defaults were to occur, the Fund will record significant losses with respect to the NAV and will also be forced to forfeit any coupon entitlements. In the event of any default in the payment of the interest and principal, the value of the Fund will be adversely affected. The management of credit risk is largely accounted for by the Provider's management of issuer-specific risk. This refers to the emphasis on credit analysis conducted to determine the issuer's or guarantor's ability to service promised payments.
- (3) **Interest rate risk** - Fixed income instruments (including money market instruments) are subject to interest rate fluctuations. Investments in fixed income instruments (including money market instruments) may be affected by unanticipated rise (or fall) in interest rates. This risk can largely be eliminated by holding the instruments until their maturity. The Fund also manages interest rate risk by considering each instrument's sensitivity to interest rate changes as measured by its duration. When interest rates are expected to increase, the Fund would then likely seek to switch to instruments with shorter duration that are less sensitive to interest rate changes
- (4) **Collective investment scheme risk** - This risk is associated with the Fund's investment in collective investment schemes (CIS) exposing the Fund to the inherent investment risks faced by the CIS. The Fund may also be exposed to liquidity risk which may arise from the inability of the CIS to meet redemption amounts, as well as the risk of not being aligned with the Fund's mandate in the event the CIS that the Fund is invested into breaches its' asset allocation limits. Therefore, should any of the risks faced by the CIS materialise, the performance of the Fund will be affected.
- (5) **Equity-linked instruments investment risk**
(only applicable to Hwang PRS Growth Fund and Hwang PRS Moderate Fund)
 Equity-linked instruments would include but are not limited to equity-linked notes and other equity-linked structured products. Investments in equity-linked instruments can provide the Fund exposure to underlying assets in certain countries which restrict foreign direct investment into its equity market. Equity-linked instruments referenced to underlying securities or indices, are subject to both counterparty risk and the inherent risk of the underlying investment.

The pricing of equity-linked instruments will depend on the growth and performance of the underlying equities (see also "Equity investment risk" above), which would consequentially affect the pricing of the equity-linked instruments. The NAV of the Fund may also be impacted by the valuation of the equity-linked instruments. Factors that may impact the valuation of the instruments will include, but are not to be limited to movement of the underlying asset, volatility of the underlying assets, interest rate levels, the correlation of the underlying assets, the implied future direction of the price of the underlying assets and other such factors. Any change in the aforesaid

factors would either positively or negatively impact the valuation of the instruments. If, in the opinion of the Provider, there is material adverse change to the pricing and valuation of the underlying equities, the Provider may consider unwinding the equity-linked instruments to mitigate potential losses that may arise.

(6) Counterparty risk

(only applicable to Hwang PRS Growth Fund and Hwang PRS Moderate Fund)

Counterparty risk concerns the Fund's investment in structured products that include, but are not limited to, equity-linked notes. Counterparty risk is prevalent as the potential returns derived from the Fund's investment in structured products are dependent on the ongoing ability and willingness of the counterparty i.e. a financial institution to fulfill their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/ or in connection with the counterparty may impair the operations and/or the performance of the Fund. However, stringent credit selection process of the counterparty of the structured products by the Provider prior to commencement of investments and monitoring mechanisms established by the Provider may potentially mitigate this risk. If, in the opinion of the Provider there is material adverse change to counterparty, the Provider may consider unwinding the counterparty's structured product to mitigate potential losses that may arise.

(7) Currency risk

(only applicable to Hwang PRS Growth Fund and Hwang PRS Moderate Fund)

Currency risk is also known as foreign exchange risk. It is a risk associated with investments denominated in foreign currencies. When the foreign currencies fluctuate unfavourably against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/losses. This will lead to a lower NAV of a Fund.

(8) Country risk

(only applicable to Hwang PRS Growth Fund and Hwang PRS Moderate Fund)

The foreign investment of a Fund may be affected by risks specific to the country which it invests. Such risks, which include changes in a country's economic fundamentals, social and political stability, currency movements and foreign investment policies, may have an impact on the prices of the Fund's investment in that country. Consequently, it may also affect the Fund's NAV.

4.3 SPECIFIC RISKS FOR THE NON-CORE FUNDS

- (1) Concentration risk** - This risk is associated with a feeder fund whereby the investments of such fund are concentrated into one collective investment scheme. The Fund's risk is increased as any adverse effect on the target fund as a whole, will affect the Fund.
- (2) Fund manager risk** – As the Fund will invest at least 90% of its NAV in the target fund, AGF, the performance of the Fund will depend on the experience, expertise and ability of the fund manager of AGF to generate returns. Lack of any of the above mentioned may adversely affect the performance of AGF which will jeopardize the investment of the Fund.

4.4 RISKS FOR THE TARGET FUND

4.4.1 The general risks associated with the securities/instruments of the target fund which Hwang AIIIMAN PRS Shairah Growth Fund will be investing into, i.e. Hwang AIIIMAN Growth Fund (AGF) include:-

- (i) **Market risk***
- (ii) **Fund manager risk***
- (iii) **Performance risk** - There is no guarantee in relation to the investment returns or on the distribution of income to unit holders. Please also refer to "Capital and returns not guaranteed risk" above.
- (iv) **Inflation risk***
- (v) **Liquidity risk***
- (vi) **Interest rate risk** - The level of interest rates has an impact on the value of investments and economic growth of a country. High interest rates dampen investments and aggregate demand leading to an economic slowdown. The interest rate is a general indicator that will have an impact to the management of AGF, regardless of whether it is a

Shariah-based fund or otherwise. It does not in any way suggest that AGF will invest in conventional financial instruments.

(vii) **Risk of non-compliance***

(viii) **Reclassification of Shariah status risk** - This risk refers to the risk that the currently held Shariah-compliant securities by AGF may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of Securities Commission Malaysia (SACSC) or the Shariah Adviser for AGF. If this occurs, then the value of AGF may be adversely affected as the investments will be disposed off at cost, discounting any unrealised gains prior to the sale. The Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Adviser.

* Please refer to Section 4.1 for details on each risk.

4.4.2 The specific risks associated with the securities/instruments of the target fund which Hwang AILMAN PRS Shairah Growth Fund will be investing into, i.e. Hwang AILMAN Growth Fund (AGF) include:-

(i) **Equity investment risk**

Please refer to section 4.2 (1) for details on the risk.

4.5 RISK MANAGEMENT

Risk management is an integral part of the Provider's investment management process and is essential in achieving consistent and superior performance in investment management. The Provider's *Risk Management Committee* ("the Committee") comprises at least three board members and is chaired by an independent director. The committee is authorised by the Board of Directors to oversee the Provider's activities in managing all areas of the business to ensure that the risk management process is in place and functioning. The Committee has tasked the Provider's *Risk Committee* (management level) to identify and evaluate risks as well as formulate internal control measures to mitigate the Funds' exposure to these risks within a clearly defined framework and is primarily responsible to ensure that the policies and procedures that have been implemented are reviewed on an on-going basis with periodic assessments.

The Provider has in place a system that is able to monitor the transactions to ensure compliance with the Funds' limits and restrictions. These limits are system-controlled and not manually tracked, thus reducing the probability of human error occurring in ensuring the Funds' limits and restrictions are adhered to. The Provider also undertakes stringent evaluation of movements in market prices and regularly monitors, reviews and reports to the investment committee to ensure that all the Funds' investment objectives are met. Regular portfolio reviews by senior members of the investment team further reduce the risk of implementation inconsistencies and Guidelines violations.

The Provider also employs a performance attribution system that enables the Provider to review the performance of the Funds to determine the key factors that have contributed and detracted from the Funds' performance. This system complements the Provider's overall risk management process as the system also provides standard risk analytics on the portfolio such as the Funds' standard deviation, tracking error and sharpe ratio. The data produced by the performance attribution system is reviewed regularly and at least on a monthly basis in meetings chaired by the CEO and participated by the portfolio managers and the performance evaluation team.

The Provider engages a stringent screening process by conducting fundamental analysis of economic, political and social factors to evaluate their likely effects on the performance of the markets and sectors. Regular meetings are held to discuss investment themes and portfolio decisions taken at the meetings are then implemented according to the investment guidelines which also take into account requirements for minimum portfolio diversification across individual investment holdings, sectors, geographies and asset classes (based on the respective portfolio's objective and strategy). The Provider also practises prudent liquidity management with the objective of ensuring that the Funds are able to meet its' short-term expenses.

5. HWANG PRIVATE RETIREMENT SCHEME

Hwang Private Retirement Scheme has been set up with the purpose of providing an avenue for Members to facilitate an accumulation of wealth for their retirement needs. The Scheme comprises 4 Funds which are divided into two (2) categories – core funds and non-core funds. The funds within this Scheme has been carefully crafted out with the purpose of achieving long term optimum returns, through the Provider’s stringent investment process with the emphasis of meeting the individual Fund’s investment objective. The four (4) Funds offered under this Scheme also cater for the diverse retirement needs of Members who may have varying risk profiles. The details of the Funds are as follows:

Core Funds

- 1) Hwang PRS Growth Fund
- 2) Hwang PRS Moderate Fund
- 3) Hwang PRS Conservative Fund

Non-Core Funds

- 4) Hwang ALLMAN PRS Shariah Growth Fund

To better understand the Funds we have on offer and assist you in making an informed investment decision, detailed information on each of the Funds are available in Section 5.1 below.

Information relating to making contributions into and withdrawals from the Scheme, as well as switching between Funds within the Scheme and transfers to other private retirement scheme providers are available in Section 6 of this Disclosure Document.

What are the benefits of contributing to the Scheme?

This Scheme provides an additional avenue to cater for your retirement needs and empowers you with the ability to decide on how your money is invested. Fees and charges of the Scheme are kept to a minimum to optimize your retirement savings[#], where you can invest and switch between Funds within this Scheme at no extra cost. Should you face an inability to decide on the type of fund to invest, by default, your contributions will be allocated into the relevant Core Fund that corresponds to your age group.

5.1 HWANG PRS GROWTH FUND

Investment Objective

To facilitate the accumulation of retirement savings[#] by Members for their retirement needs, the Fund aims to generate capital growth.

*Any **material** change to the investment objective of the Fund would require Members’ approval.*

Asset Allocation

The Fund’s asset allocation is as follows:

Equities and equity-linked instruments	Minimum 0% to maximum 70% of the NAV of the Fund
Fixed income instruments	Minimum 30% to maximum 100% of the NAV of the Fund

The Provider will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Investment Strategy

To achieve the objective of generating capital growth, the Fund will invest in a portfolio of mixed assets. Because of the Fund’s relatively aggressive nature, the Fund will be investing in a portfolio of growth biased equities to achieve capital

[#] The Fund is not a capital guaranteed nor a capital protected fund.

growth. The Fund's exposure into the equity markets will be capped at a maximum of 70% of the Fund's NAV and it may include foreign exposure to increase the portfolio's investment opportunities.

The Fund will also have a minimum of 30% of its NAV investing in both local and foreign fixed income instruments such as government bonds, treasury bills, private debt securities and other permitted investments as listed in Section 5.8 below. The Provider will mainly invest in fixed income instruments with a minimum of BBB- / P2 ratings by RAM or its equivalent. However, the Provider may also take on exposure in fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 30% of the Fund's NAV. The Provider will remain focused on a stringent credit selection process to reduce potential volatility and credit default risk.

The Fund's foreign exposure will be predominantly within the Asia ex Japan region, which includes but will not be limited to Taiwan, Thailand, Singapore, Hong Kong, China, Indonesia, Philippines, and South Korea.

Performance Benchmark

35% FTSE Bursa Malaysia Top 100 Index
35% MSCI AC Asia ex Japan Index
30% Maybank 12-Month Fixed Deposit Rate

As there is no direct index to track a similar strategy that the Fund intends to employ, a composite benchmark of the underlying exposures of the Fund has been chosen as the Fund's benchmark.

As an aggressively managed portfolio, the Provider will work towards maintaining 70% of the Fund's NAV in equities, with possible exposure into the Asian ex Japan region. As such, the portfolio's equity portion will be benchmarked against Malaysia's FTSE Bursa Malaysia Top 100 Index as well as the MSCI AC Asia ex Japan Index in equal weighting. The Fund's fixed income investments will be benchmarked against the Maybank 12-month Fixed Deposit Rate.

Please note that the risk profile of the Performance Benchmark does not reflect that of the Fund.

Source:

FTSE Bursa Malaysia Top 100 Index:
http://www.ftse.com/Indices/FTSE_Bursa_Malaysia_Index_Series/index.jsp

MSCI AC Asia ex Japan Index:
<http://www.msci.com/products/indices/tools/>

Maybank 12-Month Fixed Deposit Rate:
Maybank's website at www.maybank2u.com.my or from any Maybank branch nationwide.

(Please note that Members may also obtain information on the Performance Benchmark from the Provider upon request.)

Member Profile

- (i) Suitable for Members who:
- seek potential capital growth;
 - are risk tolerant;
- (ii) If under the Default Option, you are in the age group of below forty (40) years old.

Distribution Policy

The Fund will endeavour to declare distribution on an annual basis after the end of its first financial year, subject to the availability of income. *(Please refer to Section 9 for further details)*

5.2 HWANG PRS MODERATE FUND

Investment Objective

The Fund seeks income and capital growth from its investments to facilitate the accumulation of retirement savings[#] for Members' retirement needs.

Any **material** change to the investment objective of the Fund would require Members' approval.

Asset Allocation

The Fund's asset allocation is as follows:

Equities and equity-linked instruments	Minimum 0% to maximum of 60% of the NAV of the Fund
Fixed income instruments	Minimum 40% to maximum of 100% of the NAV of the Fund

The Provider will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Investment Strategy

The Fund will be investing into a portfolio which will mainly consist of dividend paying equities and fixed income instruments to achieve income and capital growth. The Fund's portfolio may also include foreign equities exposure to increase the portfolio's investment opportunities. The Fund's exposure into the equity markets will be capped at a maximum of 60% of the Fund's NAV.

The Fund will also have a minimum of 40% of its NAV investing in both local and foreign fixed income instruments such as government bonds, treasury bills, private debt securities and other permitted investments as listed in Section 5.8 below. The Provider will invest in fixed income instruments with a minimum of BBB- / P2 ratings by RAM or its equivalent. However, the Provider may also take on exposure of fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings by RAM or its equivalent. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 30% of the Fund's NAV. The Provider will remain focused on a stringent credit selection process to reduce potential volatility and credit default risk.

The Fund's foreign exposure will be predominantly within the Asia ex Japan region, which includes but will not be limited to Taiwan, Thailand, Singapore, Hong Kong, China, Indonesia, Philippines, and South Korea.

Performance Benchmark

30% FTSE Bursa Malaysia Top 100 Index
 30% Dow Jones / Asia Pacific Select Dividend 30 Index
 40% Maybank 12-Month Fixed Deposit Rate

As there is no direct index to track a similar strategy that the Fund intends to employ, a composite benchmark of the underlying exposures of the Fund has been chosen as the Fund's benchmark.

As a moderate risk managed portfolio, the Fund's equity portfolio will consist of a portfolio of dividend paying equities. The Provider will work towards maintaining 60% of the Fund's NAV in equities, with possible exposure into the Asian ex Japan region. As such, the portfolio's equity portion will be benchmarked against Malaysia's FTSE Bursa Malaysia Top 100 Index as well as the Dow Jones / Asia Pacific Select Dividend 30 Index in equal weighting. The Fund's fixed income investments will be benchmarked against Maybank 12-month Fixed Deposit Rate.

Please note that the risk profile of the Performance Benchmark does not reflect that of the Fund.

[#] The Fund is not a capital guaranteed nor a capital protected fund.

Source:

FTSE Bursa Malaysia Top 100 Index:

http://www.ftse.com/Indices/FTSE_Bursa_Malaysia_Index_Series/index.jsp

Dow Jones / Asia Pacific Select Dividend 30 Index:

http://www.djindexes.com/mdsidx/downloads/fact_info/Dow_Jones_Asia_Pacific_Select_Dividend_30_Index_Fact_Sheet.pdf

Maybank 12-Month Fixed Deposit Rate:

Maybank's website at www.maybank2u.com.my or from any Maybank branch nationwide.

(Please note that Members may also obtain information on the Performance Benchmark from the Provider upon request.)

Member Profile

(i) Suitable for Members who:

- seek potential capital growth;
- have moderate risk tolerance;

(ii) If under the Default Option, you are in the age group of between forty (40) to below fifty (50) years old.

Distribution Policy

The Fund will endeavour to declare distribution on a semi-annual basis after the end of its first financial year, subject to the availability of income. *(Please refer to Section 9 for further details)*

5.3 HWANG PRS CONSERVATIVE FUND

Investment Objective

To provide Members with a Fund that preserves[#] capital for their retirement needs.

Any **material** change to the investment objective of the Fund would require Members' approval.

Asset Allocation

The Fund's asset allocation is as follows:

Equities and equity-linked instruments	Minimum 0% to maximum 20% of the NAV of the Fund
Fixed income instruments (including money market instruments)	Minimum 80% to maximum of 100% of the NAV of the Fund <i>Note: The Provider will maintain a minimum of 20% of the Fund's NAV in money market instruments at all times.</i>

The Provider will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Investment Strategy

To provide Members with a Fund that facilitates preservation[#] of capital for their retirement needs, the Fund will be investing primarily in fixed income instruments (including money market instruments) such as bonds, private debt securities, commercial papers and other permitted investments as listed under Section 5.8 below, which will be at a minimum of 80% of the Fund's NAV. The Provider will mainly focus on investments in fixed income instruments with a

[#] The Fund is not a capital guaranteed nor a capital protected fund.

minimum of BBB- / P2 ratings by RAM or its equivalent. The Provider may also invest in fixed income instruments that are unrated (subject to the Provider's internal credit analysis) and fixed income instruments that are rated below the BBB- / P2 ratings by RAM or its equivalent. To manage the risks posed by these types of fixed income instruments, the exposures will be capped at 5% of the Fund's NAV.

To enhance returns, the Fund may be investing in dividend paying equities. Exposure in equities will be within the domestic equity market and will be capped at a maximum of 20% of the Fund's NAV.

Performance Benchmark

Maybank 12-month Fixed Deposit Rate

Please note that the risk profile of the Performance Benchmark does not reflect that of the Fund.

Source:

Maybank's website at www.maybank2u.com.my or from any Maybank branch nationwide.

(Please note that Members may also obtain information on the Performance Benchmark from the Provider upon request.)

Member Profile

- (i) Suitable for Members who are generally conservative and risk averse;
- (ii) If under the Default Option, you are in the age group of fifty (50) years old and above.

Distribution Policy

The Fund will endeavour to declare distribution on a semi-annual basis after the end of its first financial year, subject to the availability of income. *(Please refer to Section 9 for further details)*

5.4 HWANG AIIMAN PRS SHARIAH GROWTH FUND

Investment Objective

To facilitate the accumulation of Shariah-compliant retirement savings[#] by Members for their retirement needs, the Fund aims to generate capital growth through investments in a collective investment scheme that invests primarily in Shariah-compliant equities.

Any material change to the investment objective of the Fund would require Members' approval.

Member Profile

Suitable for Members who:

- seek potential capital growth; and
- are risk tolerant.

Performance Benchmark

FTSE Bursa Malaysia Emas Shariah Index

Please note that the risk profile of the Performance Benchmark does not reflect that of the Fund.

Source:

Bursa Malaysia website at www.bursamalaysia.com.

(Please note that Members may also obtain information on the Performance Benchmark from the Provider upon request.)

[#] The Fund is not a capital guaranteed nor a capital protected fund.

Asset Allocation

The Fund’s asset allocation is as follows:

Shariah-based collective investment schemes namely the Hwang ALLMAN Growth Fund	Minimum of 95% to maximum of 100% of the NAV of the Fund
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The Provider will also maintain a sufficient level of cash or cash equivalent for liquidity purposes.

Investment Strategy

To achieve the objective of generating capital growth, 95% to 100% of the Fund’s NAV will be invested in a single collective investment scheme, namely the Hwang ALLMAN Growth Fund (“AGF”) that invests primarily in Shariah-compliant equities.

Distribution Policy

The Fund will endeavour to declare distribution on an annual basis after the end of its first financial year, subject to the availability of income. *(Please refer to Section 9 for further details)*

5.5 INVESTMENT PROCESS

Equities

For **Hwang PRS Growth Fund** and **Hwang PRS Moderate Fund**, the fundamental investment process for equities will be driven by a combination of top-down and bottom-up strategies in the market at any period of time. The stringent investment process and selection process is to generate capital growth over a medium term.

Our top-down strategy is where analysis is done on the macroeconomics which may include but is not limited to the evaluation and analysis of global growth and economic outlook, inflation and interest rate expectations, currency expectations, as well as other common indicators. These indicators will include, but will not be limited to, the country’s balance of payments and fiscal position.

Our bottom-up strategy is where analysis is done on individual stocks. Analysis conducted would be fundamental in nature with emphasis on companies’ ability to provide growth prospects as well as the cash flow generation ability of the companies. However, for the **Hwang PRS Moderate Fund**, the Provider will also be focusing on the companies’ ability to pay dividend. Key factors which are useful to the identification of such companies would include assessment on the basis of yield, yield sustainability, earnings multiples, earnings growth, liquidity and stability.

The above would be part of the investment process for equities and equity-linked instruments selection process that will be taken by the Provider before making an investment decision.

For **Hwang PRS Conservative Fund**, the fundamental process of selecting equities will be driven by a bottom-up strategy prevailing in the market at any period of time. The bottom-up strategy is where analysis is done on individual stocks. Analysis conducted would be fundamental in nature with emphasis on the companies’ ability to pay dividends, its growth prospects as well as the cash flow generation ability of the companies. Key factors which are useful to the identification of such companies would include assessment on the basis of yield, yield sustainability, earnings multiples, earnings growth, liquidity and stability.

The above-mentioned equity selection process is used by the Provider before making an investment decision. All equity investments are made through a stringent investment selection process with the aim of meeting the Fund’s investment objective.

Fixed Income Instruments

For **Hwang PRS Growth Fund**, **Hwang PRS Moderate Fund** and **Hwang PRS Conservative Fund**, the selection of the fixed income instruments will depend largely on the credit quality of the issuer to assure the relative certainty of

principal repayment and overall total return stability. The Provider will also consider the following issues when considering the portfolio's investment into fixed income instruments:

- Issuer's and/or guarantor's industry and business medium to long-term outlook;
- Issuer's and/or guarantor's financial strength and gearing levels;
- Issuer's and/or guarantor's cash-flow quality and volatility;
- Issuer's and/or guarantor's expected future cash flow and ability to pay interest and principal;
- Issuer's and/or guarantor's ratings by RAM or MARC or equivalent;
- Duration and interest rate sensitivity;
- Collateral type and value, and claims priority; and
- Price and yield-to-maturity.

Money Market Instruments

For **Hwang PRS Conservative Fund**, due to the Fund's conservative nature, the Fund will maintain a minimum of 20% of its NAV in money market instruments, which may include among others, Repos and deposits with financial institutions.

Investments into these instruments would be driven by the interest rate outlook for the market over the medium to long term horizon.

Collective Investment Schemes

For **Hwang PRS Growth Fund**, **Hwang PRS Moderate Fund** and **Hwang PRS Conservative Fund**, it may invest into a basket of collective investment schemes (CIS). The Provider will ensure that the investments will be in a CIS that has similar investment objective to the Core Funds' investment objective, and it will be confined to only those managed by the Provider. As permitted by Securities Commission, the holdings in collective investment schemes is subject to a limit of 40% of the Fund's NAV in a single collective investment scheme for a period of five years from the date the Fund(s) is launched or until the Fund(s) reaches a size of RM200 million (whichever comes first).

The Provider will be monitoring the basket of CIS on a monthly basis to ensure that the Fund's asset allocation adheres to the asset allocation set for the Fund. The asset allocation restrictions as mentioned above are determined at the point of purchase and may vary between rebalancing periods as the exposure levels are likely to move based on the movements of the various markets. The Provider will carry out a rebalancing of portfolios into the basket of CIS bi-annually i.e. end of June and end of December respectively. However, if there is any material changes to the CIS that may affect the Fund, the Provider will carry out the rebalancing of portfolios into the basket of CIS immediately.

For **Hwang AIIIMAN PRS Shariah Growth Fund**, which is a feeder fund, it will invest in a single collective investment scheme, namely the Hwang AIIIMAN Growth Fund ("AGF").

5.6 TRADING POLICY

For **Hwang PRS Growth Fund** and **Hwang PRS Moderate Fund**, the Provider's investment philosophy is to mainly invest in equity and equity-linked instruments based on the in-house investment strategy and equity selection process that has been put in place.

The Provider is optimistic that the investment strategy and equity selection process that is currently used will be a strong tool in making sound investment decisions to enable a higher possibility of optimising medium term to longer term returns.

For **Hwang PRS Conservative Fund**, the Provider does not expect to actively trade the portfolio. However, the Provider actively monitors individual securities within the portfolio and will not hesitate to liquidate an investment if there are potential signs of price deterioration

5.7 TEMPORARY DEFENSIVE MEASURES

For **Hwang PRS Growth Fund** and **Hwang PRS Moderate Fund**, the Provider may take temporary defensive positions that may be inconsistent with the Fund's principal strategy by raising cash levels and investing in high quality fixed income instruments, in attempting to respond to adverse market conditions, economics, political or any other conditions.

For **Hwang PRS Conservative Fund**, during periods of economic uncertainty or a downturn in economic conditions, the Provider may look to temporarily increase holdings in money market instrument and liquid assets up to 100% of the Fund NAV to protect the overall portfolio.

For **Hwang AIIIMAN PRS Shariah Growth Fund**, the Provider may take temporary defensive positions that may be inconsistent with the Fund's principal strategy by substituting AGF with another fund with similar objective, if AGF no longer meets the Fund's investment objective; however, it is subject to the Members' approval with prior notification to SC. When the Fund takes temporary defensive positions at the Fund's level, there is a risk that the performance of the Fund may not be consistent with AGF's performance and the Fund may hold more than 5% of the Fund's NAV in money market instruments or cash.

5.8 PERMITTED INVESTMENTS

Unless otherwise prohibited by the relevant authorities or any relevant law or contract and provided always that there is no inconsistency with the objective and asset allocation of the Funds, the Funds may invest in the following:

HWANG PRS GROWTH FUND & HWANG PRS MODERATE FUND

- (1) Securities of companies listed on Bursa Malaysia and any other exchanges of countries regulated by an authority which is a member of the International Organization of Securities Commissions (IOSCO);
- (2) Fixed deposit and money market deposits with commercial banks and investment banks;
- (3) Other money market instruments such as negotiable certificates of deposits and bankers acceptance;
- (4) Government bonds, treasury bills and other government approved or guaranteed bonds;
- (5) Debentures including private debt securities and bonds;
- (6) Structured products and equity linked notes;
- (7) Units / shares in collective investment schemes, both local and foreign;
- (8) Derivatives and futures traded in Malaysia and any other exchanges of countries who are members of IOSCO. Any exposure into derivatives and futures will be for hedging purposes only; and
- (9) Any other form of investments permitted by Securities Commission from time to time.

Please note that the Provider intends to enter into derivative trades solely for hedging. In this respect, the Provider does not consider the derivative trades as investment proper but rather a risk management exercise.

HWANG PRS CONSERVATIVE FUND

- (1) Securities of companies listed on Bursa Malaysia;
- (2) Malaysian government securities, treasury bills, Bank Negara Malaysia certificates/bills, Malaysia government investment certificates and Cagamas notes/bonds;
- (3) Other obligations issued or guaranteed by the Malaysian government, Bank Negara Malaysia, Malaysia state governments and Malaysia government-related agencies;
- (4) Domestic private debt securities and corporate bonds carrying at least BBB-/P2 rating by RAM or equivalent, which are RM-denominated;
- (5) Domestic RM-denominated commercial papers carrying at least BBB-/P2 rating by RAM or equivalent;
- (6) Malaysian currency deposits with commercial banks and investment banks including negotiable certificates of deposits, structured deposits, bankers acceptance and placement of money at call with investment banks fixed deposit and money market deposits with commercial banks and investment banks;
- (7) Domestic transferable securities and money market instruments that are traded in or under the rules of an eligible market, which are RM-denominated; and
- (8) Any other form of investments permitted by Securities Commission from time to time.

HWANG AIIMAN PRS SHARIAH GROWTH FUND

- (1) Collective investment scheme which is:-
 - Consistent with the objective of the Fund;
 - In line with the general investment principles of the Guidelines; and
 - Regulated and registered by the relevant regulatory authority in its home jurisdiction.
- (2) Shariah-based deposits with financial institutions, Bank Islam Malaysia Berhad and placements of money with investment banks; and
- (3) Any other form of investments approved by the SC which are in line with the objective of the Fund.

5.9 INVESTMENT RESTRICTIONS AND LIMITS

Provided always that there are no inconsistencies with the objective of the Core Funds, the investment restrictions and limits of the Core Funds shall be as follows:-

- (1) The value of the Fund's investments in unlisted securities must not exceed 10% of the Fund's NAV;
- (2) The value of a Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (3) The value of a Fund's investments in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV;
- (4) The value of a Fund's placements in deposits with any single institution must not exceed 20% of the Fund's NAV;
- (5) Save for **Hwang PRS Conservative Fund**, for investments in derivatives, the exposure to the underlying assets must not exceed the investment spread limits stipulated in the Guidelines and the value of a Fund's OTC derivative transaction with any single counterparty must not exceed 10% of the Fund's NAV;
- (6) The aggregate value of a Fund's investments in transferable securities, money market instruments, deposits, OTC derivatives and structured products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV;
- (7) The value of a Fund's investments in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV;
- (8) The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer;
- (9) The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer;
- (10) The fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer;

In addition to the above, the following are applicable to **Hwang PRS Conservative Fund**.

- (11) The single issuer limit in paragraph (3) and single group limit in paragraph (7) above do not apply to the Fund;
- (12) The value of the Fund's investments in debentures issued by any single issuer must not exceed 20% of the Fund's NAV;
- (13) The single issuer limit in paragraph (12) above may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal;
- (14) For the purpose of paragraph (6) above, where the single issuer limit is increased to 30% pursuant to paragraph (13), the aggregate value of a the Fund's investment must not exceed 30%;
- (15) The value of the Fund's investments in debentures issued by any one group of companies must not exceed 30% of the Fund's NAV;

The following are only applicable to **Hwang AIIMAN PRS Shariah Growth Fund**.

- (1) The Fund will only invest in a collective investment scheme that is approved by SC. The Provider will provide to the Shariah Adviser the offering document of the target fund for the Shariah Advisor's endorsement;
- (2) The Fund's property must only consist of unit/shares of a single collective investment scheme;
- (3) The Provider must ensure that the collective investment scheme is managed by the Provider, or another private retirement scheme provider or a foreign operator;
- (4) It must not invest in –
 - (a) a fund of fund;
 - (b) a feeder fund;
 - (c) any sub-fund of an umbrella scheme which is a fund of fund or a feeder fund.

- (5) The target fund must–
 - (a) be regulated by a regulatory authority;
 - (b) if the target fund is constituted in Malaysia, be approved by the SC;
 - (c) if the target fund is constituted outside Malaysia, be registered/authorised/ approved by the relevant regulatory authority in its home jurisdiction, be a signatory under Appendix A of the IOSCO Multilateral Memorandum of Understanding or have entered into a bilateral arrangement with the SC;
 - (d) operate on the principle of prudent spread of risk and its investments do not diverge from the general investment principles of these guidelines;
- (6) Where the Fund invests in a target fund operated by the same Provider or its related corporation, the Provider must ensure that–
 - (a) there is no cross-holding between the fund and the target fund;
 - (b) all initial charges on the target fund are waived; and
 - (c) the management fee must only be charged once, either at the fund or the target fund.

The aforesaid investment restrictions and limits shall be complied with at all times based on the most up-to-date valuation of the investments and instruments of the Fund. However, generally for all Funds, a 5% allowance in excess of any restriction or limit may be permitted where the restriction or limit is breached through the appreciation or depreciation in NAV of the Fund (whether as a result of an appreciation or depreciation in value of the investments of the Fund, the withdrawal of Units or payments made from the Fund or due to currency movements).

For **Hwang PRS Conservative Fund**, fixed income instruments which are rated below BBB-/P2 and/or unrated, may comprise more than 5% of the Fund's NAV (the 5% Limit), as the result of a downgrade of debentures/fixed income instrument to below BBB-/P2 and/or it becomes unrated, an increase in the aggregate value of the debentures/fixed income instruments which are rated below BBB-/P2 and/or are unrated or a decrease in the NAV of the Fund. In such circumstances, the Provider must reduce such investments to comply the 5% Limit unless in the opinion of the Scheme Trustee, the disposal of such investments is not in the best interests of the Members.

If the relevant limit is breached, no further acquisition of the particular securities involved shall be made. The Provider shall, within a reasonable period of not more than three (3) months from the date of the breach, take all necessary steps and actions to rectify the breach.

5.10 VALUATION OF ASSETS

All foreign assets are translated into Ringgit Malaysia based on the bid exchange rate quoted by Bloomberg at 4.00 p.m. (United Kingdom time) which is equivalent to 11 p.m. or 12 a.m. midnight (Malaysian time) on the same day, or such time as stipulated in the investment management standards issued by the FIMM.

Listed Securities

For listed securities, the valuation shall be based on closing market price. Where no market value is publicly available or where the use of the quoted market value is inappropriate, or where no market price is available, including in the event of suspension in the quotation of the securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Scheme Trustee, such investments will be valued at fair value, as determined in good faith by the Provider or its management delegates, based on the methods or bases approved by the Scheme Trustee after appropriate technical consultation.

Unlisted Securities

For unlisted securities, valuations will be based on fair value as determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. With regard to such unlisted securities, valuation will be done on a daily basis.

Debentures

For unlisted fixed income instruments denominated in Ringgit Malaysia, the valuation will be done on a daily basis using the fair value price quoted by a bond pricing agency ("**BPA**") registered with the SC. If the Provider is of the view that the price quoted by BPA differs from the "market price" quoted by at least 3 independent dealers by more than 20 basis points and the Provider determines that the methodology used by the independent dealers to obtain the "market price" is more appropriate, the Provider may elect to use the price quoted by the independent dealers as the "market price", provided that the Provider records its basis for using a non-BPA price, obtains the necessary internal approvals to use

the non-BPA price and keeps an audit trail of all decisions and basis for adopting the “market yields”. Investments in unlisted foreign fixed income instruments will be valued on a daily basis using the average indicative price quoted by at least 3 independent and reputable dealers. In the case of listed fixed income instruments, the last traded prices quoted on an exchange will be used.

Unlisted Collective Investment Scheme

Investments in unlisted collective investment schemes will be valued, based on the last published repurchase price.

Money Market Instruments

Valuation of tradable and non-tradable money market will be done on a daily basis by reference to the value of such investments as provided by the bank or the financial institution that issues such instruments or in the absence of the above, the average indicative price quoted by at least 3 independent dealers. The method of valuation is verified by the auditor of the Fund and approved by the Scheme Trustee.

Fixed Deposit

Valuation of bank bills and deposits placed with banks or other financial institutions will be done on a daily basis by reference to the value of such investments and the interests accrued thereon for the relevant period.

5.11 VALUATION POINT FOR THE FUNDS

The Funds will be valued on every Business Day (or “trading day” or “T” day). However, for Fund(s) which has exposure to investments outside of Malaysia, the Fund shall be valued at 5.00 p.m. on the next Business Day (“T + 1”) using the closing price of the assets respectively. This is referred to as the valuation point of the Fund.

If the foreign market in which the Fund is invested therein is closed for business, the Provider will value the underlying based on the latest available price as at the day the particular foreign market was last opened for business.

5.12 ADDITIONAL INFORMATION ON TARGET FUND OF HWANG AIIMAN PRS SHARIAH GROWTH FUND

For the purpose of this section, Net Asset Value / NAV means the value of all assets of the target fund, Hwang AIIMAN Growth Fund (“AGF”) less the value of all liabilities of AGF at the valuation point; for the purpose of computing the annual management fee and annual trustee fee of AGF, the NAV of AGF should be inclusive of the management fee and annual fee for the relevant day.

Target fund:	Hwang AIIMAN Growth Fund (“AGF”)
The manager:	Hwang Investment Management Berhad
The external fund manager:	Asian Islamic Investment Management Sdn. Bhd. (AIIMAN)
The Shariah adviser:	Amanie Advisors Sdn. Bhd.
Trustee of AGF:	HSBC (Malaysia) Trustee Berhad

General Features of AGF

AGF is a Malaysia based open-ended collective investment scheme established under the laws of Malaysia and regulated by the Securities Commission Malaysia. It was launched on 8 October 2002 and categorised as a Shariah-compliant equity growth fund.

General Risks of AGF

- Market risk*
- Fund management risk*
- Performance risk - There is no guarantee in relation to the investment returns or on the distribution of income to unit holders. Please also refer to “Capital and returns not guaranteed risk” in Section 4.1 above.
- Inflation risk*
- Liquidity risk*
- Interest rate risk - The level of interest rates has an impact on the value of investments and economic growth of a country. High interest rates dampen investments and aggregate demand leading to an economic slowdown. The interest rate is a general indicator that will have an impact to the management of AGF, regardless of whether it is a

Shariah-based fund or otherwise. It does not in any way suggest that AGF will invest in conventional financial instruments.

- Risk of non-compliance*
- Reclassification of Shariah status risk - This risk refers to the risk that the currently held Shariah-compliant securities by AGF may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of Securities Commission Malaysia (SACSC) or the Shariah Adviser for AGF. If this occurs, then the value of the AGF may be adversely affected and the Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Adviser.

*(*Please refer to Section 4.1 for details on each risk)*

Specific Risks of AGF

- Equity investment risk

(Please refer to Section 4.2 (1) for details on the risk.)

Asset Allocation

Asset Class	% of NAV
Equities	Minimum 70% to Maximum 100%
Cash and Islamic money market instruments	Maximum 30%

Investment Objective, Focus and Approach

AGF’s objective is to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws. AGF will invest mainly in Shariah-compliant equities and hold a sufficient level of cash or cash equivalents for liquidity purposes in Shariah-compliant bank deposits. AGF’s Shariah-compliant equities exposure is decided after considering the outlook for the stock market over the medium to long-term horizon. This entails studying the relevant economic and business statistics in order to produce forecasts of the economy and the stock market.

In managing the fund, AGF’s manager believes opportunities to maximise returns exist, irrespective of bull or bear market conditions and will thus employ an active asset allocation strategy to capitalise on such opportunities. This active asset allocation strategy gives AGF’s manager the flexibility to tweak AGF’s equity exposure in accordance with the market outlook. Essentially, the flexibility allows AGF’s manager to remain invested during market upturns or to liquidate investments to preserve[#] its capital.

In terms of technique or approach, the fundamental analysis will be conducted to determine the attractiveness of specific stock ideas based on sectoral themes. This analysis will take into account information gathered during company visits, key earnings drivers and earnings revision trends for the company, valuation relative to AGF’s manager’s estimates of intrinsic value as well as the competency of its management. Various tools will be used to facilitate the valuation process, including price over earnings ratio, price to book ratio, the discounted cash flow model and enterprise value over earnings before interest, depreciation and taxation.

AGF’s manager also gives consideration to companies that practise good corporate governance, as they generally command higher market valuation and potentially better returns for unit holders over a medium investment horizon. Investing into small to medium capitalised companies is largely based on the assumption that they are likely to develop into future industry leaders. Whilst such companies are normally associated with higher risks, the potential return could also be very rewarding, if the right companies are selected. Whilst the selection of stocks is based on fundamental analysis, AGF’s manager will use technical analysis when timing the purchases and sales. AGF’s trading policy would largely be driven by market forces and are opportunistic in nature.

[#] The Fund is not a capital guaranteed nor a capital protected fund.

AGF's manager may take temporary defensive positions that may be inconsistent with AGF's principal strategy in attempting to respond to adverse market conditions, economic, political, or any other conditions. Under such situations, a large proportion of the Fund may be temporarily invested in Sukuk, Shariah-based deposits, shorter-term Islamic money market instruments and Shariah-compliant stocks with a sustainable dividend payment and a relatively attractive dividend yield, which has demonstrated relatively stable earnings despite poor economic and market conditions.

AGF's Permitted Investments

- (1) Shariah-compliant securities of companies listed on the recognised Malaysian stock exchange or any other market where the regulatory authority is a member of the International Organisation of Securities Commission (IOSCO);
- (2) Unlisted Shariah-compliant securities;
- (3) Shariah-compliant warrants;
- (4) Government investment issues (GII), Islamic accepted bills, Bank Negara negotiable notes, negotiable Islamic debt certificate (NIDC), Islamic negotiable instrument of deposits (INID), Cagamas mudharabah bonds and any other government Islamic papers;
- (5) Other Shariah-compliant obligations issued or guaranteed by the Malaysian government, Bank Negara Malaysia, state governments and government-related agencies;
- (6) Sukuk;
- (7) Shariah-based deposits with financial institutions, Bank Islam Malaysia Berhad and placements of money with investment banks;
- (8) Islamic money market instruments and sukuks traded in the Islamic capital market;
- (9) Islamic futures contract for hedging purposes only;
- (10) Other Shariah-based collective investment schemes;
- (11) Shariah-compliant derivatives; and
- (12) Any other Shariah-compliant investment instruments permitted by the Shariah Advisory Council of the SC and/or the Shariah adviser from time to time.

AGF's Investment Limits

- (1) The value of AGF's Shariah-compliant investment in unlisted securities shall not exceed 10% of its NAV unless the investments are in:-
 - equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the fund by the issuer;
 - debentures traded on an organised over-the-counter (OTC) market; and
 - structured products.
- (2) The value of AGF's Shariah-compliant investment in Shariah-compliant structured products issued by a single counter-party shall not exceed 15% of its NAV;
- (3) The value of AGF's investments in ordinary share issued by any single issuer shall not exceed 10% of its NAV;
- (4) The value of AGF's placements in Shariah deposits with any single Islamic financial institution shall not exceed 20% of its NAV;
- (5) The value of AGF's investments in transferable securities (equity, debentures, warrant) and money market instruments issued by any single issuer shall not exceed 15% of its NAV;
- (6) The aggregate value of AGF's investments in transferable securities, money market instruments, OTC derivatives, structured products and deposits issued or placed with (as the case may be) any single issuer/institution shall not exceed 25% of its NAV;
- (7) The value of AGF's investments in transferable securities and money market instruments issued by any group of companies shall not exceed 20% of its NAV;
- (8) The value of AGF's investments in units/shares of any collective investment scheme shall not exceed 20% of its NAV;
- (9) AGF's investments in equities and warrants shall not exceed 10% of the securities issued by any single issuer;
- (10) AGF's investment in debentures shall not exceed 20% of the debentures issued by any single issuer;
- (11) AGF's investment in money market instruments shall not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size;
- (12) AGF's investments in collective investment schemes shall not exceed 25% of the units/ shares in any one collective investment schemes; and
- (13) Any other investments or restrictions imposed by the relevant regulatory authorities or pursuant to the guidelines, any laws and/ or regulations applicable to AGF.

AGF's Performance Benchmark

AGF is benchmarked against the FTSE Bursa Malaysia Emas Shariah Index, which is obtainable from Bursa Malaysia website at www.bursamalaysia.com.

The Performance of AGF

	01/05/2012 to 31/05/2012 (1 month)	01/03/2012 to 31/05/2012 (3 month)	01/01/2012 to 31/05/2012 (YTD)	01/06/2009 to 31/05/2012 (3 years- annualised)
Performance return (%)	(1.77)	(0.66)	4.89	16.34
Performance Benchmark (%)	(0.04)	(0.90)	4.04	13.43

Source: Lipper Malaysia

The latest information on AGF's performance can be obtained from the Provider website at www.hwangim.com.

Fees and Charges

Incurred when buying/selling units:

Maximum sales charge: 6.5%

Repurchase charge: Nil

All sales charge levied by AGF on any investments made by the Hwang AIIIMAN PRS Shariah Growth Fund into AGF shall be waived.

Payable to AGF

Management fee: 1.5% of the NAV of AGF per annum

Trustee fee: 0.07% of the NAV of AGF per annum, subject to a minimum of RM18,000 per annum (excluding foreign custody fees and charges)

Please note that management fee will only be charged once at the Fund level. The management fee charged by AGF will be paid out of the annual management fee charged by the Provider at the Fund level. There is no double charging of management fee.

Members should also note that there will be higher fees arising from the layered investment structure of the Fund.

The external fund manager of AGF - Asian Islamic Investment Management Sdn. Bhd. (AIIIMAN)

Asian Islamic Investment Management Sdn Bhd (AIIIMAN) is an Islamic fund management company which obtained the approval of the Securities Commission Malaysia (SC) to undertake the regulated activity of Islamic fund management on 17 October 2008. AIIIMAN is jointly owned by Nikko Asset Management Asia Limited¹ ("Nikko AM Asia") and Hwang-DBS (M) Berhad ("Hwang-DBS Group") (51% and 49% ownership respectively). AIIIMAN's key strength is their ability to leverage on the combined network and infrastructure within the Asian region and through the Nikko Asset Management Group and Hwang-DBS Group, AIIIMAN is well positioned to provide clients access to different asset classes and markets, as well as unique and innovative Shariah investment solutions that focus on Asian equities and global Sukuk.

6. CONTRIBUTION AND WITHDRAWAL

It is important that you read the entire Disclosure Document of the Fund(s) to fully understand the Scheme and the Funds within the Scheme. You should consider your own risk tolerance level and financial circumstances before making any investment choices. If you are in doubt as to which fund is suitable for you, please seek financial and/or professional advice and choose fund(s) most suitable for you taking into account your circumstances.

6.1 APPLICATION FOR THE MEMBERSHIP AND CONTRIBUTION

Application for the Membership

An applicant who is above eighteen (18) years of age is eligible to apply for membership under this Scheme. The opening of the private pension account can be made with the Provider, at the same time or prior to contributing. The private pension account opening form is obtainable from the Provider or the PPA's website at www.ppa.my. Once the account is opened, Member will receive a life-time account number and password.

The account application form prescribed by the Provider must be completed and accompanied by a photocopy of the applicant's identity card or passport or other documentation of identification. Do note that jointholding is prohibited under this Scheme as Units of a Fund cannot be registered in the name of two (2) or more persons.

Application for the Contribution

The applicant must indicate in the transaction form the Fund or Funds that he/she intends to invest. If no Fund is selected, the Provider will allocate the contributions into the relevant Core Fund that corresponds to the applicant's age group. By default, the allocation will be as follows:-

Member's Age	Fund
Below forty (40) years old *	Hwang PRS Growth Fund
Forty (40) to below fifty (50) years old **	Hwang PRS Moderate Fund
Fifty (50) years old and above ***	Hwang PRS Conservative Fund

**If you are below the age of 40, you would be deemed to be of high risk tolerance due to your younger age and deemed to have a longer investment horizon. Therefore, if you waive your right to select a fund, your contribution will be allocated into the Hwang PRS Growth Fund.*

***If you are within the age of 40 to below 50, you would be deemed to be of moderate risk tolerance. Therefore, if you waive your right to select a fund, your contribution will be allocated into the Hwang PRS Moderate Fund.*

****If you are at the age of 50 and above, you would be deemed to be of lower risk tolerance as you are nearing retirement age. Therefore, if you waive your right to select a fund, your contribution will be allocated into the Hwang PRS Conservative Fund.*

6.2 MINIMUM INITIAL SUBSCRIPTION

Fund	Amount (RM)
Hwang PRS Growth Fund	100
Hwang PRS Moderate Fund	100
Hwang PRS Conservative Fund	100
Hwang AILMAN PRS Shariah Growth Fund	100

6.3 MINIMUM ADDITIONAL SUBSCRIPTION

Fund	Amount (RM)
Hwang PRS Growth Fund	50
Hwang PRS Moderate Fund	50
Hwang PRS Conservative Fund	50
Hwang AILMAN PRS Shariah Growth Fund	50

6.4 SUB-ACCOUNT A AND SUB-ACCOUNT B

Contributions made by the Members will at all times be placed by the Provider in the following manner:

- (a) seventy per centum (70%) of the Units of each Fund in Sub-account A; and
- (b) thirty per centum (30%) of the Units of each Fund in Sub-account B.

Sub-account A - To preserve[#] the Members' retirement savings[#], please note that withdrawal from this account is not permitted, except for the circumstances mentioned in Section 6.5 below.

Sub-account B - Withdrawals at all times are only allowed to be made out of this account and it is only permitted once per calendar year, provided that there has not been any withdrawal from any other private retirement scheme in that calendar year. However, please note that any withdrawal made prior to the retirement age will be subject to a tax penalty of 8% by the Inland Revenue Board of Malaysia on the withdrawal amount (*please refer to Section 6.5 below for the illustration*). For the avoidance of doubt, the tax penalty would not apply for pre-retirement withdrawals due to death or permanent departure of the Member from Malaysia.

6.5 WITHDRAWAL FROM THE SCHEME

Circumstances of Withdrawal

Members may request for withdrawals under the following circumstances:

- (a) After the day the Member reaches the Retirement Age, withdrawals may be made in part or in full;
- (b) Following the death of a Member, only full withdrawals may be made;
- (c) Prior to the Member reaching the Retirement Age, withdrawals from Sub-account B may be made in part or in full; or
- (d) Permanent departure of a Member from Malaysia, only full withdrawals may be made.

Depending on the withdrawal circumstances, request may be submitted for payment in part or in full. Withdrawal request is subject to the following conditions:

- (1) *Pre-retirement withdrawal can only be requested by a Member from any fund within a private retirement scheme after one year from the first contribution to that private retirement scheme;*
- (2) *The pre-retirement withdrawal, can only be requested by a Member (from one or multiple private retirement schemes) via one application to the PPA once every calendar year; and*
- (3) *The following requests by a Member are not considered as withdrawal from the Scheme:*
 - (i) *The exercise of any cooling-off right;*
 - (ii) *Redemption of Units following a request by a Member to transfer the proceeds of such withdrawal to another private retirement scheme operated by another private retirement scheme provider; and*
 - (iii) *Switching of Units of a Fund with the Units of any other Fund of the Scheme.*

Procedure of Withdrawal

Withdrawal request under this Scheme can be made to the PPA directly or through the Provider by completing a transaction form. Upon receiving a Member's request, the Provider or the PPA (as the case may be) may require the Member to provide evidence of the facts necessary to establish the Member's right to withdraw monies from the Fund. For pre-retirement withdrawals, the Provider must also obtain prior authorisation from the PPA before the Provider can process the withdrawal request.

Processing is subject to receipt of a complete transaction form and such other documents as may be required by the Provider or the PPA.

[#] The Fund is not a capital guaranteed nor a capital protected fund.

Other matters

The Provider will deduct 8% tax penalty (or such other applicable tax penalty) imposed by the Inland Revenue Board of Malaysia for pre-retirement withdrawal amount from Sub-Account B before making payment to the Member.

For illustration purposes only

Assuming that:-

Amount withdrawn	= RM10,000.00
<u>Less tax penalty of 8% on the amount withdrawn</u>	= RM 800.00

Total amount paid to Member	= RM 9,200.00
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It is also to note that, the **Hwang AIIIMAN PRS Shariah Growth Fund** does not pay zakat on behalf of Muslim individuals, who are Members holding Units of **Hwang AIIIMAN PRS Shariah Growth Fund**. Such Members are thus required to pay on their own behalf.

7. DEALING

7.1 SUBSCRIPTION AND WITHDRAWAL OF UNITS

Pricing of Units

The Selling Price and the Redemption Price shall be equivalent to the NAV per Unit of the Fund. Any applicable Sales Charge and Redemption Charge, if any, shall be payable separately from the Selling Price and Redemption Price of the Fund. For the purpose of determining the unit price of the Fund, Forward Pricing will be used to determine the Selling Price and Redemption Price per Unit of the Fund.

For subscription of Units, it will be at a price that is the NAV per Unit for the Fund as at the next valuation point after a purchase request is received by the Provider. For repurchase of Units, it will be at a price that is the NAV per Unit of the Fund as at the next valuation point after the PPA’s authorisation is received by the Provider.

For illustration purposes only

Selling Price

Assuming that:-

- Amount contributed = RM10,000
- Sales Charge** = Nil
- *NAV per Unit = RM0.50 (Selling Price)

Items	Formula	Amount
Amount invested	-	RM 10,000
Number of Units subscribed	Amount contributed by Member / NAV per Unit = RM10,000 / RM0.50	20,000 Units
Sales Charge is nil on NAV per unit	Sales Charge x NAV per Unit x No. of Units = Nil x RM0.50 x 20,000 Units	RM0.00

Total amount contributed = RM10,000.00
Add Sales Charge paid @ 0% on NAV per Unit = RM 0.00

Total amount paid by Member = RM10,000.00

Redemption Price

Assuming that:-

- Number of Units of withdrawal = 10,000 Units
- Redemption Charge** = Nil
- *NAV per Unit = RM0.50 (Redemption Price)
- Tax penalty = 8% on the amount withdrawn (for pre-retirement withdrawal only)

Items	Formula	Amount
Number of Units of withdrawal	-	10,000 Units
Amount of withdrawal	Total Units of withdrawal x NAV per Unit = 10,000 Units x RM0.50	RM 5,000
Redemption Charge is nil on the NAV per Unit	Redemption Charge x Amount of withdrawal = Nil x RM 5,000	RM0.00
Tax penalty is 8% on the amount of withdrawal (if applicable)	Tax penalty x Amount of withdrawal = 8% x RM 5,000	RM 400.00

* Please refer to Section 7.1.2 for the computation of NAV per Unit.

** Please refer to Section 8.1 for the applicable fees and charges.

If tax penalty is applicable, below is the total withdrawal amount payable to the Member:-

Total amount of withdrawal	= RM 5,000.00
<u>Less</u> Redemption Charge paid @ 0% on NAV per Unit	= RM 0.00
Tax penalty @ 8% on the amount of withdrawal	= RM 400.00
<hr/>	
Total amount paid to Member	= RM 4,600.00
<hr/>	

If tax penalty is not applicable, below is the total withdrawal amount payable to the Member:-

Total amount of withdrawal	= RM 5,000.00
<u>Less</u> Redemption Charge paid @ 0% on NAV per Unit	= RM 0.00
<hr/>	
Total amount paid to Member	= RM 5,000.00
<hr/>	

Incorrect Pricing

Subject to any relevant law and Deed, if there is an error in the pricing of the NAV per Unit of the Funds; the Provider will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursements as follows if the error is at or above the significant threshold of 0.5% of the NAV per Unit:-

- (a) if there is an over pricing in relation to the subscription and creation of Units, the Funds shall reimburse the Member;
- (b) if there is an over pricing in relation to the withdrawal of Units, the Provider shall reimburse the Funds;
- (c) if there is an under pricing in relation to the subscription and creation of Units, the Provider shall reimburse the Funds; and
- (d) if there is an under pricing in relation to the withdrawal of Units, the Funds shall reimburse the Member;

unless the total impact on the Member’s account is less than RM10.00.

Note: Save for item (d) above, there will be no reimbursement of cash to the Members.

The Provider retains the discretion 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 RM10.00 in absolute amount. This is because the reprocessing costs may be greater than the amount of the adjustment.

Computation of NAV and NAV per Unit

The NAV of the Fund is determined by deducting the value of the Fund’s liabilities from the value of the Fund’s assets, at the valuation point. For the purpose of computing the annual management fee, annual trustee fee and annual PPA administration fee, the NAV of the Fund shall be inclusive of the fees for the relevant day.

For illustration purposes only

Assuming the following for a particular day in relation to a particular Fund:-

Investments of the Fund	= RM 240,772,498
Other assets including cash	= RM 18,668,352
Liabilities of the Fund	= RM 2,836,986
Number of Units in Circulation	= 500,000,000 Units
Management fee	= RM 12,654.44
Trustee fee	= RM 281.21
PPA administration fee	= RM 281.21

The **NAV** of the Fund will be:-

	<u>RM</u>
Investments	240,772,498.00
<u>Add</u> other assets	<u>18,668,352.00</u>
Total assets	259,440,850.00
<u>Less</u> liabilities	<u>2,836,986.00</u>
NAV (before deduction of management fee, trustee fee and PPA administration fee for the day)	256,603,864.00
<u>Less</u> management fee (1.80% per annum calculated based on the NAV) for the day	12,654.43
trustee fee (0.04% per annum calculated based on the NAV) for the day	281.21
PPA administration fee (0.04% per annum calculated based on the NAV) for the day	<u>281.21</u>
NAV	<u>256,590,647.15</u>

The **NAV per Unit** of the Fund will be:-

$$\begin{aligned}
 \text{NAV} \div \text{Units in Circulation} &= \text{RM}256,590,647.15 \div 500,000,000 \\
 &= \text{RM}0.5131812943 \text{ (before rounding adjustment)} \\
 &= \text{RM}0.5132 \\
 &\text{(rounded to 4 decimal places for publication purposes)}
 \end{aligned}$$

Note:

The Provider will not round up the NAV per Unit for the purposes of calculating the Sales Charge and Redemption Charge payable by Members. NAV per Unit will be rounded up to four (4) decimal places for the purposes of publication of the NAV per Unit.

Subscription of Units

Members can obtain a copy of the Disclosure Document, product highlight sheet and transaction form from any of the offices listed under Section 19 of this Disclosure Document, any of the Provider’s authorised agents or the Provider’s website at www.hwangim.com. The transaction form can be handed directly to any of the said offices, or sent by mail, together with a cheque or bank draft made payable to “Hwang Investment Management Berhad”. All cheques and bank drafts have to be crossed and drawn on a local bank. Bank charges, where relevant, for outstation cheques will be borne by the Members.

Subscription of Units will be honoured upon cheque clearance. If Units are subscribed by way of telegraphic transfer, a bank validated fund transfer form must be presented as evidence of payment. Existing Members holding Units of the Funds who wish to purchase additional Units can also make payment at any HSBC Bank branches.

Application to subscribe can be made between 9.00 a.m. to 3.30 p.m. (the “transaction time”) every Business Day (or “T” day). Any subscription request received after the transaction time would be considered as being transacted on the next Business Day, unless a prior arrangement is made to the satisfaction of the Provider.

For any initial subscription of Units of a Fund, the number of Units subscribed will be credited into the Members’ account on “T + 3” day. Meaning, if the subscription is made on a Monday, Units will be credited into a Member’s account on Thursday. For any subsequent subscriptions, Units will be credited into a Member’s account on “T + 2” day.

Withdrawal of Units

Members may withdraw the Units in the Fund(s) at any point of time simply by completing the prescribed transaction form and returning it to the Provider on any Business Day from 9.00 a.m. to 3.30 p.m. Withdrawal requests must be made in terms of Units and not Ringgit Malaysia (RM) values. The amount to be received by the Member for the withdrawal of Units will be calculated in the manner illustrated under Section *Pricing of Units* above.

Where a withdrawal request has been made pursuant to or in conjunction with:

- (a) a full or partial withdrawal from the Scheme as stated in Section 6.5 above, the Provider shall pay to the Member the withdrawal proceeds (less any tax penalty which may be imposed by the Inland Revenue Board of Malaysia) in the form of a cheque or in such other form as may be reasonably requested by the Member; and
- (b) a request by a Member to transfer all or part of his holdings of the Units of the Funds to another private retirement scheme operated by another private retirement scheme operator, the Provider shall pay to the other private retirement scheme operator the withdrawal proceeds in the form of a cheque or in such other form as may be reasonably requested by the other private retirement scheme provider.

7.2 PAYMENT OF WITHDRAWAL PROCEEDS

The Provider shall pay the Member the withdrawal proceeds in cash as soon as possible, at most within 10 days from the date the withdrawal request is authorised by the PPA and provided that all documentations are completed and verifiable.

7.3 WITHDRAWAL FREQUENCY AND MINIMUM UNITS WITHDRAWN

Prior to Members reaching the Retirement Age, withdrawal may be requested by the Members (from one or multiple private retirement schemes) via one application to the PPA once every calendar year provided that no withdrawal can be made from a scheme where the individual has been a member of that scheme for less than a year.

Note: The first request for a withdrawal from a private retirement scheme may only be made after one year has elapsed from the date of the first contribution to that private retirement scheme.

There is no minimum number of Units for withdrawal request to be made from Sub-account B.

7.4 COOLING-OFF RIGHT AND COOLING-OFF PERIOD

A Cooling-off Right refers to the right of the Member to obtain a refund of his/her contribution in the Funds if he/she so requests within the Cooling-off Period i.e. within six (6) Business Days from the date of receipt of the application by the Provider. The Provider must obtain prior authorisation of the PPA before this request can be processed.

A Cooling-off Right is only given to an individual who makes a contribution in a private retirement scheme for the first time, with the exception of the following listed parties.

- (a) A staff of the Provider; and
- (b) A person registered with a body approved by the SC to deal in private retirement schemes.

Once an individual is a member of a private retirement scheme and has exercised his Cooling-off Right, the Cooling-off Right is not available for contributions in other private retirement schemes. Members who exercise their Cooling-off Right will be refunded for every Unit held based on the NAV per Unit, on the day those Units were first purchased. Members shall be refunded within ten (10) days from date the application request is authorised by the PPA.

7.5 TRANSFER FACILITY

Members are permitted to transfer their Units in the Funds under this Scheme to another private retirement scheme of another private retirement scheme provider once every calendar year provided no other transfer has been made by the Member from any other private retirement scheme provider in that calendar year, and such transfer will be subject to the authorisation of the PPA.

Note: The first request for transfer may only be made after one year has elapsed from the date of the first contribution to any fund within a private retirement scheme, and subsequent requests can only be made once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for a transfer was made.

The transfer can be made in the following manner:

- (a) from one or more Funds of the Provider to one or more funds of another private retirement scheme provider; and
- (b) be a consolidation of all Units held in all private retirement schemes to one private retirement scheme.

Monies will be transferred to the other private retirement scheme provider within the period as stated in Section 7.2 above.

7.6 SWITCHING FACILITY

Members are permitted to switch from and to other Funds within the Scheme and there will not be any limitation imposed on the frequency of switching. The switching will be made at the prevailing Redemption Price of the Fund and the Selling Price of the intended Fund to be acquired, on a Business Day when the switching request is received by the Provider.

The Provider reserves the right to reject any switching request:-

- (i) that it regards as disruptive to efficient portfolio management; or
- (ii) if, in the opinion of the Provider, it would be contrary to the best interest of the Fund.

Please note that switching from Hwang AIIIMAN PRS Shariah Growth Fund to a conventional fund is discouraged for Muslim Members.

7.7 UNCLAIMED MONIES

In the event a Member has not made any transaction or given any instruction in relation to the Scheme for more than twelve (12) months subsequent to attaining the age of eighty (80) years, the Scheme Trustee may pay any unclaimed accrued benefit held by the Scheme Trustee to the Registrar of Unclaimed Monies, in accordance with the provisions of the *Unclaimed Monies Act 1965*.

Prior to paying the unclaimed accrued benefits to the Registrar of Unclaimed Monies, the Scheme Trustee must obtain approval of the PPA.

7.8 ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti Money Laundering and Terrorism Financing Act 2001, it is the responsibility of the Provider to ensure that it is not used for money laundering and terrorism financing activities. To this end, the Provider has put in place anti-money laundering policies and procedures to combat such activities. Amongst others, prior to the Provider establishing or conducting business relations, particularly when opening new accounts for clients and entering into a fiduciary transaction with a client, the Provider will conduct a "Know Your Customer" procedures to identify and verify the client through documents such as identity card, passport, birth certificate, driver's licence, constituent documents or any other official documents, whether in the possession of a third party or otherwise. Such documents shall be filed and retained by the Provider in accordance with relevant laws.

The Provider will thereafter perform a Customer Due Diligence (CDD) to identify the risk profile of each customer and will continuously monitor each customers risk profile should there be any changes. Enhanced Customer Due Diligence

(EDD) is performed on customers deemed as high risk and senior management's approval is required before a business relationship or account is opened with such customers.

Where the Provider suspects that a particular transaction may not be genuine, a suspicious transactions form (STF) shall be completed and the matter will be discussed with senior management. If senior management ascertains there is a reasonable grounds to suspect the transaction to be a money laundering or terrorism financing activity, a Suspicious Transaction Report will then be submitted to the Financial Intelligence Unit of Bank Negara Malaysia.

Members are advised not to make payment in cash when purchasing Units of a Fund under the Scheme via any institutional/retail agent.

8. FEES, CHARGES AND EXPENSES

There are fees and charges involved and Members are advised to consider them before contributing to the Scheme.

8.1 FEES AND CHARGES OF THE FUND(S)

The following describes the fees, charges and expenses that Members may *directly incur* when subscribing or withdrawing Units of a Fund.

Type of Fees & Charges	Current amount (RM)
<i>The following fees and charges are charged by the Provider of the Scheme</i>	
Sales Charge	Nil
Redemption Charge	Nil
Switching Fee (between Funds in this Scheme)	Nil
Switching Fee (between funds in another PRS managed by Provider)	Not applicable
Transfer PRS * (to another PRS provider)	RM 25.00 for each transaction request to another private retirement scheme provider
<i>The following fees and charges are charged by the PPA of the Scheme</i>	
PPA Account Opening Fee	RM10 (one-off)
PPA Annual Fee #	RM 8.00 per annum
PPA Pre-retirement Withdrawal Fee	RM 25.00 for each withdrawal request
PPA Transfer Fee * (to another PRS provider)	RM 25.00 for each transaction request to another private retirement scheme provider

Please note that this fee is not payable by the Member's for the year the Member's account is first opened or the year(s) where no contribution is being made to the Member's account.

* Please be advised that there will be a total charge of RM50 per transfer made out of the Scheme.

The following describes the fees, charges and expenses that Members may *indirectly incur* when investing in a Fund.

Types of Fees & Charges	Name of the Fund	% of the NAV of each Fund	Deducted from
Management fee**	Hwang PRS Growth Fund	Up to 1.8% per annum	Asset of the Fund
	Hwang PRS Moderate Fund	Up to 1.5% per annum	
	Hwang PRS Conservative Fund	Up to 1.3% per annum	
	Hwang AIIAMAN PRS Shariah Growth Fund	Up to 1.8% per annum	
Trustee fee**	Hwang PRS Growth Fund	0.04% per annum of the NAV of the Fund (excluding foreign custodian fees and charges)	Asset of the Fund
	Hwang PRS Moderate Fund		
	Hwang PRS Conservative Fund		
	Hwang AIIAMAN PRS Shariah Growth Fund		
PPA administration fee**	Hwang PRS Growth Fund	0.04% per annum of the NAV of the Fund	Asset of the Fund
	Hwang PRS Moderate Fund		
	Hwang PRS Conservative Fund		
	Hwang AIIAMAN PRS Shariah Growth Fund		

** Please note that the fees are calculated and accrued daily and payable monthly to the Provider, the Scheme Trustee and the PPA.

For illustration purposes only

Management fee: Assuming that the total NAV of that Fund (before deducting the management fee, trustee fee and PPA administration fee) is RM 256,603,864.00 for the day and the management fee is 1.8%, then the accrued management fee for that day would be:-

$$\frac{\text{RM } 256,603,864.00 \times 1.8\%}{365 \text{ days}} = \text{RM}12,654.43 \text{ per day}$$

Trustee fee: Assuming the total NAV of the Fund (before deducting the management fee, trustee fee and PPA administration fee) is RM 256,603,864.00 for the day and the trustee fee is 0.04%, then the accrued trustee fee for that day would be:-

$$\frac{\text{RM } 256,603,864.00 \times 0.04\%}{365 \text{ days}} = \text{RM}281.21 \text{ per day}$$

PPA administration fee: Assuming the total NAV of the Fund (before deducting the management fee, trustee fee and PPA administration fee) is RM 256,603,864.00 for the day and the PPA administration fee is 0.04%, then the accrued PPA administration fee for that day would be:-

$$\frac{\text{RM } 256,603,864.00 \times 0.04\%}{365 \text{ days}} = \text{RM}281.21 \text{ per day}$$

8.2 FUND EXPENSES

The Deed also provide for payment of other expenses. The major expenses which may be charged to the Fund include the following:

- Commissions/fees paid to brokers/dealers in affecting dealings in the investments of the Fund;
- (where the custodial function is delegated by the Scheme Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets or investments of the Fund;
- Tax and other duties charged on the Fund by the government and other authorities;
- Fee and other expenses properly incurred by the auditor appointed for the Fund;
- Fees for the valuation of any investments of the Fund by independent valuers for the benefit of the Funds;
- Cost incurred for the modification of the Deed of the Scheme and the Funds of the Scheme other than those for the benefit of the Provider or the Scheme Trustee;
- Cost incurred for any meeting of the Members other those convened by, or for the benefit of, the Provider or Scheme Trustee; and
- Other fees/expenses related to the Funds as permitted under the Deed.

Expenses related to the issuance of this Disclosure Document will be borne by the Provider.

8.3 POLICY ON STOCKBROKING REBATES AND SOFT COMMISSIONS

The Provider or any delegate thereof shall not retain any rebate from, or otherwise share in any commission with, any broker/dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.

However, the Provider or any delegate thereof may retain goods and services (“soft commissions”) from any broker/dealer, only if the goods and services are of demonstrable benefit to the Members such as research materials and computer software which are incidental to the investment management activities of the Fund.

9. DISTRIBUTION POLICY AND MODE OF DISTRIBUTION

All distribution for the Funds will be automatically reinvested on behalf of the Members based on the NAV per Unit of the Fund(s), computed at the close of the second (2nd) Business Day after the distribution declaration date.

10. SALIENT TERMS OF THE DEED

10.1 RIGHTS AND LIABILITIES OF MEMBERS

Rights of Members

A Member has the right, among others, to the following:

- (1) to receive distribution of income, participate in any increase in the value of the Units and such other rights and privileges as are provided for in the Deed;
- (2) to receive annual and interim reports;
- (3) to request for Members' meeting and may by Special Resolution, remove the Provider or Scheme Trustee; and
- (4) to exercise the Cooling-off Rights (if applicable).

Liabilities of Members

A Member shall not be liable, among others, to the following:

- (1) any amount in excess of the purchase price paid for the Units as determined in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto; and
- (2) to indemnify the Provider and/or the Scheme Trustee in the event that the liabilities incurred by the Provider and/or the Scheme Trustee in the name of or on behalf of any 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 Provider and/or the Scheme Trustee shall be limited to recourse to the Fund.

10.2 PROVISION REGARDING MEMBERS' MEETING

Members' meeting convened by the Members

Unless otherwise required or allowed by the relevant laws, the Provider shall, within twenty-one (21) days of receiving a request from not less than fifty (50) or one-tenth (1/10) of the Members of the Scheme or holding Units of a Fund of the Scheme, as the case may be, at the registered office of the Provider, summon a meeting of the Members of the Scheme or holding Units of the Fund, as the case may be, by:

- (1) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to every Member of the Scheme or holding Units of the Fund, as the case may be, at the Member's last known address;
- (2) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the Securities Commission; and
- (3) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Members of the Scheme or holding Units of a Fund, as the case may be, may direct the Provider to summon a meeting for any purpose including, without limitation, for the purpose of:

- (1) requiring the retirement or removal of the Scheme Trustee;
- (2) considering the most recent financial statements of the Scheme or the Fund;
- (3) giving to the Provider and/or the Scheme Trustee such directions as the meeting thinks proper;
- (4) considering any matter in relation to the Scheme or the Fund, as the case may be; or
- (5) considering any matter in relation to the Deed;

provided always that the Provider shall not be obliged to summon such a meeting unless a request has been received from not less than fifty (50) or one-tenth (1/10) of all the Members of the Scheme or holding Units of the Fund, as the case may be.

Members meeting convened by the Scheme Trustee or Provider

The Scheme Trustee or Provider may summon a meeting of the Members of the Scheme or holding Units of a Fund for any purpose whatsoever by:

- (1) giving at least fourteen (14) days written notice of the meeting to the Members of the Scheme or holding Units of the Fund, as the case may be; and
- (2) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Scheme Trustee may also summon a meeting of the Members of the Scheme or holding Units of a Fund for the purpose of:

- (1) giving instructions to the Scheme Trustee or the Provider if the Scheme Trustee considers that the investment management policies of the Provider are not in the interests of the Members of the Scheme or holding Units of a Fund, as the case may be;
- (2) securing the agreement of the Members of the Scheme or holding Units of a Fund, as the case may be to release the Scheme Trustee from any liability;
- (3) deciding on the next course of action after the Scheme Trustee has suspended the sale and redemption of Units pursuant to the Deed; and
- (4) deciding on the reasonableness of the annual management fee charged to the Fund.

Quorum required for convening a Members' meeting

- (1) The quorum required for a meeting of the Members of the Scheme shall be five (5) Members of the Scheme, whether present in person or by proxy, provided always if the meeting has been convened for the purpose of voting on a Special Resolution, the quorum shall be five (5) Members of the Scheme, whether present in person or by proxy, holding in aggregate at least twenty-five per centum (25%) of the Units of all the Funds of the Scheme in circulation at the time of the meeting; and
- (2) Similarly, the quorum required for a meeting of the Members holding Units of a Fund of the Scheme shall be five (5) Members holding Units of the Fund, whether present in person or by proxy, provided always if the meeting has been convened for the purpose of voting on a Special Resolution, the quorum shall be five (5) Members holding Units of the Fund, whether present in person or by proxy, holding in aggregate at least twenty-five per centum (25%) of the Units of the Fund in circulation at the time of the meeting.

10.3 TERMINATION OF THE SCHEME OR A FUND

Circumstances that may lead to the termination of the Scheme

The Scheme shall be terminated if SC's approval of the Scheme is withdrawn for any reason.

Notwithstanding anything contained in the Deed, the Scheme may only be terminated with the prior written approval of the SC. If the Scheme is terminated for any reason, all the Funds of the Scheme shall be wound-up.

Circumstances that may lead to the termination of a Fund

Any Fund of the Scheme shall be wound up if the Securities Commission's authorisation of the Fund is revoked for any reason.

Any Non-core Fund of the Scheme shall be wound up if:

- (1) the Members holding Units of the Non-core Fund pass a Special Resolution at a Member's meeting to wind-up the Non-core Fund;
- (2) the Non-core Fund has a maturity date and such maturity date has been reached;
- (3) there are no longer any Units in circulation in respect of the Non-core Fund; or
- (4) the Non-core Fund no longer holds any assets, whether as a result of redemptions or as result of the transfer of the assets of the Non-core Fund to another Fund of the Scheme pursuant to a transfer scheme approved by the SC.

Procedure of termination or winding up of the Scheme and/or a Fund

Upon the termination or winding-up of the Scheme and/or any of the Funds, the Provider shall, as soon as practicable, give to each Member of Scheme or of the Fund wound-up notice of such termination or winding-up; the Provider shall notify such Members in writing of the following options:

- (1) to transfer to another private retirement scheme whether operated by the Provider or by another private retirement scheme provider upon such terms and conditions as shall be set out in the written notification; or
- (2) to choose any other alternative as may be proposed by the Provider and as shall not contravene any relevant law.

The Provider shall also as soon as practicable after the winding-up of a Fund inform SC of the same in such manner as may be prescribed by any relevant law.

Where the Scheme or a Fund is being terminated or wound-up, the Scheme Trustee shall arrange for a final review and audit of the final accounts of the Funds or the Fund, as the case may be, by the auditor.

10.4 MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED AND PAYABLE BY THE MEMBERS BOTH DIRECTLY AND INDIRECTLY

Maximum rate of direct fees and charges allowable by the Deed

Name of Fund	Maximum Rate of Sales Charge	Maximum Rate of Redemption Charge
Hwang PRS Growth Fund	3.00% of NAV per Unit	3.00% of NAV per Unit
Hwang PRS Moderate Fund		
Hwang PRS Conservative Fund		
Hwang AIIIMAN PRS Shariah Growth Fund		

Maximum rate of indirect fees and charges allowable by the Deed

Name of Fund	Maximum Rate of Management Fee	Maximum Rate of Trustee Fee
Hwang PRS Growth Fund	3.00% per annum of the NAV of the Fund	1.00% per annum of the NAV of the Fund (excluding foreign custodian fees and charges)
Hwang PRS Moderate Fund		
Hwang PRS Conservative Fund		
Hwang AIIIMAN PRS Shariah Growth Fund		

Procedures to be taken to increase the direct and indirect fees and charges from current amount stipulated in the Disclosure Document

Sales Charge & Redemption Charge

A higher Sales Charge than that disclosed in the Disclosure Document may only be imposed if:

- (1) the Provider has notified the Scheme Trustee and the Securities Commission in writing of and the effective date for the higher charge;
- (2) a supplemental Disclosure Document in respect of the Fund setting out the higher charge is issued; and
- (3) such time as may be prescribed by the relevant laws has elapsed since the effective date of the supplemental Disclosure Document.

Annual Management Fee & Annual Trustee Fee

The Provider or the Scheme Trustee may not charge an annual management fee or an annual trustee fee at a rate higher than that disclosed in the Disclosure Document unless:

- (1) the Provider and the Scheme Trustee has come to an agreement on the higher rate in accordance with the Deed;
- (2) the Provider has notified the Members of the higher rate and the date on which such higher rate is to become effective;

- (3) a supplemental Disclosure Document stating the higher rate is issued thereafter; and
- (4) such time as may be prescribed by any relevant law shall have elapsed since the supplemental Disclosure Document is issued.

Procedure to be taken to increase the direct and indirect fees and charges from the current amount stipulated in the Deed

The maximum Sales Charge, Redemption Charge, annual management fee or annual trustee fee set out in the Deed can only be increased if a Special Resolution is passed by the Members at a Members' meeting duly convened and held according to the Deed.

Thereafter, supplemental deed proposing a modification to the Deed to increase the aforesaid maximum charges and fees is required to be submitted for registration with the SC accompanied by a Special Resolution passed by the Members at a Members' meeting duly convened and held according to the provisions of the Deed sanctioning the proposed modification to the Deed.

Other expenses permitted under the Deed

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

- (1) commissions/fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (2) taxes and other duties charged on the Fund by the government and/or other authorities;
- (3) costs, fees and expenses properly incurred by the auditor appointed for the Fund;
- (4) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- (5) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Provider and/or the Scheme Trustee;
- (6) costs, fees and expenses incurred for any meeting of the Members save where such meeting is convened for the benefit of the Provider and/or the Scheme Trustee;
- (7) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (8) costs, fees and expenses incurred in engaging any specialist approved by the Scheme Trustee for investigating or evaluating any proposed investment of the Fund;
- (9) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- (10) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (11) costs, fees and expenses incurred in the termination of the Fund or the removal of the Scheme Trustee or the Provider and the appointment of a new scheme trustee or provider;
- (12) 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 Scheme Trustee or the Provider 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);
- (13) remuneration and out of pocket expenses of the independent members of the Investment Committee of the Fund, unless the Provider decides otherwise;
- (14) costs, fees and expenses deemed by the Provider 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;
- (15) costs, fees and charges payable to the PPA by the Fund; and
- (16) costs, fees and charges payable to a foreign custodian of the foreign assets or investments of the Funds duly appointed by the Scheme Trustee.

10.5 REMOVAL, RETIREMENT AND REPLACEMENT OF THE PROVIDER

Subject to the approval of the SC, the Provider shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Scheme Trustee three (3) months' (or such other period as the Provider and the Scheme Trustee may agree upon) notice in writing of its desire so to do, and subject to the fulfilment of the following conditions:

- (1) the retiring Provider shall appoint such corporation by writing under the seal of the retiring Provider as the private retirement scheme provider of the Scheme in its stead and assign and transfer to such corporation all its rights and duties as the private retirement scheme provider of the Scheme;
- (2) such corporation shall enter into such deed or deeds as are referred to in accordance to the Deed; or
- (3) upon the payment to the Scheme Trustee of all sums due from the retiring Provider to the Scheme Trustee hereunder at the date of such retirement, the retiring Provider shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Scheme Trustee or any Member or other person in respect of any act or omission on the part of the retiring Provider prior to such retirement and the new private retirement scheme provider may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Provider hereunder as fully as though such new private retirement scheme provider had originally been a party to the Deed.

The Provider shall also retire, if so required by the Scheme Trustee, on the grounds that:

- (1) if the Provider has failed or neglected to carry out its duties to the satisfaction of the Scheme Trustee and the Scheme Trustee considers that it would be in the interests of Members for it to do so after the Scheme Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Provider in respect of that opinion, and after consultation with the SC and with the approval of the Members by way of a Special Resolution;
- (2) unless expressly directed otherwise by the SC, if the Provider 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 private retirement scheme provider under the relevant laws; or
- (3) the Provider 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;

Power of the Scheme Trustee to Remove or Replace the Provider

The Scheme Trustee shall take all reasonable steps to replace the Provider soon as practicable after becoming aware that:

- (1) if the Provider has failed or neglected to carry out its duties to the satisfaction of the Scheme Trustee and the Scheme Trustee considers that it would be in the interests of Members for it to do so after the Scheme Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Provider in respect of that opinion, and after consultation with the Securities Commission;
- (2) unless expressly directed otherwise by the SC, if the Provider 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 private retirement scheme provider under the relevant laws; or
- (3) the Provider has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business;

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

The Provider shall upon receipt of a written notice from the Scheme Trustee cease to be the provider of the Fund by the mere fact of the Provider's receipt of the notice. The Scheme Trustee shall, at the same time, by writing appoint some other corporation already approved by the Securities Commission to be the provider of the Fund; such corporation shall have entered into such deed or deeds as the Scheme Trustee may consider to be necessary or desirable to secure the due performance of its duties as provider for the Fund.

10.6 RETIREMENT OR REMOVAL OR REPLACEMENT OF THE SCHEME TRUSTEE

Provided always that the Provider has in place a corporation approved by the SC to act as the trustee of the Scheme and the Funds:-

- (1) the Scheme Trustee may retire upon the expiration of at least three (3) months' notice in writing to the Provider of its desire so to do, and the Provider shall appoint in writing the corporation approved by the SC to be the new trustee of the Scheme and the Funds; or
- (2) the Scheme Trustee may be removed and such corporation may be appointed as scheme trustee of the Scheme and the Funds by Special Resolution of the Members at a duly convened meeting.

Power of the Provider to Remove or Replace the Scheme Trustee

The Scheme Trustee may be removed and another scheme trustee may be appointed by Special Resolution of the Members at a duly convened meeting.

The Provider shall take all reasonable steps to replace the Scheme Trustee as soon as practicable after becoming aware that:

- (1) the Scheme Trustee has not been validly appointed;
- (2) the Scheme Trustee was not eligible to be appointed or to act as scheme trustee under any relevant law;
- (3) the approval granted to the Scheme Trustee to act as trustee for the Scheme has been revoked;
- (4) the Scheme Trustee has failed or refused to act as scheme trustee in accordance with the provisions or covenants of the Deed or any relevant law;
- (5) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Scheme Trustee and has not ceased to act under that appointment;
- (6) a petition has been presented for the winding up of the Scheme Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Scheme Trustee becomes or is declared insolvent); or
- (7) the Scheme Trustee has contravened the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law.

10.7 FULL WITHDRAWAL

Subject always to the prior approval of the PPA, a full withdrawal from the Scheme may be requested and made only in the following circumstances:

- (1) upon the production of proof satisfactory to the Provider or the PPA that a Member has attained the Retirement Age;
- (2) upon the production of proof satisfactory to the Provider or the PPA that a Member has passed away;
- (3) upon the production of proof satisfactory to the Provider or the PPA that a Member is departing Malaysia permanently; or
- (4) upon the direction of the PPA., where applicable.

10.8 PARTIAL WITHDRAWAL

A partial withdrawal from the Scheme may also be made in the circumstances described in paragraph (1) and (4) of Section 10.7 above.

When requested by a Member other than in the circumstances described in paragraph (2) and (3) of Section 10.7 above, and subject always to the prior approval of the PPA, partial withdrawals from the Scheme shall only be allowed subject to the following conditions:

- (1) the first request for a partial withdrawal may only be made after one year has elapsed from the date the first contribution to any private retirement scheme (including the Scheme) by or for the Member has vested in the Member;
- (2) subsequent requests for partial withdrawals may only be made once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for a partial withdrawal was made from any private retirement scheme (including the Scheme); and
- (3) partial withdrawals may be made only in respect of all or some of the Member's Units held in Sub-account B.

10.9 SWITCHING OF FUNDS

A Member may switch the Units of any Fund of the Scheme purchased with the contributions and held by him with the Units of any other Fund of the Scheme provided always that contributions to the Scheme have vested in a Member.

Units of the Funds of the Scheme shall not be capable of being switched with the units of any other fund which is not a Fund of the Scheme.

For the avoidance of doubt, the switching of the Units of a Fund with the Units of any other Fund of the Scheme is not a withdrawal from the Scheme, and accordingly, no prior approval of the PPA shall be required for such switching.

10.10 TRANSFER TO ANOTHER SCHEME

Subject always to the prior approval of the PPA, and subject also to the following terms and conditions, a Member may request withdrawal of any of the Units of any of the Funds of the Scheme held by him and the transfer of the proceeds of such withdrawal to another private retirement scheme operated by another private retirement scheme operator approved by the SC:

- (1) the first request for transfer may only be made after one year has elapsed from the date the first contribution to any private retirement scheme (including the Scheme) by or for the Member has vested in the Member; and
- (2) subsequent requests for transfers may only be made once every calendar year beginning with the calendar year immediately following the calendar year in which the first request for a transfer was made from any private retirement scheme (including the Scheme).

11. CLIENT COMMUNICATION

How can I keep track of my contribution?

(i) **Newspapers**

You will be able to obtain information pertaining to the Fund(s) from the press. The NAV per Unit of the Fund(s) will be quoted in at least two (2) major daily newspapers to enable you to monitor their contribution. Where a fund is wholly invested in Malaysia, the NAV per Unit of a particular Business Day will be published on the next Business Day.

(ii) **The Provider's Website**

You will be able to obtain information pertaining to the Funds from our website at www.hwangim.com. The Funds' daily NAV per Unit will be quoted in the website to enable you to monitor your contributions. The daily prices may be based on information available one (1) Business Day prior to publication. You will also be able to access to HwangIM's *i-Access* portal for online transactions, updating of personal details and account enquiries.

(iii) **The PPA's Website**

You will be able to access to your personal details and information of your account's transaction from the PPA's website at www.ppa.my.

(iv) **Financial Reports**

We will provide you with an annual report within two (2) months of the Funds' financial year-end and an interim report within two (2) months of the end of the period covered. A financial statement audited by the Funds' appointed auditor will be included in the annual report. The Scheme Trustee will prepare a report to you in both the annual and interim reports stating its opinion on the conduct of the Provider, in particular whether we had managed the Funds in accordance with the limitation on its investment powers as set out in the Deed and whether we had acted in accordance with the Deed, Guidelines, securities laws and other relevant laws.

(v) **Statement of Accounts**

We will issue a statement to you once every six (6) months confirming the current Unit holdings and transactions relating to your Units in the Funds.

(vi) **Customer Service**

You can seek assistance from the customer service personnel at HwangIM's office or at any location listed in Section 19 of this Disclosure Document during the stated office hours (9 a.m. – 6 p.m.). Alternatively, you can communicate with us via its toll free number 1-800-88-7080 or email to customercare@hwangim.com.

How do I make a complaint?

- (i) For internal disputes resolution, you may contact:

HwangIM's Customer Service

Please contact our customer service personnel at HwangIM's office or at any location listed in Section 19 of this Disclosure Document during the stated office hours (9 a.m. – 6 p.m.). Alternatively, Members can email to customercare@hwangim.com.

- (ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the **Securities Industries Dispute Resolution Corporation (SIDREC)**:

- | | |
|------------------|--|
| (a) via phone to | : 03-2282 2280 |
| (b) via fax to | : 03-2282 3855 |
| (c) via email to | : info@sidrec.com.my |

(d) via letter to : 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

(iii) You can also direct your complaints to **Securities Commission Malaysia (SC)** even if you have initiated a dispute resolution process with SIDREC, please contact the SC's Investor Affairs & Complaints Department:

(a) via phone to the Aduan Hotline at : 03 – 6204 8999
(b) via fax to : 03 – 6204 8991
(c) via e-mail to : aduan@seccom.com.my
(d) via online complaint form : www.sc.com.my
(e) via letter to : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

Who should I contact if I have questions or need additional information about my investment?

You can seek assistance from the customer service personnel at HwangIM's office or at any location listed in Section 19 of this Disclosure Document during the stated office hours (9 a.m. – 6 p.m.). Alternatively, you can communicate with us via its toll free number 1-800-88-7080 or email to customercare@hwangim.com.

12. THE PROVIDER

12.1 THE MANAGEMENT COMPANY (THE PROVIDER)

Background

Hwang Investment Management Berhad (*formerly known as HwangDBS Investment Management Berhad*) ("HwangIM") was incorporated in Malaysia on 2 May 1997 under the Companies Act, 1965 and began operations under the name Hwang-DBS Unit Trust (HDBSUT) Berhad in 2001. It is supported by one of Malaysia's leading integrated financial services group, Hwang-DBS (M) Berhad (HDBS) whose principal subsidiary, HwangDBS Investment Bank Berhad has over thirty-eight (38) years of experience in the securities industry, and Nikko Asset Management Asia Limited (*formerly known as DBS Asset Management Ltd*) (Nikko AM Asia), is an independent Asian investment management franchise with its parent company Nikko Asset Management Group (Nikko AM) headquartered in Tokyo.

HwangIM is a holder of a valid and existing Capital Markets and Services Licence under the CMSA and has an authorised paid up capital of RM 10 million. Shareholders of HwangIM are HDBS (53%), Nikko AM Asia (30%) and Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar (17%). HwangIM distributes its funds through their Institutional Business (IB) team, its internal retail sales team, third party agencies and through most banks in Malaysia.

Milestones

As at LPD, HwangIM has in its stable a total of forty two (42) funds which consist of twenty-four (24) unit trust funds and eighteen (18) wholesale funds, offering a complete and essential range of products, comprising conventional equity, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as islamic equity, islamic money market and islamic fixed income funds.

As at LPD, the total asset under management, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM16.9 billion.

12.2 ROLE OF THE PROVIDER

The general roles, duties and responsibilities of the Provider include, but are not limited to, the following:-

- to perform its function, operate the Scheme and manage the Funds according to the Deed, Disclosure Document, securities laws and the Guidelines on Private Retirement Scheme at all times;
- to exercise its powers for a proper purpose and in good faith for the best interest of the Members as a whole;
- to submit any information relating to the Scheme, its Funds and its business that may be required by SC from time to time; and
- to provide the necessary information to the Members regarding the performance of all of the Funds under the Scheme through annual and interim reports.

12.3 FINANCIAL POSITION

	Financial Year Ended		
	31 July 2012 (RM) Audited	31 July 2011 (RM) Audited	31 July 2010 (RM) Audited
Turnover	111,904,655	71,452,499	56,824,372
Profit Before Tax	23,045,297	13,143,632	10,694,710
Profit After Tax	18,675,603	10,350,141	7,744,098
Issued/Paid-up Capital	10,000,000	10,000,000	10,000,000
Shareholders' Fund	53,127,381	39,072,778	32,427,250

12.4 ROLE OF DIRECTORS

The Board of Directors is responsible for the overall management of the Provider and its funds. The Board not only ensures corporate governance is practised but policies and guidelines are adhered to. The Board will sit at least four (4) times every year, or more should the need arise.

Board of Directors

Mr Hwang Lip Teik

Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar

Mr Teng Chee Wai

Mr Blair Chilton Pickerell

Y.A.M. Tengku Syed Badarudin Jamalullail (Independent Director)

Mr Ong Eng Kooi (Independent Director)

Ms. Eleanor Seet Oon Hui (Alternate Director to Mr. Blair Chilton Pickerell)

12.5 ROLE OF THE INVESTMENT COMMITTEE

The investment committee formulates, establishes and implements investment strategies and policies. The committee will continuously review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Funds. The committee will also ensure investment guidelines and regulations are complied with. The committee will meet at least once every quarterly or more should the need arises.

The Investment Committee Members

Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar (Chairman of committee - non-independent)

Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar is a Non-Executive Director of both Hwang-DBS (Malaysia) Berhad and Hwang-DBS Investment Bank Berhad. Tunku Nadzaruddin was appointed as a Director of the Provider on 1 July 2002. Tunku Nadzaruddin graduated from Middlesex University, United Kingdom with a Bachelor of Science (Honours) in Mathematics. He started his career as a Management Science Consultant with British Telecom in 1982 before joining Esso Production Malaysia Inc. as a System Analyst. He has also previously served as the General Manager of Asia-Pacific Videolab Sdn. Bhd. and as an Executive Director of Antah Holdings Berhad. Tunku currently also sits on the Board of Kian Joo Can Factory Bhd, Box-Pak (Malaysia) Bhd, Nova MSC Berhad, Khyra Legacy Berhad, Rockbury Development Sdn Bhd, Wonder Berry Sdn Bhd and Oval Gallery Sdn Bhd. He is a member of the Executive Committee of Hwang-DBS (Malaysia) Berhad and HwangDBS Investment Bank Berhad (HwangDBS IB).

Y.A.M. Tengku Syed Badarudin Jamalullail (Independent committee member)

Y.A.M. Tengku Syed Badarudin Jamalullail is the independent Chairman of HwangDBS Investment Bank Berhad ("HwangDBS IB") and an independent Non-Executive Director of Hwang-DBS (Malaysia) Berhad. He is also a Member of the Audit Committee of HwangDBS IB and a Member of the Audit Committee, Nomination Committee and Remuneration Committee of Hwang-DBS (Malaysia) Berhad. Tengku graduated from Cambridge University in 1968 with a Master of Arts degree in Law and History. From 1968 –1978, he was employed and held various executive positions in Fraser & Neave (Malaya) Sdn. Bhd. Currently, Tengku is involved in his family businesses and is also the Independent Non-Executive Chairman of Fraser & Neave Holdings Bhd and several of its subsidiaries.

Dr. Neoh Soon Kean (Independent committee member)

He is the Founder and Executive Chairman of Dynaquest Sdn Bhd, an investment consulting and publication firm. He is a Director of a number of private corporations. Dr. Neoh and Dynaquest Sdn Bhd act as Investment Adviser to a number of private individuals and firms. He has been a lecturer in Universiti Sains Malaysia, a member of the KLSE Committee, the Deputy Chairman of the Advisory Board of Malaysian Central Depository and a member of the Panel of KLSE Compensation Fund. He served two terms as a founder member of the Malaysian Accounting Standards Board. He is currently a member of the Rating Review Committee of Malaysian Rating Corporation. He holds a BSc in Economics from London University, a MBA from Harvard University, USA and a PhD in Finance from Edinburgh University Scotland.

Mr Wong Ming Tek (Non-independent committee member)

He is the Executive Director and Head of Research of HwangDBS Vickers Research Sdn Bhd, i.e. a company holding a valid investment adviser's licence issued by the SC. Mr Wong Ming Tek graduated from the University of Rochester, USA

with a BA in Economics and Political Science in 1996. He has over 8 years experience as a research analyst. He was a Research Analyst in Phileo Allied Securities Sdn Bhd before joining HwangDBS Investment Bank Berhad in 2000. He later joined HwangDBS Vickers Research Sdn Bhd in 2003. He has experience covering sectors such as construction, concessionaires, aviation, shipping, cement and steel.

Mr Goh Yin Foo (Non-independent committee member)

He is an Executive Director of HwangDBS Vickers Research Sdn Bhd, i.e. a company holding a valid investment adviser's licence issued by SC. Mr Goh is a CFA holder (Chartered Financial Analyst) and graduated from the Nanyang Technological University, Singapore with a Bachelor of Business in 1993. Mr. Goh has over 13 years experience in investment research on the Malaysian stock market. His primary job responsibilities include providing investment advice, writing investment reports and making presentations to in-house dealers/ remisiers and Investors. He started his career as a Research Analyst with Summit Securities (S) Pte. Ltd. in Singapore from 1993 to 1994. He was with the Kuala Lumpur-based research arm of Prime East Securities (HK) Ltd in 1994 as a Research Analyst before joining HwangDBS Investment Bank Berhad in 1996. He later joined HwangDBS Vickers Research Sdn Bhd (in 2003 and was appointed as an Executive Director in March 2007.

12.6 ROLE OF AUDIT COMMITTEE

This Audit Committee meets regularly to appraise the effectiveness of the system of internal controls and corporate governance framework, review interim and annual report of the Scheme, review annual report of the Provider, audit findings from internal auditors, external auditors, compliance officers and regulatory authorities and recommend appropriate remedial actions to the Board of Directors. Meetings will be held not less than 4 times a year.

The Audit Committee Members

Ong Eng Kooi (Chairman/Independent member)

Ong Eng Kooi is an independent non-executive Director of the Hwang-DBS (Malaysia) Berhad. Mr. Ong also sits on the Board of HwangDBS Investment Bank Berhad, Hwang Investment Management Berhad and HwangDBS Commercial Bank Plc as an independent Director. Mr. Ong is a member of the Malaysian Institute of Accountants, the Malaysian Institute of Certified Public Accountants and a Fellow of The Institute of Chartered Accountants in England and Wales. He served the Federal Government as a Treasury Accountant from 1961 to 1966, during which period he acted at various times as Chief Accountant of the Ministry of Education, as Senior Treasury Accountant and as Accountant General of Malaysia. In 1967, he joined Cooper Brothers & Co, Malaysia (now known as PricewaterhouseCoopers, Malaysia) before his retirement as a partner in 1990. After his retirement, he served as a consultant to the firm until 1992.

Y.A.M. Tengku Syed Badarudin Jamalullail (Independent member)

Y.A.M. Tengku Syed Badarudin Jamalullail is an independent non-executive Director of Hwang-DBS (Malaysia) Berhad. Tengku graduated from Cambridge University in 1968 with a Master of Arts degree in Law and History. From 1968-1978, he was employed and held various executive positions in Fraser & Neave (Malaya) Sdn Bhd. Currently, Tengku is involved in his family businesses and is also the independent non-executive Chairman of Fraser & Neave Holdings Berhad and several of its subsidiaries. He is also the independent non-executive Chairman of HwangDBS Investment Bank Berhad and an independent Director of Hwang Investment Management Berhad and HwangDBS Commercial Bank Plc.

Dato' Seri Hwang Sing Lue (Non-independent member)

Dato' Seri Hwang Sing Lue is a non-Independent non-executive Chairman of Hwang-DBS (Malaysia) Berhad. He also serves as a Director of HwangDBS Investment Bank Berhad, HwangDBS Commercial Bank Plc and HwangDBS Securities (Cambodia) Plc. Dato' Seri Hwang has over 38 years of experience in the securities industry and is a Committee Member of the Association of Stockbroking Companies Malaysia. Dato' Seri Hwang is also actively involved in the rubber industry, holding the positions of a member of the Management Committee of the Malaysian Rubber Exchange ("MRE"), an Arbitrator of the Panel of MRE of Arbitrators and a member of the Certification Panel of MRE. Dato' Seri Hwang is also the President of the Federation of Rubber Trade Associations of Malaysia.

Mohamed Tarmizi Tun Dr. Ismail (Independent member)

Mohamed Tarmizi Tun Dr. Ismail is an independent non-executive Director of Hwang-DBS (Malaysia) Berhad. He also sits on the Board of HwangDBS Investment Bank Berhad as an independent Director. Encik Tarmizi graduated from

State University of New York, United States with a Bachelor of Arts in Sociology. He started his career with Bank Negara Malaysia in 1984 and held various positions in Bank Negara Malaysia including as Personal Assistant to the Governor and second senior officer at Bank Negara's New York Representative Office before he moved on to RHB Sakura Merchant Bankers Berhad as its Head of Asset Management Department in 1990. In 1995, he joined Land and General Berhad as Group Divisional Chief in charge of the Business Development, Legal and Company Secretarial Division before founding his own company in 2000 which is in the business of sourcing, identifying and recruitment of key management personnel and assisting companies in the development of business strategies.

Hwang Lip Teik (Non-independent member)

Hwang Lip Teik is a non-independent non-executive Director of Hwang-DBS (Malaysia) Berhad and Non-Executive Director of HwangDBS Investment Bank Berhad. Mr. Hwang is currently the Managing Director of HDM Capital Sdn Bhd, a subsidiary of Hwang-DBS (Malaysia) Berhad, responsible for the overall operations and strategic activities of HDM Capital Sdn Bhd. He is also a director of Hwang Investment Management Berhad and Chairman of HwangDBS Commercial Bank Plc.

12.7 THE TEAM

The Investment Team

Mr. Teng Chee Wai – Chief Executive Officer /Executive Director

Mr Teng is the founder of the Provider. In his capacity as Chief Executive Officer and Executive Director of the Provider, Teng manages the overall business and strategic direction as well as the management of the investment team. His hands on approach sees him actively involved in investments, product development and marketing. Teng's critical leadership and regular participation in reviewing and assessing strategies and performance has been pivotal in allowing the Provider to successfully navigate the economically turbulent decade. Teng's investment management experience spans more than 20 years, and his key area of expertise is in managing absolute return mandates for insurance assets and investment-linked funds in both Singapore and Malaysia. Prior to his current appointments, he was the Assistant General Manager (Investment) of Overseas Assurance Corporation (OAC) and was responsible for the investment function of the Group Overseas Assurance Corporation Ltd. Teng began his career in the financial industry as an investment manager with NTUC Income, Singapore. He is a Bachelor of Science graduate from the National University of Singapore and has a Post-Graduate Diploma in Actuarial Studies from City University in London.

Mr. David Ng Kong Cheong – Chief Investment Officer

David Ng was appointed as Chief Investment Officer on 1 September 2006, overseeing the operations of the equities, fixed income and the central dealing units. David was initially signed on as a Senior Portfolio Provider in HwangIM on 1 June 2005 and has obtained his license from SC since 13 November 2002 to act as a fund manager. He graduated with both Bachelor of Commerce (Accounting) and Bachelor of Law degrees from Monash University in Melbourne, Australia he is also a CFA (Chartered Financial Analyst) charterholder. In total, David has over 14 years of investment experience in managing both institutional and unit trust funds since the year 1997. Prior to joining HwangIM, he spent 5 years at HLG Asset Management Sdn. Bhd. managing both unit trust and institutional funds. One of the key responsibilities of David at HwangIM is the setting of investment strategies for the assets under management, and the management of selected portfolios. He is the **designated fund manager** for the Hwang PRS Growth Fund, the Hwang PRS Moderate Fund, the Hwang AIIIMAN PRS Shariah Growth Fund and fixed income portion of the Hwang PRS Conservative Fund.

Ms Esther Teo Keet Ying – Head, Fixed Income Investment

Esther Teo is the Head of Fixed Income Investment. Prior to joining the Provider, she was attached with the fixed income division of RHB Asset Management Sdn. Bhd. covering both institutional and unit trust mandates for 3 years. She began her career in KPMG Malaysia in 1999 as a consultant in financial advisory services specializing in corporate debt restructuring and recovery. Esther graduated from the University of Melbourne, Australia with a Bachelor of Commerce majoring in Accounting and Finance. Esther holds a valid and existing Capital Markets and Services Representative's Licence to carry out fund management in securities. She is the **designated fund manager** for fixed income portion of the Hwang PRS Conservative Fund.

Mr Gan Eng Peng – Head, Equity

Gan Eng Peng joined HwangIM in April 2008, bringing with him more than 15 years of experience in regional and local equities investment, corporate finance and business management. Prior to joining HwangIM, Gan was Head of Equities of Investments at Pacific Mutual Fund Berhad where he led a 6 person strong regional fund management team. Prior to that, he was the General Manager of Business Development at Pacific Mutual, being overall in charge of six departments

and driving the business function of the company. His other work experience included investment research at local and foreign research houses, corporate finance and running and owning an independent research house. Gan graduated with a Bachelor of Science (Industrial and Business Economics) from the London School of Economics, England.

Ms Cheryl Kaur Pola – Senior Portfolio Manager

Cheryl Kaur Pola joined HwangIM in August 2006 bringing with her 7 years of experience in equities investment, research and audit. Prior to joining HwangIM, Cheryl was Deputy Manager of Investments at Prudential Assurance (Malaysia) Berhad where she was responsible for co-managing one of the investment-linked funds. Cheryl also worked as an investment analyst in Amanah SSCM Asset management for 3 years, specialising in the property, plantation and construction sectors following a short stint as an auditor in KPMG. Cheryl graduated with a Bachelor of Commerce (Accounting & Finance) from Monash University, Clayton, Australia and is a Chartered Financial Analyst (CFA) Charter holder. Cheryl holds a valid and existing Capital Markets and Services Representative's Licence to carry out fund management in securities.

Mr Chow Kar Tzen – Portfolio Manager

Chow Kar Tzen joined HwangIM in December 2007 as a Senior Analyst. Kar Tzen brings with him more than 5 years experience in consulting and project management garnered during his tenure at TradeOneAsia Pte Ltd, a subsidiary of a publicly listed company in Singapore, Keppel Group Ltd., providing consulting and e-commerce services to companies in Malaysia, Singapore, India, China, Thailand, Philippines and Indonesia. His last role was as Senior Manager responsible for projects in India, Singapore, Malaysia and Thailand. Prior to that, Kar Tzen worked as a Professional Services Associate in ICG Commerce Pte Ltd., a US based e-commerce start-up in Singapore. Kar Tzen completed a full-time Masters of Business Administration (MBA) with Distinction from Nottingham University in 2007. He graduated with a Bachelor of Arts (Electrical & Information Sciences Engineering) from Cambridge University, United Kingdom.

Key Personnel of the Management Team

Mr. Teng Chee Wai – Chief Executive Officer / Executive Director

(Please refer to 12.7)

Mr. David Ng Kong Cheong – Chief Investment Officer

(Please refer to 12.7)

Ms. Peggy Liew Li Choo – Chief Operating Officer

Peggy Liew is currently the Chief Operating Officer of HwangIM. She joined HwangIM in July 2008 as Head of Operations. Peggy brings with her more than 20 years of work experience in various industries, of which 15 years of her professional experience have been in the capital market industry. Prior to joining HwangIM, Peggy spent seven years in Prudential Fund Management Berhad as the Head of Operations and six years in HLB Unit Trust Management overseeing fund valuations, sales and office administration as well as the operational activities within the company. She holds certifications from the Association of Chartered Certified Accountant (ACCA) and Chartered Institute of Marketing (CIM).

Ms Esther Thye Yee Meng – Chief Sales Officer

Esther Thye was appointed as the Chief Sales Officer on 1 September 2006 and has been with HwangIM since January 2005, previously as the Head of Institutional Business. She brings over fifteen years of sales and marketing experience primarily in the financial services industry. She is responsible for securing business from private and institutional clients as well as developing portfolio management solutions for this niche market. Esther is an Associate Financial Practitioner (AFP) who holds an advanced Diploma from the Chartered Institute of Marketing (CIM).

Mr Steve Lim Lip Hoong – Chief Product Officer

Steve Lim Lip Hoong was appointed as the Chief Product Officer of HwangIM on 1 June 2010. He covers the strategic management as well as structuring, developing and positioning of all HwangIM products in their respective client segments. Steve brings with him 20 years experience in portfolio management, marketing and product development for the fund management, stock-broking, onshore and offshore private banking industries. Prior to joining HwangIM, Steve was attached to offshore global private banks in Singapore. His offshore experience includes marketing of wealth management services and formulating investment strategies for the high networth individual market segment. Before moving offshore, he also covered various aspects of the capital market as fund manager, institutional sales and product

director in several renowned financial groups in Malaysia. Steve graduated from the University of Hawaii with double major in Finance and Accounting, and is a Chartered Financial Analyst (CFA) charter holder.

Mr Shahrin Shaikh Mohd – Chief Compliance, Risk and Legal Officer

Shahrin Shaikh Mohd joined HwangIM as the Chief Compliance, Risk and Legal Officer in January 2012 and brings with him more than 15 years experience in the fund management, unit trusts and capital market regulatory framework. He is entrusted by the Board of Directors and Chief Executive Officer of HwangIM to supervise the overall implementation and communication of risk governance and compliance framework on top of overseeing legal matters and risk management for the company. Shahrin began his career with the Securities Commission Malaysia where he spent more than 15 years in various capacities covering various areas such as reviewing corporate proposals which includes Initial Public Offering (“IPO”), acquisitions, rights issues, unit trusts; development of policies and guidelines as well as supervision and examination of unit trusts and fund management companies. Shahrin’s experience includes a 1-year stint at the Capital Market Authority of Saudi Arabia as a consultant in reviewing the mutual funds regulatory framework in Saudi Arabia. Shahrin graduated with a double major in Accounting and Financial Analysis from the University of Warwick, England.

12.8 PROVIDER’S DELEGATE

The Provider has appointed CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) to undertake the accounting and valuation function for the Funds. The fund accounting and valuation agents will maintain proper accounts, carry our daily valuation/pricing and forwarding the Unit prices to the daily newspaper for publication. All fees and expenses arising out of this appointment are not charged to the Funds and are solely borne by the Provider as required by the Guidelines.

12.9 THE PROVIDER’S DISCLOSURE ON RELATED PARTY TRANSACTIONS AND POSSIBLE CONFLICTS OF INTEREST

As at LPD, save for the transactions as disclosed below, the Provider is not aware of any existing and/or proposed related party transactions or conflict of interest situations or other subsisting contracts of arrangements involving the Funds.

Related Party Transactions

Save for the transaction as disclosed below, the Provider is not aware of any existing and/or proposed related party transactions involving the Funds:-

Company Involved in the Transaction	Nature of Transaction	Related Party	Nature of Relationship
The Provider	Placement of deposits.	HwangDBS Investment Bank (HwangDBS IB)	HwangDBS IB is a wholly-owned subsidiary of HwangDBS (Malaysia) Berhad who in turns holds 53% equity in HwangIM.

Conflicts of Interest

The following shareholders have either direct or indirect interest in other corporations carrying on a similar business as disclosed below:-

Name of Substantial Shareholder	Interest in Other Corporation Carrying on a Similar Business	Nature of Business
Hwang-DBS (Malaysia) Berhad	Hwang-DBS (Malaysia) Berhad, the holding company of the Provider, holds 100% equity interest in HDM Capital Management Sdn. Bhd. (“HCM”)	HCM is a venture capital management company that is registered with the SC and its principal activities are fund management, investment advisory and related consultancy services.

THIS IS A PRIVATE RETIREMENT SCHEME

	Hwang-DBS (Malaysia) Berhad also holds 49% equity interest in Asian Islamic Investment Management Sdn. Bhd. ("AIIMAN").	AIIMAN is a Malaysia registered Islamic fund management company that had obtained the Capital Markets and Services Licence from SC.
Nikko AM ASIA	Nikko AM ASIA, a substantial shareholder of the Provider, holds 100% equity interest in Nikko Asset Management (Hong Kong) Limited ("Nikko AM HK")	Nikko AM HK is a registered fund management company in Hong Kong.
	Nikko AM ASIA, a substantial shareholder of the Provider, holds 100% equity interest in DBS Asset Management (US) Pte. Ltd. ("DBSAM US")	DBSAM US is a dormant company and is currently undergoing liquidation.
	Nikko AM ASIA, a substantial shareholder of the Provider, holds 33% equity interest in Singapore Consortium Investment Management Ltd. ("SiCIM").	SiCIM is a registered fund management company in Singapore.

The following directors of the Provider have either direct or indirect interest in other corporations carrying on a similar business as disclosed below:-

Name of Director	Name of Corporation or Business	Nature of Interest	
		Shareholding (Direct/ Indirect)	Directorship
Hwang Lip Teik	Asian Islamic Investment Management Sdn. Bhd.	Indirect interest of 49%	Director
	HDM Capital Management Sdn. Bhd.	Indirect interest of 100%	-
Y.A.M. Tengku Syed Badarudin Jamalullail	Asian Islamic Investment Management Sdn. Bhd.	-	Independent Chairman
Blair Chilton Pickerell	Nikko Asset Management International Limited	-	Director
	Tyndall Investment Management Limited	-	Director
	Tyndall Investment Management New Zealand Limited	-	Director
	SIM Funds Management Limited	-	Director
	Tasman Asset Management Limited	-	Director
	Nikko Asset Management Asia Limited	-	Director
	Nikko Asset Management Hong Kong Limited	-	Director
	Asian Islamic Investment Management Sdn. Bhd.	-	Director (Non-executive)

Seet Oon Hui Eleanor	Asian Islamic Investment Management Sdn. Bhd.	-	Director (Non-executive)
	Nikko Asset Management Asia Limited	-	Director

12.10 POLICY ON DEALING WITH CONFLICTS OF INTEREST

The Provider has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Funds, the Provider will not make improper use of its position in managing the Funds to gain, directly or indirectly, any advantage or to cause detriment to the interests of Members. Where the interest of the directors, substantial shareholders or the investment committee members may conflict with that of the Funds, they are to refrain from participating in the decision-making process relating to the matter. Staffs are required to seek prior approval from the Executive Director or the Chief Executive Officer before dealing in any form of securities. All transactions with related parties are to be executed on terms which are best available to the Funds and which are not less favourable to the Funds than an arms-length transaction between independent parties.

12.11 MATERIAL LITIGATION

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

13. THE SCHEME TRUSTEE

13.1 CORPORATE PROFILE

Name of Scheme Trustee	:	CIMB Commerce Trustee Berhad (313031-A) (formerly known as BHLB Trustee Berhad)
Date of Incorporation	:	25 August 1994
Staff Strength	:	23 executives and 2 non-executive as at LPD
Directors	:	Zahardin Oмарdin Chan Swee Liang Carolina Loh Shai Weng Liew Pik Yoong (as alternate director to Chan Swee Liang Carolina)
Head of Operations	:	Lee Kooi Yoke

13.2 FINANCIAL POSITION

The following is a summary of the past performance of CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) based on audited accounts for the past three (3) financial years ended 31 December:

	2009	2010	2011
	(RM'000)	(RM'000)	(RM'000)
Paid-up Share Capital	1,750	1,750	1,750
Shareholders' Funds	5,696	6,497	6,601
Turnover	7,038	7,113	6,289
Profit before Tax	3,340	2,588	1,802
Profit after Tax	2,465	1,936	1,354

13.3 EXPERIENCE IN TRUSTEE BUSINESS

As at LPD, CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) acts as trustee to one (1) real estate investment trust funds, fifty six (56) unit trust funds and ten (10) wholesale funds. In addition to overseeing these funds, CIMB Commerce Trustee (formerly known as BHLB Trustee Berhad) also acts as trustee to private debt securities issues such as bonds and notes. Other than being the administrator of deceased's estates, executor of wills, trustee for minors or incapacitated persons, CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) also acts as trustee for public, charitable, staff retirement, and pension/gratuity fund scheme, custodian trustee for associations, clubs and others. CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) is supported by 25 staff comprise of 23 executives and 2 non executive as at LPD.

13.4 ROLES, DUTIES & RESPONSIBILITIES OF THE SCHEME TRUSTEE

The Scheme Trustee's functions, duties and responsibilities are set out in the Deed. The general function, duties and responsibility of the Scheme Trustee include, but are not limited to the following:

- Take into custody the investments of the Funds and hold the investments in trust for the Members;
- Ensure that the Providers operates and administers the Funds in accordance with the provisions of the Deed, SC Guidelines and acceptable business practice within the private retirement scheme industry;

- (c) As soon as practicable, notify the Securities Commission of any irregularity or breach of the provisions of the Deed, SC Guidelines and any other matters which in the Scheme Trustee's opinions may indicate that the interests of Members are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, in actively monitoring the operation and management of the Funds by the Provider to safeguard the interests of Members;
- (e) Maintain, or cause the Provider to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Funds to be formed and to ensure that the Funds are operated and managed in accordance with the Deed of the Funds, Disclosure Document, the SC Guidelines and securities law; and
- (f) Require that the accounts be audited at least annually.

The Scheme Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Members.

13.5 SCHEME TRUSTEE'S STATEMENT OF RESPONSIBILITY

The Scheme Trustee has given its willingness to assume the position as Scheme Trustee of the Funds and all the obligations in accordance with the Deed, all relevant laws and rules of law.

13.6 SCHEME TRUSTEE'S DECLARATION

The Scheme Trustee is independent of the Provider. The Scheme Trustee will carry out transactions on arm's length basis and on terms which are best available for the Funds, as well as act at all times in the best interest of the Funds' members. The Scheme Trustee also has adequate procedures and processes in place to prevent or control conflict of interest.

13.7 REMOVAL OR REPLACEMENT OF THE SCHEME TRUSTEE

The Scheme Trustee may be removed and another scheme trustee may be appointed by Special Resolution of the Members at a Members' meeting convened in accordance with the Deed or as stipulated in the Capital Markets & Services Act.

13.8 SCHEME TRUSTEE'S DELEGATE

CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) has appointed CIMB Group Nominees (Tempatan) Sdn Bhd as the Scheme Trustee's delegate to perform custodial function. CIMB Group Nominees (Tempatan) Sdn Bhd is a wholly owned subsidiary of CIMB Bank Berhad. Its custodial function includes safekeeping, settlement and corporate action related processing and cash and security reporting.

All investments are automatically registered in the name of the Funds. CIMB Group Nominees (Tempatan) Sdn Bhd acts only in accordance with instructions from the Scheme Trustee.

13.9 MATERIAL LITIGATION AND ARBITRATION

As at LPD, the CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Scheme Trustee or any of its delegates.

14. THE SHARIAH ADVISER

14.1 BACKGROUND INFORMATION

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 funds with the SC. It has been established with the aim of addressing the global needs for experts' and shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah Principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services. The company is led by Dr. Mohd Daud Bakar and teamed by a panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of eight (8) full-time consultants who with a mixture background from corporate finance, accounting, product development, shariah law and education.

Amanie meets every quarter to address shariah advisory matters pertaining to our shariah funds. Since 2005, Amanie has acquired seven (7) years of experience in the advisory role of unit trusts and as at LPD there are 27 funds which Amanie acts as Shariah Adviser.

14.2 SHARIAH ADVISER'S ROLES AND RESPONSIBILITIES

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

14.3 DESIGNATED PERSONS RESPONSIBLE FOR SHARIAH MATTERS OF THE FUND

The designated person responsible for Shariah advisory matters of the Fund is Dr. Mohd. Daud Bakar as the President/CEO. Other consultants are:-

- (1) Suhaida Mahpot
- (2) Zuraida Rodhi

The consulting team

Dr. Mohamed Daud Bakar **Group Chairman / Shariah Advisor**

Dr. Mohd Daud Bakar is the Founder and Group Chairman of Amanie Advisors, a global boutique Shariah advisory firm with offices located in Kuala Lumpur, Dubai, Luxembourg, Cairo, Kazakhstan, Oman, and Australia. Prior to this; he was the Deputy Vice-Chancellor at the International Islamic University Malaysia. He received his first degree in Shari'ah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he went on to complete his external Bachelor of Jurisprudence at University of Malaya. He has published a number of articles in various academic journals and has made many presentations in various conferences both local and overseas. Dr Mohd Daud is currently the Chairman of the Shari'ah Advisory Council of the Central Bank of Malaysia, the Shariah Advisory Council of Securities Commission of Malaysia and the Shariah Supervisory Council of Labuan Financial Services Authority. He is also a member of Shari'ah Board of Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) (Bahrain), Dow Jones Islamic Market Index (New York), Oasis Asset Management (Cape Town, South Africa), Bank al-Khair (formerly known as Unicorn Investment Bank (Bahrain), Financial Guidance (USA), BNP Paribas (Bahrain), Morgan Stanley (Dubai), Jadwa-Russell Islamic Fund (Kingdom of Saudi Arabia), Bank of London and Middle East (London), Noor Islamic Bank (Dubai), Islamic Bank of Asia (Singapore), and in other financial institutions

both local and abroad. Apart from that, Dr Mohd Daud is also actively advising in capital market product structuring such as Sukuk both local and overseas.

**Suhaida Mahpot
Consultant**

Suhaida is a consultant who specializes in Islamic asset management, responsible in Shariah screening of equity & fixed income securities, Shariah monitoring & compliance review of unit trust funds and the operation of asset management companies. She holds Bachelor of Economics (Islamic Economic & Finance) from International Islamic University Malaysia. Her career in banking & financial industry started as a Trainee under Capital Market Graduated Trainee Scheme organized by Securities Commission of Malaysia. Prior to joining Amanie Advisors Sdn Bhd, she worked with Affin Investment Bank Bhd since 2006 as an Executive for 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 sectors.

**Zuraida Rodhi
Consultant**

Zuraida is a qualified Islamic Financial Planner with Financial Planning Association of Malaysia (FPAM) and Islamic Banking and Finance Institute Malaysia Sdn Bhd (IBFIM). Prior to joining Amanie, she was involved in product development and accounting structure at Muslim Cooperative Community of Australia (MCCA), the pioneer of Islamic financial institution in Australia. Prior to that, Zuraida was one of the associates in the accounting and auditing firm in Singapore, CW Yit & Associates. Her roles were primarily involved in performing the duty as the external auditor and preparing clients' financial statements. Currently at Amanie, she is primarily tasked with Shariah stocks screening, Islamic wealth management training and course development, and with organizing various Islamic finance events globally. Zuraida graduated from Massey University of New Zealand with a Bachelor Degree in Business Studies majoring Accountancy.

15. TAX ADVISER'S LETTER

The Board of Directors
 Hwang Investment Management Berhad
 (formerly known as (f.k.a) HwangDBS Investment Management Berhad)
 Suite 11-01, 11th Floor
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Dear Sirs

Hwang Private Retirement Scheme which consist of Hwang PRS Growth, Hwang PRS Moderate Fund, Hwang PRS Conservative Fund and Hwang AIIIMAN PRS Shariah Growth Fund ("The Scheme")

– Taxation of the Scheme and Members

1. This letter has been prepared for inclusion in the First Disclosure Document in connection with the offer of units in the funds under Hwang Private Retirement Scheme (hereinafter referred to as "the Scheme"). The funds in the Scheme comprise of Hwang PRS Growth, Hwang PRS Moderate Fund, Hwang PRS Conservative Fund and Hwang AIIIMAN PRS Shariah Growth Fund (individually hereinafter referred to as "the Fund").

2. Taxation

The following is general information based on Malaysian tax law in force at the time of lodging this First Disclosure Document with the Securities Commission Malaysia ("SC") and members should be aware that the tax law may be changed at any time. To an extent, the application of tax law depends upon a member's individual circumstances. The information provided below does not constitute tax advice. The Private Retirement Scheme ("PRS") Provider therefore recommends that a member consult his accountant or tax adviser on questions about his individual tax position.

3. Taxation of the Scheme

3.1 Income Tax

The Scheme is an approved scheme under the Malaysian Income Tax Act, 1967 ("MITA") pursuant to Section 2 of the MITA. Section 2 defines approved scheme as the Employees Provident Fund, PRS or any pension or provident fund, scheme or society approved by the Director General of the Inland Revenue ("DGIR") under Section 150 of the MITA. PRS is further defined as a retirement scheme approved by the SC in accordance with the Capital Markets and Services Act, 2007.

Based on the above, income received by the Funds of the Scheme is not liable to income tax ("income tax" or "tax") pursuant to Paragraph 20 of Schedule 6 to the MITA.

As the income of the Funds under the Scheme is exempted from tax, the tax credit attached to taxable dividends received by the Fund i.e. tax deducted at source at the prevailing tax rate will be refundable to the Fund.

3.2 Real Property Gains Tax ("RPGT")

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

Effective 1st January 2012, the RPGT (Exemption) Order 2011 imposes the following effective RPGT rates on chargeable gains of any person arising from the disposal of real properties and shares in real property companies:-

Period from acquisition date to disposal date (years)	Effective RPGT Rate (%)
Within 2	10
Between 3-5	5
After 5	0 (Exempt)

It is proposed in the 2013 Budget Speech that the RPGT rates on chargeable gains arising from the disposal of real properties and shares in real property companies from 1st January 2013 be reviewed as follows:-

Period from acquisition date to disposal date (years)	Effective RPGT Rate (%)
Within 2	15
Between 3-5	10
After 5	0 (Exempt)

The above proposal is subject to gazette by way of statutory order.

4. Taxation of Members

4.1 Distribution of Income

The amount determined by the PRS Provider to be distributed shall be distributed to all Members in proportion to the number of units held by them in the Fund as of the date that the distribution is declared. The distribution shall be effected by the creation of additional units of the Fund in favour of and to the credit of the Members.

Distribution of income in the form of units of the Fund to Members which are reinvested in the PRS are exempted from tax.

4.2 Withdrawal from the Scheme

It is proposed in the Finance (No. 2) Bill 2012 that effective from 1st January 2013, where withdrawal of contributions from the Scheme by a Member is made prior to the Member attaining the age of 55 (other than by reason of death or permanently leaving Malaysia) the amount of contribution withdrawn will be taxed at the rate of 8%. The PRS Provider is required to deduct tax at the rate of 8% from the withdrawn amount before making payment to the Member. The tax withheld has to be remitted to the DGIR within one month after making the payment to the Member. In the event that the PRS Provider fails to remit any amount of the tax withheld, a penalty of a sum equivalent to 10% of the amount not remitted shall be imposed on the PRS Provider and the increased sum shall be a debt due from the PRS Provider to the Government.

The above proposal is subject to enactment.

4.3 Transfer or Redemption of Units

Any gains realized by a Member on the transfer or redemption of his units in the Fund are generally tax-free capital gains.

4.4 Unit Splits

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

5. Tax Relief and Deduction on Contributions to the Scheme

Pursuant to Section 49(1D) of the MITA, a Member who is tax resident for the basis period for a year of assessment is entitled to a tax relief of up to RM3,000 in respect of contributions made to a PRS or deferred annuity. This is effective from year of assessment 2012 to year of assessment 2021.

Employers are given a tax deduction of up to 19% of the employees' remuneration under Section 34(4) of the MITA for contributions made by the employers to an approved scheme which is defined in (3.1) above. The tax deduction on contributions made by employers on behalf of employees to a PRS is effective from year of assessment 2012.

With respect to employers' contributions to a PRS on behalf of employees that are subject to a vesting schedule, upon termination of employment of an employee, unvested benefits (to which the employee is not entitled in the Member's account) returned to the employer may be subject to tax in the hands of the employer pursuant to Section 22 of the MITA.

Yours faithfully

Yee Wing Peng

Managing Director

Appendix

Exempt Interest Income of Unit Trusts

1. Interest or discount paid or credited to unit trusts in respect of the following will be exempt from tax: -
 - Securities or bonds issued or guaranteed by the government; or
 - Debentures or Islamic Securities, other than convertible loan stock, approved by the Securities Commission Malaysia; or
 - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
2. Interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983.
3. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
4. Interest in respect of any savings certificates issued by the Government.

Interest in respect of Islamic securities originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved by the Securities Commission Malaysia or Labuan Financial Services Authority.

16. STATEMENT OF CONSENT

The Scheme Trustee, the Banker, the Auditor, the Shariah Adviser, the Solicitors have given their consent to the inclusion of their names in the form and context in which such names appear in this Disclosure Document and have not withdrawn such consent.

The Tax Adviser has given their consent to the inclusion of the Tax Adviser's letter on Taxation of the Funds and Members in the form and context in which it appears in this Disclosure Document and has not withdrawn such consent.

17. DOCUMENTS AVAILABLE FOR INSPECTION

For a period of not less than 12 months, the following documents or copies of them or other documents as may be required by the SC (where applicable) are available for inspection at the registered office of the Provider or such other place as the SC may determine:

- (a) The Deed and supplemental Deed;
- (b) Each contract disclosed in the disclosure document and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- (c) The latest annual and interim reports of the fund;
- (d) The audited financial statements of the Funds and Provider for the current financial year (where applicable) and the last three financial years or from the date of establishment/ incorporation, if less than three years, preceding the date of the Disclosure Document;
- (e) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Disclosure Document. Where a summary expert's report is included in the Disclosure Document, the corresponding full expert's report must be made available for inspection;
- (f) Writ and relevant cause papers for all current material litigation and arbitration disclosed in the Disclosure Document; and
- (g) All consents given by experts disclosed in the Disclosure Document.

18. APPROVALS AND CONDITIONS

The Scheme has been approved and the Funds have been authorised by the SC on 17 July 2012, subject to the following conditions.

- (1) Appointment of a Scheme Trustee (as defined in the Act) duly approved by the SC;
- (2) Implementation and maintenance of appropriate oversight arrangements (per chapter 6 of the Guidelines) as follows:
 - (i) Appointment of an investment committee for each Core Fund; and
 - (ii) Appointment of an audit committee for the Scheme;
- (3) A Deed of the Scheme (encompassing the Core Funds) which complies with the requirement of the Guidelines, must be in force at all times;
- (4) With regard to Hwang PRS Conservative Fund, the following prohibitions and requirements must be complied with at all times:
 - (i) Investment in debentures/fixed income instruments are rated at least BBB-/P2 by RAM (or equivalent rating by MARC). However, debentures/fixed income instruments which are rated below BBB-/P2 and/or unrated, may comprise up to 5% of the Fund's NAV (the 5% Limit). In the event the 5% Limit is exceeded, whether as a result of:
 - (a) a downgrade of any debenture/fixed income instrument to below BBB-/P2;
 - (b) an increase in the aggregate value of debentures/fixed income instruments which are rated below BBB-/P2 and/or unrated; or
 - (c) a decrease in the NAV of the Fund;
 the Provider must reduce such investments to comply with the 5% Limit unless in the opinion of the Scheme Trustee, the disposal of such investments is not in the best interests of Members;
 - (ii) Use of derivatives is for hedging purposes only;
 - (iii) No investments in warrants except as a result of Hwang PRS Conservative's holding in equities;
 - (iv) No investment in product with embedded derivatives;
 - (v) No exposure to foreign currency; and
 - (vi) No investments in RM-denominated foreign debentures/fixed income instruments;
- (5) The Disclosure Document of the Scheme must be registered with the SC.

The Provider has complied with all the aforesaid conditions and further ensures that all the conditions are to be complied with at all times during the life of this Disclosure Document.

19. DIRECTORY OF SALES OFFICE

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