

# MASTER PROSPECTUS

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## **TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker**

(an exchange-traded fund established and constituted in Malaysia on 4 September 2019)

## **TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker**

(an exchange-traded fund established and constituted in Malaysia on 4 September 2019)

## **TradePlus HSCEI Daily (2x) Leveraged Tracker**

(an exchange-traded fund established and constituted in Malaysia on 4 September 2019)

## **TradePlus HSCEI Daily (-1x) Inverse Tracker**

(an exchange-traded fund established and constituted in Malaysia on 4 September 2019)

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### MASTER PROSPECTUS IN RESPECT OF THE OFFERING OF:

- (1) UP TO 1,000,000,000 UNITS OF TRADEPLUS NYSE® FANG+™ DAILY (2x) LEVERAGED TRACKER AT THE INITIAL ISSUE PRICE OF MYR 4.00 EACH;
- (2) UP TO 1,000,000,000 UNITS OF TRADEPLUS NYSE® FANG+™ DAILY (-1x) INVERSE TRACKER AT THE INITIAL ISSUE PRICE OF MYR 4.00 EACH;
- (3) UP TO 1,000,000,000 UNITS OF TRADEPLUS HSCEI DAILY (2x) LEVERAGED TRACKER AT THE INITIAL ISSUE PRICE OF MYR 2.00 EACH; AND
- (4) UP TO 1,000,000,000 UNITS OF TRADEPLUS HSCEI DAILY (-1x) INVERSE TRACKER AT THE INITIAL ISSUE PRICE OF MYR 2.00 EACH,

PURSUANT TO THE LISTING OF THE UNITS ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

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The Securities Commission Malaysia has approved the listing or quotation of units of the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker (collectively "the Funds") on the Main Market of Bursa Malaysia Securities Berhad and a copy of this Master Prospectus has been registered by the Securities Commission Malaysia.

The approval, and registration of this Master Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the Funds or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Master Prospectus. The Securities Commission Malaysia has not, in any way, considered the merits of the securities being offered for investments.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the management company responsible for the Funds and takes no responsibility for the contents of this Master Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Master Prospectus.

Admission to the Official List of Bursa Malaysia Securities Berhad is not to be taken as an indication of the merits of the offering, the Funds or of the Funds' units.

### Manager



**Affin Hwang Asset Management Berhad**  
(429786-T)

### Trustee



**CIMB Commerce Trustee Berhad**  
(313031-A)

### Investment Adviser



**Samsung Asset Management (Hong Kong) Ltd**  
(38598837)

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

**FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 10.**

**This Master Prospectus is dated 26 November 2019**

All terms used are defined under the "Abbreviations/Definitions" section commencing on page viii of this Master Prospectus.

## RESPONSIBILITY STATEMENTS

The directors of the Manager have seen and approved this Master Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement, or other facts which if omitted, would make any statement in the Master Prospectus false or misleading.

## ADDITIONAL STATEMENTS

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

This Master Prospectus can also be viewed or downloaded from Bursa Malaysia Securities Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

No action has been or will be taken to permit an offering of Units or the distribution of this Master Prospectus in any jurisdiction other than Malaysia and therefore, this Master Prospectus does not constitute an offer or invitation in any jurisdiction in which such offer or invitation is not lawful or in which the person making such offer or invitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or invitation. Investors should seek professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of the countries of their citizenship, residence or domicile for the acquisition, holding or disposal of Units.

## ELECTRONIC PROSPECTUS

The contents of the electronic copy of this Master Prospectus and the copy of this Master Prospectus registered with the Securities Commission Malaysia are the same. Prospective investors may obtain a copy of the Electronic Master Prospectus from the website of the Funds at [www.tradeplus.com.my](http://www.tradeplus.com.my).

The internet is not a fully secured medium. If investors doubt the validity or integrity of an Electronic Master Prospectus, investors should immediately request from the Manager a paper or printed copy of this Master Prospectus. If there is any discrepancy between the contents of the Electronic Master Prospectus and the paper or printed copy of this Master Prospectus, the contents of the paper or printed copy of this Master Prospectus which are identical to the copy of the Master Prospectus registered with the Securities Commission Malaysia shall prevail.

In relation to any reference in this Master Prospectus to third party internet sites (referred to as “**Third Party Internet Sites**”), whether by way of hyperlinks or by way of description of the Third Party Internet Sites, investors acknowledge and agree that:

- (i) each of the Manager and Participating Dealer does not endorse and is not affiliated in any way with the Third Party Internet Sites. Accordingly, each of the Manager and Participating Dealer is not responsible for the availability of, or the contents of any data, files or other material provided on Third Party Internet Sites. Investors bear all risks associated with the access to or use of Third Party Internet Sites;
- (ii) each of the Manager and Participating Dealer is not responsible for the quality of products or services of the Third Party Internet Sites, particularly in fulfilling any terms of agreements with Third Party Internet Sites. Each of the Manager and Participating Dealer is also not responsible for any loss or damage or cost that investors may suffer or incur in connection with or as a result of dealing with Third Party Internet Sites or the use of or reliance on any data, file or other material provided by such parties; and
- (iii) any data, file or other material downloaded from Third Party Internet Sites is done at the investors’ own discretion and risk. Each of the Manager and Participating Dealer is not responsible, liable or under any obligation for any damage to investors’ computer systems or loss of data resulting from the downloading of any such data, information, files or other material.

Where an Electronic Master Prospectus is hosted on the Funds’ website (i.e. [www.tradeplus.com.my](http://www.tradeplus.com.my)), investors are advised that:

- (i) the Manager is only liable in respect of the integrity of the contents of an Electronic Master Prospectus to the extent of the contents of the Electronic Master Prospectus on the web server of Affin Hwang Asset Management Berhad which may be viewed via the investors’ web browser or other relevant software. The Manager is not responsible for the integrity of the contents of an Electronic Master Prospectus which has been obtained from the web server of Affin Hwang Asset Management Berhad and subsequently communicated or disseminated in any manner to investors or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Master Prospectus, the accuracy and reliability of an Electronic Master Prospectus cannot be guaranteed because the internet is not a fully secured medium.

The Manager is not liable (whether in tort or contract or otherwise) for any loss, damage or costs, investors or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Master Prospectus which may arise in connection with or as a result of any fault with the web browsers or other relevant software, any fault on investors’ or any third party’s personal computers, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of Affin Hwang Asset Management Berhad respectively, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on investors’ personal computers.

## LICENSING DISCLOSURE STATEMENT AND CONDITIONS

The following are statements required to be disclosed in this Master Prospectus and any licensing conditions for using the benchmark, including contingency plans in the event of cessation of the availability of the benchmark.

### a) Index License Agreement entered into between ICE Data Indices, LLC and the Manager dated 28 January 2019

Source ICE Data Indices, LLC (“ICE Data”), is used with permission. “NYSE® FANG+™” is a service/trade mark of ICE Data Indices, LLC or its affiliates and has been licensed, along with the NYSE® FANG+™ Daily 2X Leveraged Index and NYSE® FANG+™ Daily 1x Inverse Index (“Indices”) for use by Affin Hwang Asset Management Berhad in connection with the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and the TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker (the “Product”). Neither Affin Hwang Asset Management Berhad nor the Product, as applicable, is sponsored, endorsed, sold or promoted by ICE Data Indices, LLC, its affiliates or its Third Party Suppliers (“ICE Data and its Suppliers”). ICE Data and its Suppliers make no representations or warranties regarding the advisability of investing in securities generally, in the Product particularly, or the ability of the Index to track general stock market performance. ICE Data’s only relationship to Affin Hwang Asset Management Berhad (“Licensee”) is the licensing of certain trademarks and trade names and the Index or components thereof. The Index is determined, composed and calculated by ICE Data without regard to the Licensee or the Product or its holders. ICE Data has no obligation to take the needs of the Licensee or the holder of the Product into consideration in determining, composing or calculating the Index. ICE Data is not responsible for and has not participated in the determination of the timing of, prices of, or quantities of the Product to be issued or in the determination or calculation of the equation by which the Product is to be priced, sold, purchased, or redeemed. Except for certain custom index calculation services, all information provided by ICE Data is general in nature and not tailored to the needs of Licensee or any other person, entity or group of persons. ICE Data has no obligation or liability in connection with the administration, marketing, or trading of the Product. ICE Data is not an investment advisor. Inclusion of a security within an index is not a recommendation by ICE Data to buy, sell, or hold such security, nor is it considered to be investment advice.

ICE DATA AND ITS SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY INFORMATION INCLUDED IN, RELATED TO, OR DERIVED THEREFROM (“INDEX DATA”). ICE DATA AND ITS SUPPLIERS SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES AND THE INDEX DATA, WHICH ARE PROVIDED ON AN “AS IS” BASIS AND YOUR USE IS AT YOUR OWN RISK.

### b) Index License Agreement entered into between Hang Seng Indexes Company Limited and the Manager dated 6 September 2019

The Hang Seng China Enterprises Futures 2x Leveraged Index and the Hang Seng China Enterprises Futures Short Index (the “Indices”) are published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark and name Hang Seng China Enterprises Futures 2x Leveraged Index and Hang Seng China Enterprises Futures Short Index are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Indices by Affin Hwang Asset Management Berhad in connection with TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker (the “Products”), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF THE INDICES AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE INDICES OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE INDICES OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE INDICES IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of the Indices and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE INDICES BY AFFIN HWANG ASSET MANAGEMENT BERHAD IN CONNECTION WITH THE PRODUCTS; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE INDICES;**

**OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE INDICES WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCTS OR ANY OTHER PERSON DEALING WITH THE PRODUCTS AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Products in any manner whatsoever by any broker, holder or other person dealing with the Products. Any broker, holder or other person dealing with the Products does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasi-contractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

**Please refer to Section 3.5 as well as the section headed “Risks Related to the Benchmark” in Section 2.2 for further information on the Benchmark.**

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## ABBREVIATIONS / DEFINITIONS

In this Master Prospectus, unless the context requires otherwise, the following words and abbreviations shall have the following meanings: -

ADR	:	American depositary receipt.
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad (14389-U).
After Listing	:	The period which commences on the Listing Date and continues until the Fund is terminated.
Application	:	A Creation Application and/or a Redemption Application, as the case may be.
Application Fee	:	The fee which will be payable by the Participating Dealer to the Manager (i) on each Creation Application and/or (ii) on each Redemption Application.
Application Cancellation Fee	:	The fee which may, at the discretion of the Manager, be charged to the Participating Dealer upon the cancellation of each Application.
Benchmark(s)	:	<ul style="list-style-type: none"><li>(i) In respect of the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, the NYSE® FANG+™ Daily 2X Leveraged Index which is designed to provide 2X exposure to the daily leveraged returns of the Underlying Index;</li><li>(ii) In respect of the TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, the NYSE® FANG+™ Daily 1x Inverse Index which is designed to provide an inverse (-1X) exposure to the daily performance of the Underlying Index;</li><li>(iii) In respect of the TradePlus HSCEI Daily (2x) Leveraged Tracker, the Hang Seng China Enterprises Futures 2x Leveraged Index which is designed to provide 2X exposure to the daily leveraged returns of the Underlying Index;</li><li>(iv) In respect of the TradePlus HSCEI Daily (-1x) Inverse Tracker, the Hang Seng China Enterprises Futures Short Index which is designed to provide an inverse (-1X) exposure to the daily performance of the Underlying Index, (or such other name by which the index may be known) provided by the respective Index Licensors or such replacement index as may be determined by the Manager in accordance with the Deed; a “Benchmark” shall mean the Benchmark of a Fund.</li></ul>
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (165570-W).
Bursa Securities	:	Bursa Malaysia Securities Berhad (635998-W).
Business Day(s)	:	A day (other than Saturdays, Sundays or public holidays in Kuala Lumpur) on which Bursa Securities is open for trading of securities or such other day as may be agreed upon between the Manager and the Trustee and notified to the Participating Dealer.
Cash Creation	:	The creation of Units in Creation Unit Block(s) in exchange for the Subscription Amount delivered by the Participating Dealer which may only be made after Listing.
Cash Redemption	:	The redemption of existing Units in Redemption Unit Block(s) delivered by the Participating Dealer in exchange for the Redemption Amount.
CDS	:	Central Depository System.

CDS Account	:	An account established at Bursa Depository for the recording of deposit of securities and for dealing in such securities by the depositor.
Central Depositories Act	:	The Securities Industry (Central Depositories) Act 1991.
CMSA	:	The Capital Markets and Services Act 2007.
Correlation	:	The degree to which the periodically measured return of one investment resembles that of another investment. The performance of the Fund and the Benchmark will vary somewhat due to, among other things, Transaction Costs, market impact and timing variances.
Creation Application	:	An application by the Participating Dealer (in accordance with the terms of the Participating Dealer Agreement) to the Manager for the creation of new Units (in a Creation Unit Block or whole multiples thereof).
Creation Application Fee	:	The fees which may be charged by the Manager to the Participating Dealer on each Creation Application in addition to the Subscription Amount and Transaction Costs.
Creation Date	:	In relation to Units applied for, the second (2 <sup>nd</sup> ) Business Day after the Trade Date on which a Creation Application for such Units is received or deemed received or such other day as may be agreed between the Manager and the Trustee (on either a general or case by case basis) and notified to the Participating Dealer on which Units are to be created.
Creation Unit Block	:	The quantity of Units which will be issued upon a successful Creation Application in respect of the Subscription Amount.  The size of a Creation Unit Block may change from time to time as determined by the Manager, upon consultation with the Trustee and notified to the Participating Dealer.
Dealing Day	:	A day (excluding Saturdays, Sundays and public holidays) on which the Relevant Exchanges in which the Fund is invested in is open for trading. The Manager may declare certain Dealing Days as non-Dealing Days when one or more of the Relevant Exchanges in which the Fund is invested in is closed for trading but shall not include a Dealing Day on which a force majeure event occurs or is continuing.
Dealing Deadline	:	For the purposes of Creation Application(s) and/or Redemption Application(s), such time on any particular Dealing Day as the Manager may, in consultation with the Trustee, from time to time determine and notified to the Participating Dealer.
Deeds	:	<ul style="list-style-type: none"> <li>(i) In respect of the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, the deed dated 4 September 2019 between the Trustee and the Manager constituting the Fund;</li> <li>(ii) In respect of the TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, the deed dated 4 September 2019 between the Trustee and the Manager constituting the Fund;</li> <li>(iii) In respect of the TradePlus HSCEI Daily (2x) Leveraged Tracker, the deed dated 4 September 2019 between the Trustee and the Manager constituting the Fund; and</li> <li>(iv) In respect of the TradePlus HSCEI Daily (-1x) Inverse Tracker, the deed dated 4 September 2019 between the Trustee and the Manager constituting the Fund, including any supplemental deed thereto; a “Deed” shall mean the Deed in respect of a Fund.</li> </ul>

eDividend	:	The service which was set up to allow the Manager and/or Trustee to electronically pay cash distributions directly into a Unit Holder's bank account.
Electronic Master Prospectus	:	A copy of this Master Prospectus that is issued, circulated or disseminated via the internet, and/or an electronic storage medium, including but not limited to CD-ROMs.
ETF	:	Exchange-traded fund.
ETF Guidelines	:	Guidelines on Exchange-traded Funds issued by the SC and any amendments thereafter.
FANG Stocks	:	Stocks including Facebook, Apple, Amazon, Netflix, and Alphabet's Google.
Financial Institutions	:	If – <ul style="list-style-type: none"> <li>(i) the institution is in Malaysia, any Licensed Bank, Licensed Investment Bank or Licensed Islamic Bank; or</li> <li>(ii) the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.</li> </ul>
Fund(s)	:	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker; a "Fund" shall mean any one Fund.
Fund Assets	:	All the assets (including cash) of the Fund for the time being held or deemed to be held upon trust by the Trustee pursuant to the Deed including net realised income of the Fund but excluding any amount which has been allocated for distribution to Unit Holders.
FYE(s)	:	Financial year(s) ended/ending.
HKD	:	Hong Kong Dollar, the lawful currency of Hong Kong.
Index Licensor(s)	:	(i) In respect of TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, ICE Data Indices, LLC; (ii) In respect of TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker, Hang Seng Indexes Company Limited, the respective licensors of the Benchmark for the respective Funds, who has the right to grant the Manager usage of such Benchmark; an "Index Licensor" shall mean the Index Licensor of a Fund.
Index Futures	:	Futures contracts on the Underlying Index.
Inverse Fund(s)	:	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker.
Investment Committee	:	The investment committee for the Funds.
IOPV per Unit	:	Indicative Optimised Portfolio Value per Unit which serves as an estimation of the NAV per Unit of a Fund's portfolio between Valuation Points as set out in Section 5.5 of this Master Prospectus.

Issue Price	:	The price per Unit at which Units are from time to time issued, based on the NAV per Unit and which shall be ascertained in accordance with the provisions of Section 5.4 - “Calculation of Issue Price and Redemption Price” of this Master Prospectus.
Leveraged Fund(s)	:	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (2x) Leveraged Tracker.
Licensed Bank	:	Has the meaning assigned to it in the Financial Services Act 2013.
Licensed Investment Bank	:	Has the meaning assigned to it in the Financial Services Act 2013.
Licensed Islamic Bank	:	Has the meaning assigned to it in the Islamic Financial Services Act 2013.
Listing	:	Admission to the Official List and the listing of and quotation for the Units on the Main Market of Bursa Securities.
Listing Date	:	The date of Listing.
Listing Requirements	:	The Main Market Listing Requirements of Bursa Securities.
LPD	:	1 October 2019, being the latest practicable date prior to the registration of this Master Prospectus.
Manager	:	Affin Hwang Asset Management Berhad (429786-T).
Master Prospectus	:	This master prospectus in respect of the Funds dated 26 November 2019.
MYR	:	Ringgit Malaysia, the lawful currency of Malaysia.
Net Asset Value or NAV	:	The value of all the Fund Assets less the value of all the Fund’s liabilities, at the Valuation Point.
NAV per Unit	:	The Net Asset Value of a Fund at a particular Valuation Point divided by the number of Units in issue of that Fund, at the same Valuation Point.
NASDAQ	:	National Association of Securities Dealers Automated Quotation System.
NYSE	:	New York Stock Exchange.
Official List	:	A list specifying all securities listed on the Main Market of Bursa Securities.
Ordinary Resolution	:	A resolution passed at a meeting of Unit Holders duly convened and held in accordance with the provisions of the Deed by a simple majority of the votes validly cast by the Unit Holders present (in person or by proxy) at the meeting and voting.
Participating Dealer	:	Affin Hwang IB and Malacca Securities Sdn Bhd, and shall include any other eligible dealer who enters into a Participating Dealer Agreement in the form and substance acceptable to the Manager and Trustee.
Participating Dealer Agreement	:	The agreement entered into between the Participating Dealer, the Manager and the Trustee setting out, amongst others, the arrangement in respect of the creation and issue of Units, the redemption and cancellation of Units.

Permitted Investments	:	The assets and instruments that the Fund is authorised to invest as set out in Section 3.10 of this Master Prospectus.
Redemption Amount	:	The cash sum to be delivered to the Participating Dealer in respect of a Cash Redemption equivalent to the Redemption Price multiplied by the number of Units to be redeemed.
Redemption Application	:	An application by the Participating Dealer to the Manager for the redemption of existing Units in a Redemption Unit Block (or whole multiples thereof).
Redemption Application Fee	:	The fee which may be charged by the Manager to the Participating Dealer on each Redemption Application in addition to the Transaction Costs.
Redemption Date	:	In relation to Units applied for, the second (2 <sup>nd</sup> ) Business Day after the Trade Date on which a Redemption Application for such Units is received or deemed received or such other day as may be agreed between the Manager and the Trustee (on either a general or case by case basis) and notified to the Participating Dealer on which Units are to be redeemed/cancelled.
Redemption Price	:	The price per Unit at which Units are from time to time redeemed, based on the NAV per Unit, and which shall be ascertained in accordance with the provisions of Section 5.4 - "Calculation of Issue Price and Redemption Price" of this Master Prospectus.
Redemption Unit Block	:	The quantity of Units which is required to be delivered to the Trustee upon a successful Redemption Application in respect of the Redemption Amount.  The size of a Redemption Unit Block may change from time to time as determined by the Manager, upon consultation with the Trustee and notified to the Participating Dealer.
Register	:	The register of Unit Holders kept and maintained by the Manager or its appointed agent on the basis of (i) Units issued to the Unit Holders, (ii) Units redeemed by the Unit Holders, and (iii) records obtained from Bursa Depository monthly or on such other dates as may be determined by the Manager from time to time and at any time.
Registrar	:	The Manager or such other party as may be appointed by the Manager from time to time.
Relevant Exchanges	:	The exchange in which the Fund may invest, (i) in respect of TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, which includes ICE Futures U.S.; (ii) in respect of TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker, which includes Hong Kong Futures Exchange; and such other exchanges as may be relevant to the Fund.
SC	:	Securities Commission Malaysia.
Special Resolution	:	A resolution passed by a majority of not less than 75% of the total voting rights of the Unit Holders who are entitled to vote on the resolution at the meeting of Unit Holders, provided that for the purposes of terminating the Fund, a special resolution is passed by a majority in number representing at least 75% of the voting rights of the Unit Holders voting at the meeting of Unit Holders.

Subscription Amount	:	The cash sum to be delivered by the Participating Dealer in respect of a Cash Creation equivalent to the Issue Price multiplied by the number of Units to be applied for.
Trade Date	:	The Dealing Day on which the Manager receives/is deemed to have received a valid Application in accordance with the provisions of the Deed and the Participating Dealer Agreement provided that if such valid Application is received after the Dealing Deadline, the next Dealing Day shall be the Trade Date.
Transaction Costs	:	In relation to any particular transaction or dealing relating to a Fund, all stamp duty and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies, foreign exchange costs and other duties and charges whether in connection with the Fund Assets or the creation, issue, transfer, cancellation or redemption of Units or the acquisition or disposal of Fund Assets or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing.
Trustee	:	CIMB Commerce Trustee Berhad (313031-A).
Underlying Index(es)	:	(i) In respect of TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, the NYSE® FANG+™ Index; and (ii) In respect of TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker, the Hang Seng China Enterprises Index, (or such other name by which the index may be known) provided by the respective Index Licensors or such replacement index as may be determined by the Manager, in accordance with the provisions of the Deed; an “Underlying Index” shall mean the Underlying Index of a Fund.
Unit	:	An undivided beneficial interest in and ownership of a Fund.
Unit Holder	:	A person entered on the Register as the holder of Units in accordance with the provisions of the Deed.
U.S.	:	United States of America.
USD	:	United States Dollar, the lawful currency of the United States of America.
Valuation Point	:	The time as set out in Section 3.14 of this Master Prospectus.

Reference to a time of day or a day in this Master Prospectus shall be a reference to Malaysian time or day, unless otherwise stated. Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include a company or a corporation.

Any reference in this Master Prospectus to any enactment or guideline is a reference to the enactment or guideline as for the time being amended or re-enacted.

The information on the Funds’ and the Manager’s website or the Index Licensors’ website or any website directly or indirectly linked to such websites is not incorporated by reference into this Master Prospectus and should not be relied on.

## INDICATIVE TIMETABLE

Dates & Time	Event
26 November 2019	: Issuance of this Master Prospectus
26 November 2019	: Date of allotment of Units
27 November 2019	: Tentative Listing Date

There will not be Units set aside for subscription by the public prior to Listing. The Manager has agreed to undertake the initial creation of Units. The public can only acquire Units on Bursa Securities or create Units through the Participating Dealer After Listing.

Subsequent to the Listing of the Units on Bursa Securities, the Participating Dealer may request for the creation of additional Units in accordance with the terms of the Participating Dealer Agreement.

**THE INDICATIVE TIMING AS SET OUT ABOVE IS SUBJECT TO CHANGE WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE DIRECTORS OF THE MANAGER (IN CONSULTATION WITH THE TRUSTEE), MAY IN THEIR ABSOLUTE DISCRETION, DECIDE TO EXTEND THE TENTATIVE LISTING DATE SUBJECT TO THE APPROVAL OF THE RELEVANT AUTHORITIES, IF REQUIRED. NOTICE OF ANY SUCH EXTENSION WILL BE MADE ON THE FUNDS' WEBSITE AT [www.tradeplus.com.my](http://www.tradeplus.com.my) AND BY WAY OF ANNOUNCEMENT THROUGH BURSA SECURITIES' WEBSITE AT [www.bursamalaysia.com](http://www.bursamalaysia.com).**

# CORPORATE DIRECTORY

## MANAGER

Affin Hwang Asset Management Berhad (429786-T)

*Registered Office:*

27<sup>th</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan

50200 Kuala Lumpur

Tel. No.: 03 – 2142 3700

Fax No.: 03 – 2142 3799

*Business Office:*

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan

50200 Kuala Lumpur

Tel. No.: 03 – 2116 6000

Fax No.: 03 – 2116 6100

Toll Free No.: 1-800-88-7080

E-mail: [customercare@affinhwangam.com](mailto:customercare@affinhwangam.com)

Website: [www.affinhwangam.com](http://www.affinhwangam.com)

## MANAGER'S DELEGATE

(fund valuation & accounting function)

CIMB Commerce Trustee Berhad (313031-A)

*Registered Office:*

Level 13, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 0099

*Business Office:*

Level 21, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 9886

## INVESTMENT ADVISER

Samsung Asset Management (Hong Kong) Limited

Suite 4513~14, TWO IFC,

No. 8 Finance Street,

Central, Hong Kong

## TRUSTEE

CIMB Commerce Trustee Berhad (313031-A)

*Registered Office:*

Level 13, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 0099

*Business Office:*

Level 21, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 9889

## TRUSTEE'S DELEGATE

(Custody Services)

CIMB Bank Berhad (13491-P)

*Registered Office:*

Level 13, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 0099

*Business Office:*

Level 21, Menara CIMB, Jalan Stesen Sentral 2

Kuala Lumpur Sentral, 50470 Kuala Lumpur

Tel. No.: 03 – 2261 8888

Fax No.: 03 – 2261 9892

## TAX ADVISER

Deloitte Tax Services Sdn. Bhd.

Level 16, Menara LGB, 1 Jalan Wan Kadir

Taman Tun Dr Ismail, 60000 Kuala Lumpur

## SOLICITOR

Messrs Wei Chien & Partners

D-20-02, Menara Suezcap 1, No.2, Jalan Kerinchi

Gerbang Kerinchi Lestari, 59200 Kuala Lumpur

## AUDITOR OF THE FUNDS AND THE MANAGER

PricewaterhouseCoopers

Level 10, 1 Sentral, Jalan Rakyat, KL Sentral

P.O. Box 10192, 50706 Kuala Lumpur

## PARTICIPATING DEALERS

Affin Hwang Investment Bank Berhad (14389-U)

*For TradePlus HSCEI Daily (2x) Leveraged Tracker and*

*TradePlus HSCEI Daily (-1x) Inverse Tracker only*

27<sup>th</sup> Floor, Menara Boustead

69, Jalan Raja Chulan

50200 Kuala Lumpur

Malacca Securities Sdn Bhd (16121-H)

No. 1, 3 & 5 Jalan PPM9,

Plaza Pandan Malim Business Park

Balai Panjang, 75250 Melaka

## MARKET MAKERS

Information relating to the market makers may be obtained from the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my).

## REGISTRAR

Affin Hwang Asset Management Berhad (429786-T)

27<sup>th</sup> Floor, Menara Boustead, 69 Jalan Raja Chulan

50200 Kuala Lumpur



**INDEX LICENSORS**

For TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and  
TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker  
ICE Data Indices, LLC  
100 Church Street, New York, New York, 10007  
United States of America

For TradePlus HSCEI Daily (2x) Leveraged Tracker and  
TradePlus HSCEI Daily (-1x) Inverse Tracker  
Hang Seng Indexes Company Limited  
83 Des Voeux Road Central, HKSAR

**LISTING SOUGHT**

Main Market of Bursa Securities

# 1. KEY DATA

**IMPORTANT NOTICE:**

Investors should carefully consider whether these Funds are appropriate for their portfolio. The Funds are designed to gain leveraged or inverse exposure to the Underlying Index through futures and are meant to be used as short term trading tools for market timing or hedging purposes. The Funds are intended to be used by, and are appropriate for, investors who intend to actively monitor and manage their portfolios on a daily basis, understand the potential consequences of the daily reset features of the Fund and understand the risk associated with the use of leverage and shorting. The Funds are very different from the conventional exchange-traded funds and are not appropriate for long term investments.

Investors should also be aware that the performance of the Fund, when held longer than a Dealing Day, may deviate from the leveraged or inverse performance of the Underlying Index. Please refer to Section 2.2, Specific Risks of Investing in a Leveraged Fund or an Inverse Fund, for the associated risks and impact on investors and Section 3.9, Performance comparison between the Underlying Indices and the Funds for a period longer than one day (i.e. comparison of the point-to-point performance), for examples on the performance of the Funds under different market conditions.

While it is expected that the Leveraged Fund (or Inverse Fund) will suffer a loss over time when the Underlying Index's performance falls (or rises), it is also possible that the Leveraged Fund (or Inverse Fund) will suffer a loss over time while the Underlying Index's performance rises (or falls) or is flat as a result of daily rebalancing, the Underlying Index's volatility and the effects of compounding of each day's return over time.

**The information set out in this section is only a summary of the salient information on the Funds and is extracted from the full text of this Master Prospectus. Investors should read and understand the entire Master Prospectus, including "Risk Factors" in Section 2 of this Master Prospectus before making an investment decision or deciding whether to invest and if necessary, consult their professional adviser(s). Please keep in mind, however, that no fund should be relied upon as a complete investment program.**

## 1.1 The Funds

Item	Brief Description		Sections
Name of Fund	: TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	-
Category of Fund	: Futures-based exchange-traded fund		-
Type of Fund	: Leveraged exchange-traded fund	Inverse exchange-traded fund	-
Initial Approved Fund Size	: 1,000,000,000 Units	1,000,000,000 Units	3.15
Initial Issue Price	: MYR 4.00	MYR 4.00	
Base Currency and Trading Currency	: MYR	MYR	-

Item	Brief Description		Sections
Financial Year End of the Fund	30 September	30 September	-
Benchmark	NYSE® FANG+™ Daily 2X Leveraged Index	NYSE® FANG+™ Daily 1x Inverse Index	3.5
Investment Objective	The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.	The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.	3.1.1 3.2.1
Investment Strategy	The Fund is a passively managed fund. To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest quarter futures contracts of the Underlying Index, subject to the rolling strategy discussed in Section 3.1.4 of this Master Prospectus, to obtain the required exposure of up to 200% of its Net Asset Value to the Underlying Index.	The Fund is a passively managed fund. To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest quarter futures contracts of the Underlying Index, subject to the rolling strategy discussed in Section 3.2.4 of this Master Prospectus, to obtain the required exposure of up to -100% of its Net Asset Value to the Underlying Index.	3.1.4 3.2.4
Asset Allocation	<ul style="list-style-type: none"> <li data-bbox="505 1150 850 1312">➤ A maximum of 30% of the Fund's NAV is to be committed as margin for investments in the futures contracts;</li> <li data-bbox="505 1325 850 1486">➤ A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and</li> <li data-bbox="505 1499 850 1822">➤ The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.</li> </ul>	<ul style="list-style-type: none"> <li data-bbox="873 1150 1219 1312">➤ A maximum of 15% of the Fund's NAV is to be committed as margin for investments in the futures contracts;</li> <li data-bbox="873 1325 1219 1486">➤ A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and</li> <li data-bbox="873 1499 1219 1822">➤ The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.</li> </ul>	3.1.3  3.2.3
Investor Profile	The Fund is suitable for investors who:	The Fund is suitable for investors who:	3.1.2 3.2.2

Item	Brief Description	Sections
	<ul style="list-style-type: none"> <li>➤ seek 2x leveraged exposure to the technology and consumer discretionary sectors' segment consisting of highly-traded growth stocks of technology and tech-enabled companies;</li> <li>➤ have a very high risk tolerance level; and</li> <li>➤ intend to use the Fund as a short term trading tool.</li> </ul>	<ul style="list-style-type: none"> <li>➤ seek inverse exposure to the technology and consumer discretionary sectors' segment consisting of highly-traded growth stocks of technology and tech-enabled companies;</li> <li>➤ have a very high risk tolerance level; and</li> <li>➤ intend to use the Fund as a short term trading tool.</li> </ul>
Income Distribution Policy	: The Fund may distribute income on an incidental basis.	3.12

Item	Brief Description	Sections
Name of Fund	: TradePlus HSCEI Daily (2x) Leveraged Tracker      TradePlus HSCEI Daily (-1x) Inverse Tracker	-
Category of Fund	: Futures-based exchange-traded fund	-
Type of Fund	: Leveraged exchange-traded fund      Inverse exchange-traded fund	-
Initial Approved Fund Size	: 1,000,000,000 Units      1,000,000,000 Units	3.15
Initial Issue Price	: MYR 2.00      MYR 2.00	
Base Currency and Trading Currency	: MYR      MYR	-
Financial Year End of the Fund	: 30 June      30 June	-
Benchmark	: Hang Seng China Enterprises Futures 2x Leveraged Index      Hang Seng China Enterprises Futures Short Index	3.5
Investment Objective	: The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.	3.3.1 3.4.1

Item	Brief Description	Sections
Investment Strategy	<p>The Fund is a passively managed fund. To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest spot month futures contracts of the Underlying Index, subject to the rolling strategy discussed in Section 3.3.4 of this Master Prospectus, to obtain the required exposure of up to 200% of its Net Asset Value to the Underlying Index.</p>	<p>3.3.4 3.4.4</p>
Asset Allocation	<ul style="list-style-type: none"> <li>➤ A maximum of 30% of the Fund's NAV is to be committed as margin for investments in the futures contracts;</li> <li>➤ A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and</li> <li>➤ The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.</li> </ul>	<p>3.3.3  3.4.3</p>
Investor Profile	<p>The Fund is suitable for investors who:</p> <ul style="list-style-type: none"> <li>➤ seek 2x leveraged exposure to the overall performance of China-related securities that are listed in Hong Kong;</li> <li>➤ have a very high risk tolerance level; and</li> <li>➤ intend to use the Fund as a short term trading tool.</li> </ul>	<p>3.3.2 3.4.2</p>

Item	Brief Description	Sections
Income Distribution Policy	: The Fund may distribute income on an incidental basis.	3.12

Item	Brief Description				Sections
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker	TradePlus HSCEI Daily (-1x) Inverse Tracker	
Summary of Risk Factors	(i) General Risks of Investing in ETFs and the Funds in Particular				2.1
	<ul style="list-style-type: none"> <li>➤ Market Risk</li> <li>➤ Capital and Returns Not Guaranteed</li> <li>➤ Inflation Risk</li> <li>➤ Liquidity Risk</li> <li>➤ Units may Trade other than at Net Asset Value</li> <li>➤ Trading in Units on Bursa Securities may be Suspended or Units may be De-listed</li> <li>➤ Suspension of Creations and/or Redemptions</li> <li>➤ Legal and Regulatory Risks</li> <li>➤ Reliance on Participating Dealer</li> <li>➤ Reliance on Manager</li> <li>➤ Reliance on the Investment Adviser</li> </ul>				
	(ii) Specific Risks of Investing in a Leveraged Fund or an Inverse Fund				2.2
	<ul style="list-style-type: none"> <li>➤ Long Term Holding Risk</li> <li>➤ Leverage Risk (<i>applicable to Leveraged Funds only</i>)</li> <li>➤ Inverse Performance Risk (<i>applicable to Inverse Funds only</i>)</li> <li>➤ Risk of Rebalancing Activities</li> <li>➤ Portfolio Turnover Risk</li> <li>➤ Risks Associated with Investment in Futures Contracts</li> <li>➤ Trading Hours Differences Risk (<i>applicable to TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker only</i>)</li> <li>➤ Country Risk</li> <li>➤ Currency Risk</li> <li>➤ Minimum Redemption Size</li> <li>➤ Tracking Error Risk</li> <li>➤ Risks Related to the Benchmark</li> </ul>				

Item	Brief Description				Sections
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker	TradePlus HSCEI Daily (-1x) Inverse Tracker	
	<ul style="list-style-type: none"> <li>➤ Passive Investment Management</li> <li>➤ Path Dependency</li> </ul>				
Use of Proceeds	:	For investment in assets that are permitted as set out in Section 3.10 of this Master Prospectus.			5.1.1
Offering of Units – After Listing	:	Units may be purchased and sold in two ways:- <ul style="list-style-type: none"> <li>➤ Participating Dealer               <p>In the primary market, the Participating Dealer (either acting for itself or for an investor as its client) may apply for the creation or redemption of Units in a Creation Unit Block or a Redemption Unit Block.</p> </li> <li>➤ Bursa Securities               <p>In the secondary market, investors may purchase or sell the Units in board lots of 100 Units (or multiples thereof) on the Main Market of Bursa Securities.</p> </li> </ul>			5.1.2 5.2 5.8
Creation / Redemption of Units	:	<ul style="list-style-type: none"> <li>➤ Creation of Units               <p>The Participating Dealer (either for its own account or for the account of an investor as its client) can apply for Cash Creation of new Units through delivery of Subscription Amount.</p> </li> </ul>			5.2.1 5.2.2
		<ul style="list-style-type: none"> <li>➤ Redemption of Units               <p>The Participating Dealer (either for its own account or for the account of an investor as its client) can apply for Cash Redemption through the delivery of existing Units in exchange for the Redemption Amount.</p> </li> </ul>			5.2.3 5.2.4
Creation / Redemption Unit Block	:	300,000 Units This quantity may change from time to time as determined by the Manager, upon consultation with the Trustee and notified to the Participating Dealer. The creation/redemption of Units must be in a Creation/Redemption Unit Block (or whole multiples thereof).			5.2.1 5.2.3
Trading of Units on Bursa Securities	:	Investors may trade (buy and sell) Units on the Main Market of Bursa Securities upon Listing of the Fund.			5.8
Trading Board Lot Size	:	100 Units			5.8
Manager of the Funds	:	Affin Hwang Asset Management Berhad			7

Item	Brief Description				Sections
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker	TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker	TradePlus HSCEI Daily (-1x) Inverse Tracker	
Investment Adviser of the Funds	: Samsung Asset Management (Hong Kong) Limited				7.8
Trustee of the Funds	: CIMB Commerce Trustee Berhad				8

## 1.2 Fees, Charges and Expenses

The following are the charges that the investors may incur **directly** when they invest in the Units of the Funds.

### ➤ Through Participating Dealer

All Creation Applications and Redemption Applications must be submitted to the Manager through the Participating Dealer. The creation and redemption of the Units must be implemented in accordance with the terms and conditions set out in the Participating Dealer Agreement.

This table describes the fees and charges (excluding out-of-pocket expenses) to be paid by the Participating Dealer to the Manager and/or Trustee. These fees and charges may either be charged to the investor by the Participating Dealer or may be absorbed by the Participating Dealer. Investors should check with the relevant Participating Dealer on the actual fees and charges which may be incurred.

Fees & Charges	Details		Section
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker & TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker & TradePlus HSCEI Daily (-1x) Inverse Tracker	
Creation/ Redemption Application Fee	: MYR200 per Creation Unit Block or Redemption Unit Block as applicable (and subject to a maximum of MYR1,000) payable to the Manager or such other amount as may be determined by the Manager from time to time, in consultation with the Trustee.		4.1.1
Creation/ Redemption Application Cancellation Fee	: 1.00% of the Subscription Amount or Cash Redemption, whichever is applicable, payable to the Manager or such other amount as may be determined by the Manager from time to time, in consultation with the Trustee.		4.1.1
Transaction Costs	: The Manager may charge Transaction Costs (incurred by a Fund) to prevent the NAV of the Fund from being diluted.		4.1.1
Other Fees	: The amount (other than Transaction Costs described above) that may be incurred by the Manager and/or the Trustee		4.1.1



Fees & Charges	Details		Section
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker & TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker & TradePlus HSCEI Daily (-1x) Inverse Tracker	
from time to time in relation to the Applications submitted by the Participating Dealer, which is charged by Bursa Depository.			

➤ **Through Bursa Securities**

This table describes the charges that investors may incur (based on the charges imposed by Bursa Securities as at the date of this Master Prospectus which charges may be varied from time to time) when they buy or sell Units in the Funds on Bursa Securities. Investors should check with their brokers on the actual fees and charges which may be incurred.

Fees & Charges	Details	Section
Brokerage Fee	: As prescribed by the Bursa Securities.	4.1.2
Bursa Securities Clearing fee	: 0.03% of the transaction value, subject to a maximum of MYR 1,000 per transaction. A MYR 10 minimum fee per transaction is applicable for direct business contracts.	4.1.2

Further information on the charges that investors will incur when trading Units on Bursa Securities can be found at [www.bursamalaysia.com](http://www.bursamalaysia.com).

The following are the charges that the investors may incur **indirectly** when they invest in the Units of the Funds.

Fees & Charges	Details		Section
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker & TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker & TradePlus HSCEI Daily (-1x) Inverse Tracker	
Annual Management Fee	: Up to 1.00% per annum of the NAV of the Fund.		4.2
Annual Trustee Fee	: 0.04% per annum of the NAV of the Fund.		4.2
Annual Index Licence Fee	: 0.05% per annum subject to a minimum of USD 19,000 per annum.	0.04% per annum subject to a minimum of HKD100,000 per annum.	4.2

**Establishment Costs of the Funds**

The cost of establishment and Listing of a Fund which includes the following expenses will be borne by the Fund:

- Cost of preparation and publishing of this Master Prospectus;

- Professional and advisory fees; and
- Regulatory fees.

(collectively, the “**Establishment Costs**”).

The aforesaid Establishment Costs shall be funded upfront by the Manager as and when incurred. The Manager is allowed to charge the Establishment Cost, which shall not exceed MYR 500,000 for each Fund, over a period of two (2) years to reduce the impact of dilution on the returns of the Fund.

### 1.3 Other Information

TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker	The Deed is dated 4 September 2019 and has been entered into between the Manager and the Trustee.
TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	The Deed is dated 4 September 2019 and has been entered into between the Manager and the Trustee.
TradePlus HSCEI Daily (2x) Leveraged Tracker	The Deed is dated 4 September 2019 and has been entered into between the Manager and the Trustee.
TradePlus HSCEI Daily (-1x) Inverse Tracker	The Deed is dated 4 September 2019 and has been entered into between the Manager and the Trustee.

Please refer to the relevant sections and pages of this Master Prospectus as set out above for additional specific information on the respective items on the Funds.

As the above strictly represents a summary of the salient information of the Funds, please read and understand the entire Master Prospectus before making investment decisions or investing in the Units.

## 2. RISK FACTORS

An investment in the Units involves risk. Prospective investors should rely on their own evaluation and carefully consider the following risk factors in addition to other information contained elsewhere in this Master Prospectus, before investing in the Funds.

As the Funds are designed to gain leveraged or inverse exposure to the Underlying Index through futures, they are very high risk products meant to be used as short term trading tools for market timing or hedging purposes. Investment in the Funds is subject to abnormal risks such as but not limited to Leverage Risk, Inverse Performance Risk and Long Term Holding Risk (as described in Section 2.2 of this Master Prospectus) and therefore, are not suitable to be held for long term as gains or losses could be amplified by the volatility of the Underlying Index. As a result of daily rebalancing, the Underlying Index's volatility and the effects of compounding of each day's return over time, it is possible that the Leveraged Fund (or Inverse Fund) will suffer a loss over time while the Underlying Index's performance falls (or rises) or is flat. Investors may refer to Section 3.7 of this Master Prospectus on the risk management strategies and techniques employed by the Manager to manage these abnormal risks.

Unless specified or quantified in the relevant risk factors set out herein, the Manager is not in a position to quantify the financial or other implications of any of the risks described in this Section. The following risk factors may not be exhaustive, and additional risks and uncertainties not presently known to the Funds or the Manager, or which are currently deemed to be immaterial may become material in the future, which could have a material adverse effect on the Funds or the price of the Units.

Unit Holders should be aware that the price of the Units may fluctuate. Investors should also note that they may not recoup their original investment fully or at all.

### 2.1 General Risks of Investing in ETFs and the Funds in Particular

➤ **Market Risk**

General movements in the market and factors that affect the investment climate and investor sentiment could affect the level of trading and therefore the market price of the Units, which can go down in price as well as up. These risks include market fluctuations caused by factors such as economic and political developments.

➤ **Capital and Returns Not Guaranteed**

Investors should be aware that by investing in the Funds, there is no guarantee of any returns or capital appreciation. Unlike fixed deposits placed directly by the investors into any Financial Institutions which carry a specific rate of return, the Funds do not provide a fixed rate of return. There is no guarantee that investors will enjoy any capital appreciation or will not experience any loss of capital invested in the Funds.

➤ **Inflation Risk**

Inflation is one of the long term risks as it creates uncertainty over the future value of the investments. Any investment is subject to the risk that the investments may not grow proportionately with the inflation rate. A return on investment which is lower than inflationary rate would reduce Unit Holder's purchasing power per MYR, where applicable, even though the value of the investment in monetary terms has increased.

➤ **Liquidity Risk**

Although the Units are listed for trading on the Bursa Securities, there is no assurance that an active trading market for such Unit will develop or be maintained. There is no certain basis for predicting the actual price levels at, or volume in which, the Units may trade. Accordingly, if a Unit Holder needs to sell his Units at a time when no active market for them exists, the price he receives for his Units (assuming he is able to sell them) is likely to be lower than the price received if an active market did exist. Whilst the market maker has been appointed by the Manager, there can be no assurance that such liquidity risk will be fully mitigated.

Investors should note, however, that the liquidity in the market for the Units may be adversely affected if the market maker fails or ceased to fulfil its role as a market maker. It is the Manager's intention and requirement that there will always be at least one market maker for the Funds.

➤ **Units may Trade other than at Net Asset Value**

The trading prices of the Units on Bursa Securities may deviate significantly from the NAV per Unit particularly during periods of market volatility or when there is any suspension of creations or redemptions of Units. The NAV per Unit of a Fund is calculated at the end of each Dealing Day and fluctuates with changes in the market value of the Fund Assets. The trading prices of the Units fluctuate continuously throughout the trading hours based on market supply and demand and economic conditions in Malaysia, rather than the Net Asset Value. Any of these factors may lead to the Units trading at a premium or discount to its Net Asset Value. On the basis that Units can be created and redeemed by the Participating Dealer in Creation Unit Blocks or Redemption Unit Blocks at the Net Asset Value, it is not anticipated that the market price of Units will have large deviations from the NAV per Unit, or even if there is, such deviations will not be sustained. If the Manager suspends creations and/or redemptions of Units, larger deviations to the Net Asset Value are expected.

Further, the role of the market maker is intended to minimise the difference between the trade prices on Bursa Securities and the NAV per Unit of the Funds.

➤ **Trading in Units on Bursa Securities may be Suspended or Units may be De-Listed**

Unit Holders and potential Unit Holders will not be able to buy, nor will Unit Holders be able to sell Units on Bursa Securities during any period in which trading of the Units is suspended. Bursa Securities may suspend the trading of Units pursuant to Bursa Securities' rules and policies whenever Bursa Securities determines that it is appropriate in the interests of a fair and orderly market to protect Unit Holders. The creation and redemption of Units may also be suspended if the trading of Units is suspended.

Further, Bursa Securities imposes certain requirements for the continued listing of securities, including the Units, on Bursa Securities. Investors cannot be assured that the Funds will continue to meet the requirements necessary to maintain the listing of the Units on the Main Market or that Bursa Securities will not change the Listing Requirements. The Funds may be terminated if their Units are de-listed from Bursa Securities.

➤ **Suspension of Creations and/or Redemptions**

Dealings of Units on Bursa Securities may not necessarily be suspended in the event that the creation and/or redemption of Units is temporarily suspended by the Manager in accordance with the terms of the Deed. If the creation and/or redemption of Units is temporarily suspended, the trading price of the Units may be adversely affected and differ from the market value of the Funds' underlying assets.

➤ **Legal and Regulatory Risks**

The Funds must comply with regulatory constraints or changes in the laws affecting them or their investment restrictions which might require a change in the investment policy and objective followed by the Funds. Furthermore, such change in the laws may have an impact on the market sentiment which may, in turn, affect the performance of the Funds. It is impossible to predict whether such an impact caused by any change of law will be positive or negative for the Funds. In the worst case scenario, a Unit Holder may lose all of his investment in the Funds.

➤ **Reliance on Participating Dealer**

- The creation and redemption of Units may only be effected through the Participating Dealer. As at the date of this Master Prospectus, the Manager has entered into a Participating Dealer Agreement with the Participating Dealer. This enables the Participating Dealer to request the creation of new Units and/or require the redemption of existing Units. If the existing participating dealer were to withdraw at any time and no new or additional participating dealer is appointed and/or enters into a Participating Dealer Agreement with the Manager, no new Units may then be created or redeemed.

- Although the Participating Dealer has agreed, pursuant to the Participating Dealer Agreement with the Manager, that it will create and redeem for investors, whether or not a participating dealer agrees with the investors to create and to redeem Units for them has to be agreed between the relevant investor and that participating dealer. The Participating Dealer may charge a fee for providing this service. The Participating Dealer will not be able to create or redeem Units during a suspension period.

➤ **Reliance on Manager**

- This risk refers to the Unit Holders' reliance on the Manager in formulating the investment strategies. The performance of each Fund is also dependent on the services and skills of the Manager's employees. In the case of loss of service of the Manager, or any of its key personnel, as well as any significant interruption of the Manager's business operations or in the extreme case of the insolvency of the Manager, there is a risk that the Trustee may not find a successor manager with the required skills and qualifications quickly or at all. Furthermore, the appointment of a successor manager may not be on equivalent terms or of similar quality. The occurrence of such events could cause a deterioration in the Funds' performance, and investors would face the risk of financial losses under such circumstances where the Funds see a deterioration in its NAV. Under such extreme cases where the Funds are without a manager, the Trustee will suspend the creation and redemption of Units for the Funds. Please refer to the risk on "Suspension on Creations and/or Redemptions" above for more details. The Trustee also holds the option to terminate the Fund should a successor manager not be appointed within three (3) months, or such other duration determined by the Trustee as specified in the Deed. Under such circumstances, the Trustee will liquidate the Fund Assets and return the proceeds, less the value of all the Fund's liabilities, to the Unit Holders proportion to his Units held.

➤ **Reliance on the Investment Adviser**

- Although certain employees of the Manager have experience in managing exchange traded funds, futures-based leveraged and inverse exchange-traded fund strategies are new to the Manager. As such, the Manager substantially makes use of, and relies upon the expertise of the Investment Adviser to support the investments of the Funds. In the event of a breakdown or a disruption in communications with or the provisions by the Investment Adviser of its assistance to the Manager, the operations of the Funds may be at risk of being adversely affected. The occurrence of such events could cause a deterioration in the Funds' performance, and investors would face the risk of financial losses under such circumstances where the Funds see a deterioration in its NAV.

## 2.2 Specific Risks of Investing in a Leveraged Fund or an Inverse Fund

➤ **Long Term Holding Risk**

The performance of a Leveraged Fund or an Inverse Fund over a period longer than one day will very likely differ from the leveraged or inverse performance of the Underlying Index over that same period (e.g. the loss may be more than twice the fall in the Underlying Index for a Leveraged Fund and the loss may be more than the inverse performance of the Underlying Index for an Inverse Fund). The effect of compounding becomes more pronounced on the Fund's performance as the Underlying Index experiences volatility. The deviation of the Fund's performance from the leveraged or inverse performance of the Underlying Index will increase, and the performance of the Fund will generally be adversely affected with higher Underlying Index's volatility. As a result of daily rebalancing, the Underlying Index's volatility and the effects of compounding of each day's return over time, it is possible that the Leveraged Fund and the Inverse Fund may suffer a loss over time while the Underlying Index's performance is flat during a volatile market. For illustration, see Section 3.9 – "Performance Comparison between the Underlying Indices and the Funds for a period longer than one day (i.e. comparison of the point-to-point performance)"

➤ **Leverage Risk (*applicable to Leveraged Funds only*)**

In order to achieve a Leveraged Fund's investment objective, the Leveraged Fund utilizes leverage to obtain the required exposure of up to 200% of its Net Asset Value to the Underlying Index. As such, gains and losses will be magnified. The risk of loss resulting from the investments of the Leveraged Fund in certain circumstances including a bear market will be substantially more than a fund that does not employ leverage in its investment strategy.

➤ **Inverse Performance Risk (*applicable to Inverse Funds only*)**

In order to achieve an Inverse Fund's investment objective, the Inverse Fund will obtain the required exposure of up to -100% of its Net Asset Value to the Underlying Index. As such, gains in the Underlying Index would result in a loss in the Inverse Fund while a loss in the Underlying Index would result in a gain in the Inverse Fund. If the value of the Underlying Index increases for extended periods, the Inverse Fund will likely suffer a substantial loss.

➤ **Risk of Rebalancing Activities**

A Leveraged Fund seeks to rebalance its position daily at or around the close of trading of the Underlying Index, by increasing exposure in response to the Underlying Index's daily gains or reducing exposure in response to the Underlying Index's daily losses, so that its daily leveraged exposure ratio to the Underlying Index is consistent with the Leveraged Fund's investment objective and Benchmark. An Inverse Fund seeks to rebalance its position daily at or around the close of trading of the Underlying Index, by decreasing exposure in response to the Underlying Index's daily gains or increasing exposure in response to the Underlying Index's daily losses, so that its daily inverse exposure ratio to the Underlying Index is consistent with the Inverse Fund's investment objective and Benchmark. However, there is no assurance that the Leveraged Fund or the Inverse Fund will be able to rebalance its portfolio daily due to market disruption, regulatory restrictions or extreme market volatility.

Further, as the rebalancing happens at or around the close of trading of the Underlying Index, the Leveraged Fund and the Inverse Fund may be subjected to higher market and liquidity risk where market conditions could impact trading during such short interval.

➤ **Portfolio Turnover Risk**

Daily rebalancing of a Leveraged Fund's or an Inverse Fund's investments will result in higher portfolio transactions as compared to conventional ETFs. Higher levels of transactions will increase brokerage and other transaction costs incurred by the Leveraged Fund or Inverse Fund which may affect the performance or return of the Leveraged Fund or Inverse Fund.

➤ **Risks Associated with Investment in Futures Contracts**

*(a) Rolling of Futures Contracts Risk*

A "roll" occurs when an existing futures contract is about to expire and is replaced with a futures contract representing the same underlying but with a later expiration date. The value of a Leveraged Fund's or an Inverse Fund's Net Asset Value may be adversely affected by the cost of rolling positions forward as the futures contracts approach expiry. The change in price of a futures contract may reflect many factors such as perceived economic changes or political circumstances as well as increased demand.

*(b) Contango Risk (*applicable to Leveraged Funds only*)*

The process of rolling subjects a Leveraged Fund to contango risks. For example, the Leveraged Fund may be holding a futures contract which specifies a March expiration. As time passes, the Manager will replace the futures contract expiring in March with a contract for expiry in April (for spot month futures contracts) or in June (for nearest quarter futures contracts), as the case may be, in accordance with the investment strategy of the respective Leveraged Funds by selling the March contract and purchasing the April or June contract, as the case may be. Excluding other considerations, if the market for these futures contracts is in "contango", where the prices are higher in the distant expiry months than in the nearer expiry months, the sale of the March contract would take place at a price that is lower than the price of the April or June contract, as the case may be. Accordingly, sale proceeds when rolling (selling the March futures contract and then buying the April or June futures contract, as the case may be) will not be sufficient to purchase the same number of futures contracts which have a higher price, thereby creating a negative "roll yield" which adversely affects the Net Asset Value of the Leveraged Fund. The Manager will not take on an active role in managing the investments of the Leveraged Fund, thus exposing the Fund to possible contango risk.

(c) *Backwardation Risk (applicable to Inverse Funds only)*

The process of rolling subjects an Inverse Fund to backwardation risks. For example, the Inverse Fund may be holding a futures contract which specifies a March expiration. As time passes, the Manager will replace the futures contract expiring in March with a contract for expiry in April (for spot month futures contracts) or June (for nearest quarter futures contracts), as the case may be, in accordance with the investment strategy of the respective Inverse Funds by selling the March contract and purchasing the April or June contract, as the case may be. Excluding other considerations, if the market for these futures contracts is in “backwardation”, where the prices are lower in the distant expiry months than in the nearer expiry months, the closing of the short position in the March contract would take place at a price that is higher than the price of the April or June contract, as the case may be. Accordingly, the closing out of the March short position when rolling (buying the March futures contract and then selling the April or June futures contract, as the case may be) will take place at a price that is higher than the price of the April or June futures contract, as the case may be, thereby creating a negative “roll yield” which adversely affects the Net Asset Value of the Inverse Fund. The Manager will not take on an active role in managing the investments of the Fund, thus exposing the Inverse Fund to possible backwardation risk.

(d) *Margin Risk*

Generally, most futures contracts, involve the posting of margin or collateral. Because of the low margin deposits or collateral normally required in futures trading, an extremely high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in a proportionally high impact and substantial losses to a Leveraged Fund or an Inverse Fund having a material adverse effect on the Leveraged Fund’s or Inverse Fund’s Net Asset Value. A futures transaction by the Fund may result in losses in excess of the amount invested by the Leveraged Fund or Inverse Fund. Additional funds may need to be posted as margin or collateral to meet such calls based upon daily mark to market of futures contracts. Increases in the amount of margin or collateral or similar payments may result in the need for the Leveraged Fund or Inverse Fund to liquidate its investments at unfavourable prices in order to meet margin or collateral calls. This may result in substantial losses to Unit Holders.

(e) *Position Limit Risk*

As per the futures contract specification, a person can only hold a maximum of 100,000 lots of the NYSE® FANG+™ Index Future Contract (in respect of TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker) and a maximum of 12,000 position delta for long and short (on a net basis) of the Hang Seng China Enterprises Index Future Contract (in respect of TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker) in all contract months combined. As such, the position held by a Leveraged Fund or an Inverse Fund may not exceed such amount. If the Net Asset Value of the Leveraged Fund or Inverse Fund grows significantly which causes the Leveraged Fund or Inverse Fund to reach the maximum holding limit, the Leveraged Fund or Inverse Fund may not be able to acquire any additional futures contract and further creations will be suspended. This may result in Units being traded at a higher premium or discount to its NAV.

➤ **Trading Hours Differences Risk (applicable to TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker only)**

As the ICE Futures U.S. market may be open when Units are not priced, the value of the futures contract in a Leveraged Fund or an Inverse Fund’s portfolio may change on days when investors will not be able to purchase or sell the Units. Further, the price of the securities of the Underlying Index, and futures contract may not be available during Bursa Securities’ trading hours may result in the trading price deviating from the NAV. The trading hours differences between the securities of the Underlying Index and futures contract may result in an imperfect correlation between the value of the Underlying Index and the futures contracts, which may then prevent the Leveraged Fund and Inverse Fund from achieving its investment objective. The difference in trading hours between Bursa Securities, ICE Futures U.S. and the US equity market may result in Units being traded at a premium or discount to its NAV.

- **Country Risk**  
Investment of a Leveraged Fund or an Inverse Fund in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Leveraged Fund or Inverse Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Leveraged Fund or Inverse Fund in those affected countries. This in turn may cause the NAV of the Leveraged Fund or Inverse Fund or prices of Units to fall.
- **Currency Risk**  
As the investments of a Leveraged Fund or an Inverse Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investor should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
- **Minimum Redemption Size**  
Units can only be redeemed in a Redemption Unit Block (or whole multiples thereof). Investors who do not hold Redemption Unit Blocks will only be able to realise the value of their Units by selling their Units on Bursa Securities at the trading market prices. As set out in this Master Prospectus, the market prices of Units as traded on Bursa Securities may deviate from the NAV per Unit.
- **Tracking Error Risk**  
There may not be perfect Correlation between the Net Asset Value of a Leveraged Fund or an Inverse Fund with its Benchmark. Factors such as fees and expenses of the Leveraged Fund or Inverse Fund, Transaction Costs, liquidity of the market, imperfect Correlation of returns between Fund Assets and the securities or futures contract constituting the Benchmark, the rounding of share prices, foreign exchange costs, changes to the constituents of the Underlying Index and regulatory policies may affect the Manager's ability to achieve close Correlation with the Benchmark. There is no guarantee or assurance of exact or identical replication at any time of the performance of the relevant Benchmark.

Although the Manager regularly monitors the tracking error of the Leveraged Fund or Inverse Fund, there can be no assurance that the Leveraged Fund or Inverse Fund will achieve any particular level of tracking error relative to the performance of its Benchmark.

- **Risks Related to the Benchmark**
  - (a) The process and the basis of computing and compiling the Underlying Index and Benchmark and any of its related formula, constituent companies and factors may also be changed or altered by the Index Licensor at any time without notice. There is also no warranty, representation or guarantee given to the investors as to the accuracy or completeness of the Underlying Index and Benchmark, its computation or any information related thereto.
  - (b) The Manager has been granted a licence by the Index Licensor to use the Benchmark in connection with the Leveraged Fund or Inverse Fund. The Manager is unlikely to be able to fulfil the investment objective in the event that the licence is terminated or if the Leveraged Fund or Inverse Fund is unable to use the Benchmark for any reason whatsoever. The licence is valid until terminated in accordance with the terms of the licence.
- **Passive Investment Management**  
A Leveraged Fund or an Inverse Fund invests in futures contract of the Underlying Index regardless of its investment merit and is not actively managed.

In respect of the Leveraged Fund, the Manager does not attempt to outperform the Benchmark and will not be trading i.e. buying in anticipation of an increase in the value of the Underlying Index and selling in anticipation of a decrease in the value of the Underlying Index. The Manager also does not attempt to take



defensive positions in declining markets. Investors should note that the lack of discretion on the part of the Manager to adapt to market changes due to the inherent passive nature of the Fund will mean that a fall in the Underlying Index is expected to result in corresponding falls in the value of the Units. Investors may lose a significant part of their respective investments if the Underlying Index falls.

Whereas in respect of the Inverse Fund, the Manager does not attempt to outperform the Benchmark and will not be trading i.e. selling in anticipation of an increase in the value of the Underlying Index and buying in anticipation of a decrease in the value of the Underlying Index. The Manager also does not attempt to take defensive positions in an advancing market. Investors should note that the lack of discretion on the part of the Manager to adapt to market changes due to the inherent passive nature of the Fund will mean that an increase in the Underlying Index is expected to result in a fall in the value of the Units. Investors may lose a significant part of their respective investments if the Underlying Index rises.

➤ **Path Dependency**

Path dependency arises from the pre-determined methods or strategies that the Funds take on to meet their objectives. This is more prevalent in leveraged, and inverse strategy exchange-traded funds where the Funds are required to carry out portfolio rebalancing on a daily basis to reflect a targeted exposure level to its Underlying Index, as opposed to periodic rebalancing to reflect the change in the benchmark for more conventional index tracking exchange-traded funds.

Given the path dependency of the Underlying Index and the Benchmark, the historical return of the Benchmark will not be equal to the simple leveraged or inverse performance of the Underlying Index over the same period when comparing their returns for a period longer than a day. As such, the Funds' point-to-point accumulated return may very likely differ from the leveraged or inverse performance of the Underlying Index over that same period due to the effect of path dependency and compounding of the daily returns. For illustration, see Section 3.9 – "Performance Comparison between the Underlying Indices and the Funds for a period longer than one day (i.e. comparison of the point-to-point performance)".

### 3. ABOUT THE FUNDS

The Funds are exchange traded funds that are established under the terms of the Deed of the respective Funds and the Funds are governed by the laws of Malaysia.

#### 3.1 TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker

##### 3.1.1 Investment Objective

The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.

Investors should note that the return of the Fund over a period of time greater than one day will not correspond to twice the performance of the Underlying Index over the same period.

Any material change to the Fund's investment objective will require the approval of the Unit Holders by way of a resolution of not less than two-thirds of all Unit Holders at a Unit Holders' meeting duly convened and held in accordance with the Deed.

##### 3.1.2 Investor's Profile

The Fund is suitable for investors who:

- seek 2x leveraged exposure to the technology and consumer discretionary sectors' segment consisting of highly-traded growth stocks of technology and tech-enabled companies;
- have a very high risk tolerance level; and
- intend to use the Fund as a short term trading tool.

##### 3.1.3 Asset Allocation

- A maximum of 30% of the Fund's NAV is to be committed as margin for investments in the futures contracts;
- A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and
- The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

##### 3.1.4 Investment Strategy

To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest quarter futures contracts of the Underlying Index, subject to the rolling strategy below, to obtain the required exposure of up to 200% of its Net Asset Value to the Underlying Index.

The Manager may use up to 30% of the Fund's Net Asset Value to be committed as margin when investing in the futures contracts, a maximum of 10% of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure above 365 days, while the remaining balance of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

The global exposure of the Fund to financial derivative instruments i.e futures contracts must not exceed 200% of its Net Asset Value:-

- (i) at the time of daily rebalancing of the Fund; and
- (ii) between each daily rebalancing.

The global exposure is calculated using the commitment approach where it is the sum of the absolute value of the net exposure of each financial derivative instruments i.e futures contracts, after netting or hedging arrangements.

While the Fund's core investments will remain in futures, the Fund holds the option to invest into debentures, money market instruments, money market collective investment schemes and deposits. The selection of these instruments will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

#### **Temporary measure for extreme circumstances**

While the Manager does not intend to allocate more than 30% of the Fund's NAV to be committed as margin for investments in the futures contracts, this allocation may be increased under exceptional circumstances. These circumstances may include, but not be limited to, an increase in margin requirement by the exchange on which the futures contracts are traded on, or when the value of the futures drop significantly. Under such extreme circumstances, a maximum of 90% of the Fund's NAV may be committed as margin for investments in the futures contracts.

#### **Futures roll**

The Manager has full discretion to carry out the roll-over of the futures contract to meet the Fund's investment objective. The futures roll for the Index Futures will be done on a quarterly basis. By one Business Day before the last trading day of the quarterly spot Index Futures, all roll-over activities would have occurred.

### **3.2 TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker**

#### **3.2.1 Investment Objective**

The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.

Investors should note that the Fund does not seek to achieve its stated investment objective over a period of time greater than one day.

Any material change to the Fund's investment objective will require the approval of the Unit Holders by way of a resolution of not less than two-thirds of all Unit Holders at a Unit Holders' meeting duly convened and held in accordance with the Deed.

#### **3.2.2 Investor's Profile**

The Fund is suitable for investors who:

- seek inverse exposure to the technology and consumer discretionary sectors' segment consisting of highly-traded growth stocks of technology and tech-enabled companies;
- have a very high risk tolerance level; and
- intend to use the Fund as a short term trading tool.

#### **3.2.3 Asset Allocation**

- A maximum of 15% of the Fund's NAV is to be committed as margin for investments in the futures contracts;
- A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and
- The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

### **3.2.4 Investment Strategy**

To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest quarter futures contracts of the Underlying Index, subject to the rolling strategy below, to obtain the required exposure of up to -100% of its Net Asset Value to the Underlying Index.

The Manager may use up to 15% of the Fund's Net Asset Value to be committed as margin when investing in the futures contracts, a maximum of 10% of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure above 365 days, while the remaining balance of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

The global exposure of the Fund to financial derivative instruments i.e futures contracts must not exceed -100% of its Net Asset Value:-

- (i) at the time of daily rebalancing of the Fund; and
- (ii) between each daily rebalancing.

The global exposure is calculated using the commitment approach where it is the sum of the absolute value of the net exposure of each financial derivative instruments i.e futures contracts, after netting or hedging arrangements.

While the Fund's core investments will remain in futures, the Fund holds the option to invest into debentures, money market instruments, money market collective investment schemes and deposits. The selection of these instruments will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

#### **Temporary measure for extreme circumstances**

While the Manager does not intend to allocate more than 15% of the Fund's NAV to be committed as margin for investments in the futures contracts, this allocation may be increased under exceptional circumstances. These circumstances may include, but not be limited to, an increase in margin requirement by the exchange on which the futures contracts are traded on, or when the value of the futures increases significantly. Under such extreme circumstances, a maximum of 90% of the Fund's NAV may be committed as margin for investments in the futures contracts.

#### **Futures roll**

The Manager has full discretion to carry out the roll-over of the futures contract to meet the Fund's investment objective. The futures roll for the Index Futures will be done on a quarterly basis. By one Business Day before the last trading day of the quarterly spot Index Futures, all roll-over activities would have occurred.

## **3.3 TradePlus HSCEI Daily (2x) Leveraged Tracker**

### **3.3.1 Investment Objective**

The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.

Investors should note that the return of the Fund over a period of time greater than one day will not correspond to twice the performance of the Underlying Index over the same period.

Any material change to the Fund's investment objective will require the approval of the Unit Holders by way of a resolution of not less than two-thirds of all Unit Holders at a Unit Holders' meeting duly convened and held in accordance with the Deed.

### **3.3.2 Investor's Profile**

The Fund is suitable for investors who:

- seek 2x leveraged exposure to the overall performance of China-related securities that are listed in Hong Kong;
- have a very high risk tolerance level; and
- intend to use the Fund as a short term trading tool.

### **3.3.3 Asset Allocation**

- A maximum of 30% of the Fund's NAV is to be committed as margin for investments in the futures contracts;
- A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and
- The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

### **3.3.4 Investment Strategy**

To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest spot month futures contracts of the Underlying Index, subject to the rolling strategy below, to obtain the required exposure of up to 200% of its Net Asset Value to the Underlying Index.

The Manager may use up to 30% of the Fund's Net Asset Value to be committed as margin when investing in the futures contract, a maximum of 10% of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure above 365 days, while the remaining balance of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

The global exposure of the Fund to financial derivative instruments i.e futures contracts must not exceed 200% of its Net Asset Value:-

- (i) at the time of daily rebalancing of the Fund; and
- (ii) between each daily rebalancing.

The global exposure is calculated using the commitment approach where it is the sum of the absolute value of the net exposure of each financial derivative instruments i.e futures contracts, after netting or hedging arrangements.

While the Fund's core investments will remain in futures, the Fund holds the option to invest into debentures, money market instruments, money market collective investment schemes and deposits. The selection of these instruments will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

### **Temporary measure for extreme circumstances**

While the Manager does not intend to allocate more than 30% of the Fund's NAV to be committed as margin for investments in the futures contracts, this allocation may be increased under exceptional circumstances. These circumstances may include, but not be limited to, an increase in margin requirement by the exchange on which

the futures contracts are traded on, or when the value of the futures drops significantly. Under such extreme circumstances, a maximum of 90% of the Fund's NAV may be committed as margin for investments in the futures contracts.

### **Futures roll**

The Manager has full discretion to carry out the roll-over of the futures contract to meet the Fund's investment objective. The futures roll for the Index Futures will be done on a monthly basis. By one Business Day before the last trading day of the spot month Index Futures, all roll-over activities would have occurred.

## **3.4 TradePlus HSCEI Daily (-1x) Inverse Tracker**

### **3.4.1 Investment Objective**

The Fund aims to provide investment results that closely correspond to the daily performance of the Benchmark.

Investors should note that the Fund does not seek to achieve its stated investment objective over a period of time greater than one day.

Any material change to the Fund's investment objective will require the approval of the Unit Holders by way of a resolution of not less than two-thirds of all Unit Holders at a Unit Holders' meeting duly convened and held in accordance with the Deed.

### **3.4.2 Investor's Profile**

The Fund is suitable for investors who:

- seek -1x inverse exposure to the overall performance of China-related securities that are listed in Hong Kong;
- have a very high risk tolerance level; and
- intend to use the Fund as a short term trading tool.

### **3.4.3 Asset Allocation**

- A maximum of 15% of the Fund's NAV is to be committed as margin for investments in the futures contracts;
- A maximum of 10% of the Fund's NAV is to be invested in debentures with a remaining tenure above 365 days; and
- The remaining balance of the Fund's NAV is to be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

### **3.4.4 Investment Strategy**

To achieve the investment objective of the Fund, the Manager will use a futures-based replication strategy. Under the futures-based replication strategy, the Manager will directly invest in the nearest spot month futures contracts of the Underlying Index, subject to the rolling strategy below, to obtain the required exposure of up to -100% of its Net Asset Value to the Underlying Index.

The Manager may use up to 15% of the Fund's Net Asset Value to be committed as margin when investing in the futures contract, a maximum of 10% of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure above 365 days, while the remaining balance of the Fund's Net Asset Value shall be invested in debentures with a remaining tenure of 365 days and below, money market instruments, money market collective investment schemes and/or deposits.

The global exposure of the Fund to financial derivative instruments i.e futures contracts must not exceed -100% of its Net Asset Value:-

- (i) at the time of daily rebalancing of the Fund; and
- (ii) between each daily rebalancing.

The global exposure is calculated using the commitment approach where it is the sum of the absolute value of the net exposure of each financial derivative instruments i.e futures contracts, after netting or hedging arrangements.

While the Fund's core investments will remain in futures, the Fund holds the option to invest into debentures, money market instruments, money market collective investment schemes and deposits. The selection of these instruments will not be constrained by credit ratings of issuances. However, the selection will depend largely on its credit quality where the respective issuers display strong ability to meet their financial obligations, healthy cash-flow, the collateral type, value, claims priority as well as offer highest safety for timely payment of interest and principal.

#### **Temporary measure for extreme circumstances**

While the Manager does not intend to allocate more than 15% of the Fund's NAV to be committed as margin for investments in the futures contracts, this allocation may be increased under exceptional circumstances. These circumstances may include, but not be limited to, an increase in margin requirement by the exchange on which the futures contracts are traded on, or when the value of the futures increases significantly. Under such extreme circumstances, a maximum of 90% of the Fund's NAV may be committed as margin for investments in the futures contracts.

#### **Futures roll**

The Manager has full discretion to carry out the roll-over of the futures contract to meet the Fund's investment objective. The futures roll for the Index Futures will be done on a monthly basis. By one Business Day before the last trading day of the spot month Index Futures, all roll-over activities would have occurred.

### **3.5 The Benchmarks**

#### **3.5.1 Benchmarks for TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker**

##### **Introduction**

The Benchmark for TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker is a 2x price return index which is designed to provide a 2x leveraged exposure to the daily price return of the Underlying Index, without incorporating returns from interest rates and/or financing charges. The daily leveraged price return is calculated by multiplying the 2x leveraged factor to the daily price return of the Underlying Index. As the Benchmark derives its return from the Underlying Index, its performance is dependent on the performance of the constituents of the Underlying Index.

The Benchmark for TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker is an inverse price return index which is designed to provide an inverse (1x) exposure to the daily price return of the Underlying Index, without incorporating returns from interest rates and/or financing charges. The daily inverse price return is calculated by multiplying the inverse factor (-1x) to the daily price return of the Underlying Index. As the Benchmark derives its return from the Underlying Index, its performance is dependent on the performance of the constituents of the Underlying Index.

The Underlying Index is an equal-dollar weighted index which is designed to represent a segment of the technology and consumer discretionary sectors comprising highly-traded growth stocks of technology and tech-enabled companies listed on a major U.S. stock exchange such as NYSE, NASDAQ and NYSE American.

Both the Benchmarks and the Underlying Index are compiled, calculated, maintained, and published by the Index Licensor. They were both launched with a base date of 19 September 2014 and was constructed based on a reference value of 1,000.

The end of the day index values of the Benchmarks are available through Bloomberg FANG2X Index and Bloomberg DFANG1X Index and the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my).

ICE Data Indices, LLC, the index licensor for TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, is not a related corporation of the Manager.

### **Constituents of the Underlying Index**

The index universe of the Underlying Index consists of common stocks and ADRs listed on a major U.S. stock exchange such as NYSE, NASDAQ and NYSE American that are classified as consumer discretionary or technology by the Index Licensor and are representative of the high-growth technology and internet/media industry.

The index universe will then be screened utilizing a proprietary methodology and the following steps will be executed to form the constituents of the Underlying Index:

- i. the stocks and/or ADRs must have a market capitalisation (including all share classes and unlisted shares) of at least USD 5 billion;
- ii. the stocks and/or ADRs must have a trailing six-month average daily traded value of USD 50 million on the specific listing line;
- iii. the ICE Data Indices Governance Committee ("The Committee") will oversee a process to select FANG Stocks and FANG-related stocks. Other stocks selected for the Underlying Index should exhibit characteristics of high-growth technology and internet/media stocks. The Committee will focus on distinguishing between traditional technology and service companies and newer, innovative, technology-utilizing companies.

The Underlying Index currently has ten (10) constituents, which is the minimum number of constituents, and may have more than ten (10) constituents in the future.

The table details the top ten (10) constituents of the Underlying Index and the respective weightings, as at the LPD:-

<b>No.</b>	<b>Company Name</b>	<b>Weightings (%)</b>
1	Facebook	10%
2	Apple	10%
3	Amazon	10%
4	Netflix	10%
5	Alphabet	10%
6	Alibaba	10%
7	Baidu	10%
8	Nvidia	10%
9	Tesla	10%
10	Twitter	10%

*Source: ICE Data Indices*

**There is no guarantee or assurance of exact or identical replication at any time of the performance of the Benchmarks.**

**Composition of the Underlying Index may change and securities may be de-listed.**



**There is a lack of discretion for the Funds to adapt to market changes due to the inherent investment nature of exchange-traded funds and that falls in the Benchmark are expected to result in corresponding falls in the value of the Funds.**

### **Review and Rebalancing of the Underlying Index**

As the Benchmark derived its value from its Underlying Index, the Benchmark's value will be impacted by the review and rebalancing of its Underlying Index.

The Underlying Index is reviewed on an on-going basis and will have the following changes implemented:

- Quarterly reconstitution and rebalancing

The Underlying Index is reconstituted and rebalanced quarterly in March, June, September and December and will take effect after the close of the third Friday of March, June, September and December. Changes will be announced by the Manager before the third Wednesday of March, June, September and December. However, the date of a given rebalancing may be changed for the reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advanced notice where possible.

- Inclusion of new constituents

Inclusion of new companies to the Underlying Index will typically occur during the quarterly reconstitution and rebalancing. However, there could be exceptions based on a specific corporate action affecting a current constituent. Any inclusion of a new company will be announced by the Manager at least three (3) days prior to the effective date of the actual inclusion.

- Removals of constituents

Constituent(s) may be removed from the Underlying Index as a result of periodic corporate actions. All removals will be announced by the Manager at least two (2) days before the effective date of the removal. It should be noted that in the case of mergers and acquisitions, every effort will be made to remove the company at some reasonable time ahead of the suspension in trading in the acquired company. There will be certain situations and corporate actions that would require the removal of a company that has already ceased trading. In those cases, the company will be removed from the Underlying Index at its last traded price, or, at the discretion of the Index Licensor, at a derived price that most accurately represents its post-suspension value.

- Corporate actions

In the case of an event that could affect one or more constituents of the Underlying Index, the Index Licensor will inform the market about the intended treatment of the event in the Underlying Index shortly after the firm details have become available and have been confirmed. When possible, the corporate action will be announced, even if not all information is known, at least one (1) trading day before the effective date of the action. Once the corporate action has been effectuated, the Index Licensor will confirm the changes in a separate announcement.

### **3.5.2 Benchmarks for TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker**

#### **Introduction**

The Benchmark for TradePlus HSCEI Daily (2x) Leveraged Tracker is a 2x price return index which is designed to replicate a leveraged strategy with the use of index futures. The daily leveraged price return comprises two components as follows:

- a) the daily leveraged return of the Underlying Index;
- b) the interest income, derived from the remaining cash after deducting the initial margin.

As the Benchmark derives its return from the Underlying Index, its performance is dependent on the performance of the constituents of the Underlying Index.

The Benchmark for TradePlus HSCEI Daily (-1x) Inverse Tracker is an inverse price return index which is designed to replicate an inverse strategy with the use of index futures. The daily inverse price return comprises two components as follows:

- a) the daily inverse return of the Underlying Index;
- b) the interest income, derived from the remaining cash after deducting the initial margin.

As the Benchmark derives its return from the Underlying Index, its performance is dependent on the performance of the constituents of the Underlying Index.

The Underlying Index is a free float-adjusted market capitalisation weighted index with a 10% cap on individual constituent weightings. It is designed to reflect the overall performance of China securities listed in Hong Kong.

Both the Benchmarks and the Underlying Index are compiled, calculated, maintained, and published by the Index Licensor. The Benchmarks for the Funds were launched on 4 December 2017 while the Underlying Index was launched with a base date of 3 January 2000 and was constructed based on a reference value of 2,000.

The end of the day index values of the Benchmarks are available through the Index Licensor's website at <https://www.hsi.com.hk/eng/indexes/all-indexes/fsl> and the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my).

Hang Seng Indexes Company Limited, the index licensor for TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker, is not a related corporation of the Manager.

### **Constituents of the Underlying Index**

The universe of stocks for the Underlying Index includes China securities primarily listed on the Main Board of the Stock Exchange of Hong Kong Limited, excluding stocks that are secondary listings, preference shares, debt securities, mutual funds and other derivatives. China securities would include Hong Kong listed security that has at least 50% of its sales revenue (or profit or assets, if relevant) derived from China and it includes H-shares, Red-chips and P-chips. H-shares are shares of companies that are incorporated in China and are traded on the Hong Kong Stock Exchange. A Red-chip is a China security with a minimum of 30% of its shareholdings held by a China entity or entities (including State-owned organisations and provincial or municipal authorities of China). A P-chip is a China security that is not classified as an H-share or a Red-chip.

In order for a stock to be eligible for selection as a constituent, it has to fulfil the following eligibility criteria as set out by the Index Licensor:

- i) Listing history requirement;
- ii) Turnover requirement;
- iii) Price volatility requirement (additional eligibility criteria for Red-chips and P-chips); and
- iv) Financial requirement (additional eligibility criteria for Red-chips and P-chips).

The eligible stocks are then ranked based on the Combined MV score calculated using the following formula:

- (a)  $0.5 MV^1 \text{ rank} + 0.5 FFMV^2 \text{ rank} = \text{Combined MV score}$
- (b) Rank of the combined MV score = Combined MV rank
- (c) In cases where two stocks have the same Combined MV score, a higher rank will be assigned to the stock with the higher MV rank

Notes:

<sup>1</sup> MV refers to the average of month-end H-share market values for the past 12 months of any review period. For stocks with a listing history of less than 12 months, the MV will be the average of the past month-end market values since listing.

<sup>2</sup> FFMV refers to the 12-month average market value after free float adjustment, i.e. 12-month average market value multiply by free float-adjusted factor, calculated as at the review data cut-off date.

The top 40 eligible H-shares and the top 10 eligible Red-chips and P-chips with the highest Combined MV rank will be selected as constituents of the Underlying Index.

The number of constituent stocks is fixed at 50, with 40 H-shares and a total of 10 Red-chips and P-chips.

The table details the top ten (10) constituents of the Underlying Index and the respective weightings, as at the LPD:-

No.	Company Name	Weightings (%)
1	CCB	10.24
2	Tencent	9.86
3	Ping An	9.63
4	China Mobile	7.63
5	ICBC	7.42
6	Bank of China	4.69
7	CNOOC	4.09
8	CM Bank	2.79
9	China Life	2.59
10	Sinopec Corp	2.28

Source: Hang Seng Indexes

**There is no guarantee or assurance of exact or identical replication at any time of the performance of the Benchmarks.**

**Composition of the Underlying Index may change and securities may be de-listed.**

**There is a lack of discretion for the Funds to adapt to market changes due to the inherent investment nature of exchange-traded funds and that falls in the Benchmark are expected to result in corresponding falls in the value of the Funds.**

#### **Review and Rebalancing of the Underlying Index**

As the Benchmark derived its value from its Underlying Index, the Benchmark's value will be impacted by the review and rebalancing of its Underlying Index.

#### **Regular Quarterly Review**

The Index Licensor undertakes regular quarterly reviews of the Underlying Index constituents with data cut-off dates at end of March, June, September and December each year. A quarterly review is normally completed eight weeks after the end of each calendar quarter.

Effective dates of constituent changes will be the next trading day after the first Friday of March, June, September and December. If that Friday, falls on a public holiday where the Stock Exchange of Hong Kong Limited is closed, it will be postponed to the next Friday, subject to the final decision made by the Index Licensor. Under normal circumstances, five trading days' notice will be given for any constituent changes made before the effective dates.

#### **Rebalancing**

The regular rebalancing is usually implemented after market close on the first Friday in March, June, September and December, and it comes into effect on the next trading day. Ad-hoc rebalancing will be conducted if a constituent and/or free float-adjusted factor is substantially different from the production data. The Underlying Index will also be recapped in the event of constituent changes if the newly added component weighting is higher than the index cap level. A minimum notice period of two trading days will be given to subscribers of data products issued by the Index Licensor for any ad-hoc rebalancing.

## Replacement of the Benchmarks

The Manager may, after taking into account the interests of the Unit Holders and subject to the approval of the SC, replace the Benchmark with another index in the event any of the following occurs:

- The Benchmark and/or the Underlying Index ceases to exist;
- A release of a new index replacing the Benchmark;
- The Index Licensor increases its licence fee that is considered too high by the Manager; or
- It becomes difficult to invest in the Index Futures or if the Index Futures have limited liquidity.

The Manager may change the name of the Fund if the Benchmark is replaced. However, such changes would require the SC's prior approval.

**The Benchmarks may be replaced in the event of cessation of the availability of the Benchmarks.**

## Further Information on the Benchmarks and/or Underlying Index

Latest information and other important news on the Benchmarks and/or the Underlying Index in respect of the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker will be published on ICE Data Indices' website at [www.theice.com/market-data/indices/equity-indices/methodologies](http://www.theice.com/market-data/indices/equity-indices/methodologies) (for index ground rules and methodology), and in respect of the TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker will be published on Hang Seng Indexes' website at <https://www.hsi.com.hk/eng/indexes/all-indexes/fsl> (for index ground rules and methodology) and the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my) (for end of day Benchmarks values).

## 3.6 Tracking Error & Strategies to Minimise such Tracking Error

**Investors should note that there is no guarantee or assurance that the investment results of the Funds will exactly correspond to the performance of their respective Benchmarks.**

Tracking errors may occur when comparing the performance of the Funds against their respective Benchmarks. Although the Funds' primary investment strategy is to adopt a futures-based replication strategy, there is no assurance that the replication can be perfect. Further, factors such as but not limited to the imperfect Correlation between the Benchmark with the Fund Assets, inability to rebalance daily, high Transaction Costs, expenses of the Fund, lack of liquidity of the futures contract may affect the tracking error of the Funds.

In order to minimise tracking error, the Manager shall closely monitor the Funds' performance and its Correlation with their respective Benchmarks and seek to rebalance the Funds' portfolio daily.

## 3.7 Risk Management Strategies & Techniques

The risk management strategies and techniques employed by the Manager include the use of a futures-based replication strategy, as well as rebalancing the Funds' portfolio daily, to achieve the investment objective of the Funds and to minimise tracking error.

The Manager will ensure that it has in place the necessary risk management measures which would enable it to monitor, measure and manage the risks of the Fund's position relating to the use of financial derivative instruments on an on-going basis and their contribution to the overall risk profile of the Funds.

The Manager has put in place risk management procedures such as, but not limited to:

- a) daily monitoring and calculation of the global exposure of the Fund to financial derivative instruments i.e futures contracts to ensure it is in line with the investment strategy and does not exceed the allowed limit;
- b) rectification of the futures exposure, where necessary;
- c) monitoring of margining to ensure that it is sufficient and to avoid margin calls;
- d) monitoring of the asset allocation limits to ensure that it is in accordance to the Deed and this Master Prospectus; and
- e) liquidity monitoring of the futures contract as well as its other investments to ensure that the Fund can dispose of its investments and has sufficient liquidity to cater to redemption.

### 3.8 Policy on Rebalancing the Investment Portfolio

#### 3.8.1 Rebalancing the Investment Portfolio of a Leveraged Fund

A Leveraged Fund will seek to rebalance its position daily at or around the close of trading of the Index Futures, by increasing exposure in response to the Underlying Index's daily gains or reducing exposure in response to the Underlying Index's daily losses, so that its daily leveraged exposure ratio to the Underlying Index is consistent with the Benchmark and in line with the investment objective.

The table below illustrates how a Fund as a leveraged product will rebalance its position following the movement of the Index Futures by the end of the day. Assuming that the initial Net Asset Value of the Fund is MYR100 on day 1, the Fund will have a futures exposure of MYR200 to meet the investment objective of the Fund. If the Index Futures' value increases by 10% by the end of Day 1, the Net Asset Value of the Fund would have increased to MYR120, making the futures exposure of the Fund MYR220. As the Fund needs a futures exposure of MYR240, which is 2x the Fund's Net Asset Value at closing, the Fund will need to rebalance its futures exposure by an additional MYR20. Day 2 illustrates the rebalancing requirements if the Index Futures contract value falls by 5% by the end of day 2 while Day 3 illustrates the rebalancing requirements if the Index Futures contract value gains 5% by the end of Day 3.

	Calculation	Day 1	Day 2	Day 3
(a) Initial Fund NAV (MYR)		100	120	108
(b) Initial futures exposure (MYR)	$(b) = (a) \times 2$	200	240	216
(c) Daily Index Futures contract change (%)		10%	-5%	5%
(d) Profit / loss on futures (MYR)	$(d) = (b) \times (c)$	20	-12	10.8
(e) Closing Fund NAV (MYR)	$(e) = (a) + (d)$	120	108	118.8
(f) Futures exposure (MYR)	$(f) = (b) \times (1+(c))$	220	228	226.8
(g) Target futures exposure to maintain leverage ratio (MYR)	$(g) = (e) \times 2$	240	216	237.6
(h) Required rebalancing amount (MYR)	$(h) = (g) - (f)$	20	-12	10.8

#### 3.8.2 Rebalancing the Investment Portfolio of an Inverse Fund

An Inverse Fund will seek to rebalance its position daily at or around the close of trading of the Index Futures market, by decreasing exposure in response to the Underlying Index's daily gains or increasing exposure in response to the Underlying Index's daily losses, so that its daily inverse exposure ratio to the Underlying Index is consistent with the Benchmark and in line with the investment objective.

The table below illustrates how a Fund as an inverse product will rebalance its position following the movement of the Index Futures contract by the end of the day. Assuming that the initial Net Asset Value of the Fund is MYR100 on Day 1, the Fund will have a futures exposure of -MYR100 to meet the investment objective of the Fund. If the Index Futures contract value decreases by 10% by the end of Day 1, the Net Asset Value of the Fund would have increased to MYR110, making the futures exposure of the Fund -MYR90. As the Fund needs a futures exposure of -MYR110, which is -1x the Fund's Net Asset Value at closing, the Fund will need to rebalance its futures exposure by an additional -MYR20. Day 2 illustrates the rebalancing requirements if the Index Futures contract value increases by 5% by the end of day 2 while Day 3 illustrates the rebalancing requirements if the Index Futures contract value falls by 5% by the end of Day 3.

	Calculation	Day 1	Day 2	Day 3
(a) Initial Fund NAV (MYR)		100	110	104.5
(b) Initial futures exposure (MYR)	$(b) = (a) \times (-1)$	-100	-110	-104.5
(c) Daily Index Futures contract change (%)		-10%	5%	-5%
(d) Profit / loss on futures (MYR)	$(d) = (b) \times (c)$	10	-5.5	5.225
(e) Closing Fund NAV (MYR)	$(e) = (a) + (d)$	110	104.5	109.725
(f) Futures exposure (MYR)	$(f) = (b) \times (1+(c))$	-90	-115.5	-99.275
(g) Target futures exposure to maintain leverage ratio (MYR)	$(g) = (e) \times (-1)$	-110	-104.5	-109.725
(h) Required rebalancing amount (MYR)	$(h) = (g) - (f)$	-20	11	-10.45

### 3.9 Performance comparison between the Underlying Indices and the Funds for a period longer than one day (i.e. comparison of the point-to-point performance)

#### 3.9.1 Performance comparison between the Underlying Index and a Leveraged Fund

In order to meet the investment objective of a Leveraged Fund, the Fund rebalances its portfolio on a daily basis in response to the Index Futures contracts' daily gains or losses. This means that the return of the Underlying Index over a period greater than a single day multiplied by 200% generally will not equal the performance of the Benchmark and Fund over that same period.

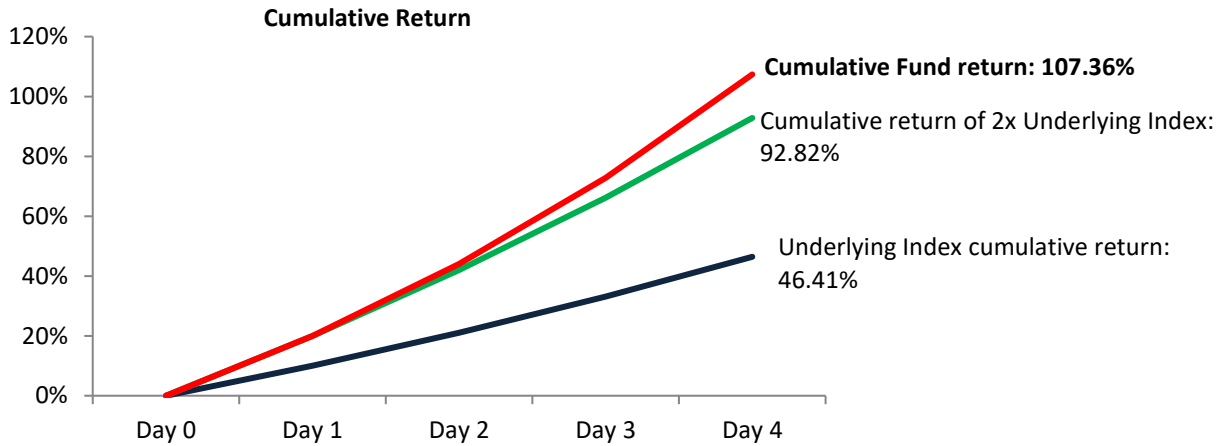
It is also expected that the Fund will underperform the return of 200% of the Underlying Index in a trendless or flat market. This is caused by compounding, which is the cumulative effect of previous earnings generating earning or losses in addition to the principal amount, and will be amplified by the volatility of the market and the holding period of the Fund. The effect of compounding becomes more pronounced on the Fund's performance as it experiences volatility. In addition, the effects of volatility are magnified in the Fund due to leverage.

The following scenarios illustrate how the Fund's performance may deviate from that of the cumulative Underlying Index return (2x) over a longer period of time in various market conditions. All the scenarios below are based on a hypothetical MYR100 investment in the Fund.

#### Scenario 1: Upward trending market

In a continuous upward trend, where the Underlying Index rises steadily for more than 1 Business Day, the Fund's cumulative return will be greater than twice the cumulative Underlying Index gains. As illustrated in the scenario below, where an investor has invested in the Fund on Day 0 and the Underlying Index grows by 10% daily for 4 consecutive Business Days, by Day 4 the Fund would have a cumulative gain of 107.36%, which is greater than twice the cumulative Underlying Index gain of 92.82%.

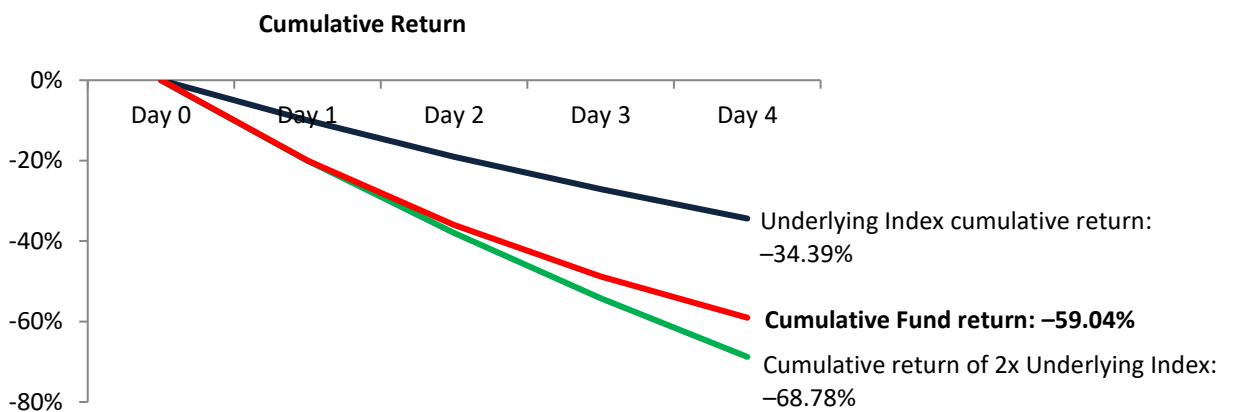
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative return of 2x Underlying Index
Day 0		100.00			100.00		
Day 1	10%	110.00	10.00%	20%	120.00	20.00%	20.00%
Day 2	10%	121.00	21.00%	20%	144.00	44.00%	42.00%
Day 3	10%	133.10	33.10%	20%	172.80	72.80%	66.20%
Day 4	10%	146.41	46.41%	20%	207.36	107.36%	92.82%



Scenario 2: Downward trending market

In a continuous downward trend, where the Underlying Index falls steadily for more than 1 Business Day, the Fund's cumulative loss will be less than twice the cumulative Underlying Index loss. As illustrated in the scenario below, where an investor has invested in the Fund on Day 0 and the Underlying Index falls by 10% daily for 4 consecutive Business Days, by Day 4 the Fund would have a cumulative loss of 59.04%, which is lesser than twice the cumulative Underlying Index loss of 68.78%.

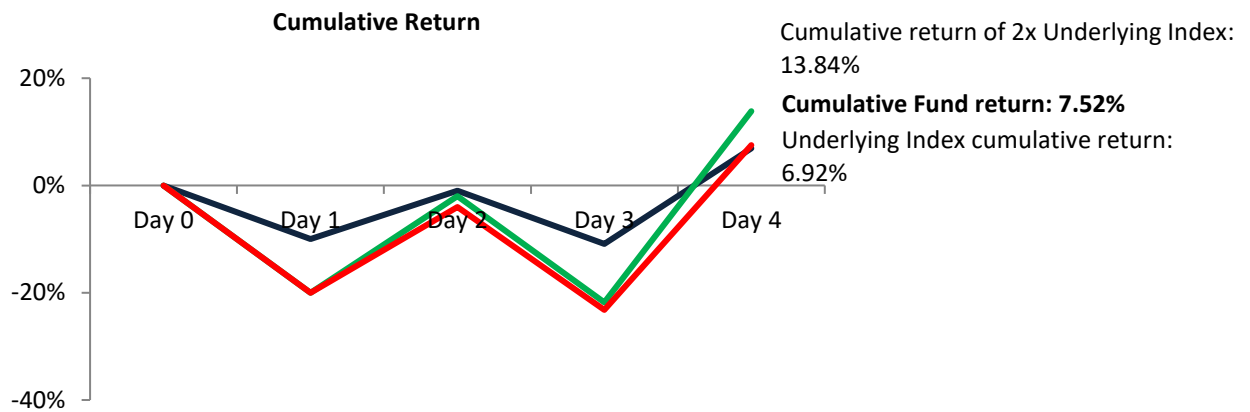
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative return of 2x Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	-20%	80.00	-20.00%	-20.00%
Day 2	-10%	81.00	-19.00%	-20%	64.00	-36.00%	-38.00%
Day 3	-10%	72.90	-27.10%	-20%	51.20	-48.80%	-54.20%
Day 4	-10%	65.61	-34.39%	-20%	40.96	-59.04%	-68.78%



### Scenario 3: Volatile upward trend

In a volatile upward trend, where the Underlying Index generally moves upward over a period longer than 1 Business Day but with daily volatility, the Fund's performance may be adversely affected in that the Fund's performance may fall short of twice the cumulative Underlying Index return. As illustrated in the scenario below, where the Underlying Index grows by 6.92% over 4 Business Days but with daily volatility, the Fund would have a cumulative gain of 7.52%, which is lower than twice the cumulative Underlying Index gain of 13.84%.

	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative return of 2x Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	-20%	80.00	-20.00%	-20.00%
Day 2	10%	99.00	-1.00%	20%	96.00	-4.00%	-2.00%
Day 3	-10%	89.10	-10.90%	-20%	76.80	-23.20%	-21.80%
Day 4	20%	106.92	6.92%	40%	107.52	7.52%	13.84%

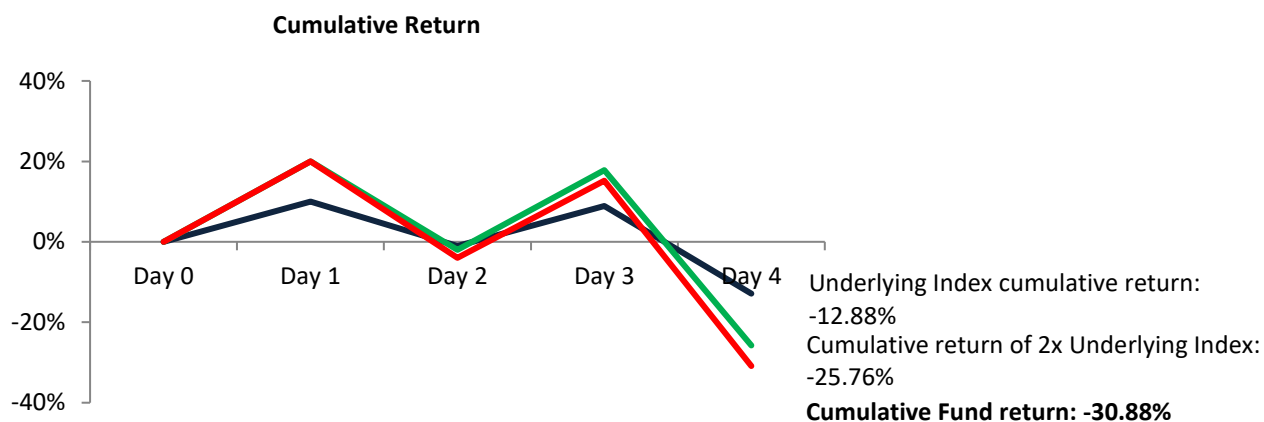


### Scenario 4: Volatile downward trend

In a volatile downward trend, where the Underlying Index generally moves downward over a period longer than 1 Business Day but with daily volatility, the Fund's performance may be adversely affected in that the Fund's performance may fall short of twice the cumulative Underlying Index return. As illustrated in the scenario below, where the Underlying Index falls by 12.88% over 4 Business Days but with daily volatility, the Fund would have a cumulative loss of 30.88%, which is greater than twice the cumulative Underlying Index loss of 25.76%.

	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative return of 2x Underlying Index
Day 0		100.00			100.00		
Day 1	10%	110.00	10.00%	20%	120.00	20.00%	20.00%
Day 2	-10%	99.00	-1.00%	-20%	96.00	-4.00%	-2.00%
Day 3	10%	108.90	8.90%	20%	115.20	15.20%	17.80%
Day 4	-20%	87.12	-12.88%	-40%	69.12	-30.88%	-25.76%

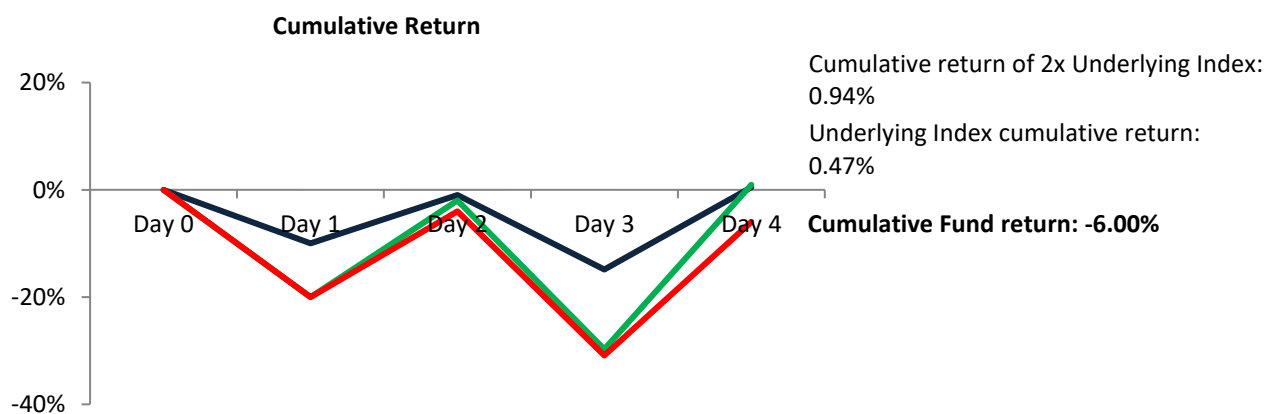




**Scenario 5: Volatile market with flat index performance**

In a volatile market with flat Underlying Index performance, the aforementioned compounding can have an adverse effect on the performance of the Fund. As illustrated below, even if the Underlying Index has returned to its previous level, the Fund may lose value.

	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative return of 2x Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	-20%	80.00	-20.00%	-20.00%
Day 2	10%	99.00	-1.00%	20%	96.00	-4.00%	-2.00%
Day 3	-14%	85.14	-14.86%	-28%	69.12	-30.88%	-29.72%
Day 4	18%	100.47	0.47%	36%	94.00	-6.00%	0.94%



**3.9.2 Performance comparison between the Underlying Index and an Inverse Fund**

In order to meet the investment objective of an Inverse Fund, the Fund rebalances its portfolio on a daily basis in response to the Underlying Index's daily gains or losses. This means that the return of the Underlying Index over a period greater than a single day multiplied by -100% generally will not equal the performance of the Benchmark and Fund over that same period.

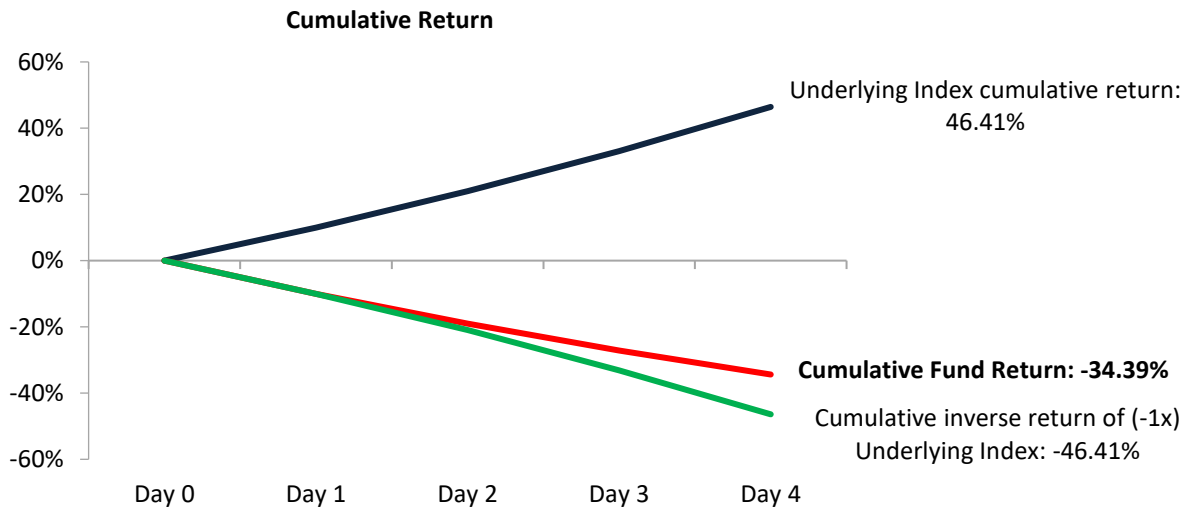
It is also expected that the Fund will underperform the return of -100% of the Underlying Index in a trendless or flat market. This is caused by compounding, which is the cumulative effect of previous earnings generating earning or losses in addition to the principal amount, and will be amplified by the volatility of the market and the holding period of the Fund. The effect of compounding becomes more pronounced on the Fund's performance as it experiences volatility.

The following scenarios illustrate how the Fund's performance may deviate from that of the cumulative Underlying Index return (-1x) over a longer period of time in various market conditions. All the scenarios below are based on a hypothetical MYR100 investment in the Fund.

**Scenario 1: Upward trending market**

In a continuous upward trend, where the Underlying Index rises steadily for more than 1 Business Day, the Fund's cumulative loss will be less than the cumulative inverse Underlying Index loss. As illustrated in the scenario below, where an investor has invested in the Fund on Day 0 and the Underlying Index grows by 10% daily for 4 consecutive Business Days, by Day 4 the Fund would have a cumulative loss of 34.39%, which is lesser than the cumulative Underlying Index loss of 46.41%.

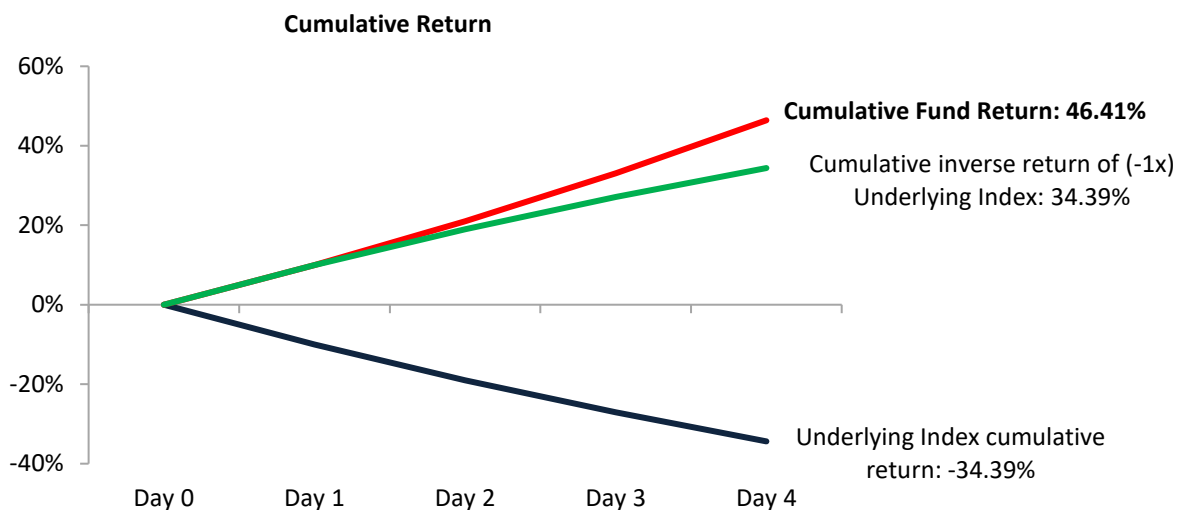
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative inverse return of (-1x) Underlying Index
Day 0		100.00			100.00		
Day 1	10%	110.00	10.00%	-10%	90.00	-10.00%	-10.00%
Day 2	10%	121.00	21.00%	-10%	81.00	-19.00%	-21.00%
Day 3	10%	133.10	33.10%	-10%	72.90	-27.10%	-33.10%
Day 4	10%	146.41	46.41%	-10%	65.61	-34.39%	-46.41%



**Scenario 2: Downward trending market**

In a continuous downward trend, where the Underlying Index falls steadily for more than 1 Business Day, the Fund's cumulative gain will be greater than the cumulative inverse Underlying Index gain. As illustrated in the scenario below, where an investor has invested in the Fund on Day 0 and the Underlying Index falls by 10% daily for 4 consecutive Business Days, by Day 4 the Fund would have a cumulative gain of 46.41%, which is greater than the cumulative inverse Underlying Index gain of 34.39%.

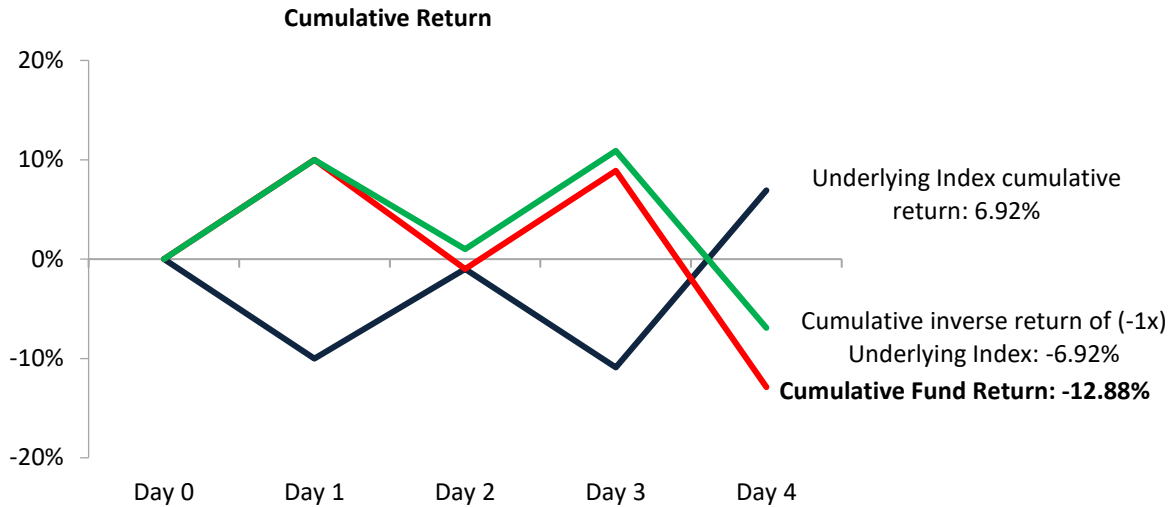
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative inverse return of (-1x) Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	10%	110.00	10.00%	10.00%
Day 2	-10%	81.00	-19.00%	10%	121.00	21.00%	19.00%
Day 3	-10%	72.90	-27.10%	10%	133.10	33.10%	27.10%
Day 4	-10%	65.61	-34.39%	10%	146.41	46.41%	34.39%



### Scenario 3: Volatile upward trend

In a volatile upward trend, where the Underlying Index generally moves upward over a period longer than 1 Business Day but with daily volatility, the Fund's performance may be adversely affected in that the Fund's performance may fall short of the cumulative inverse Underlying Index return. As illustrated in the scenario below, where the Underlying Index grows by 6.92% over 4 Business Days but with daily volatility, the Fund would have a cumulative loss of 12.88%, which is greater than the cumulative inverse Underlying Index loss of 6.92%.

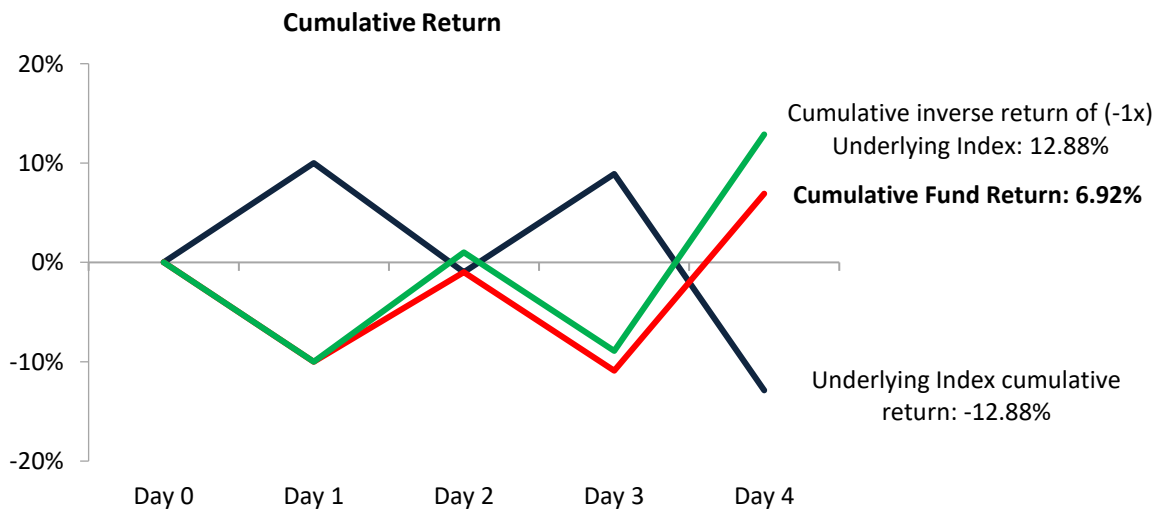
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative inverse return of (-1x) Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	10%	110.00	10.00%	10.00%
Day 2	10%	99.00	-1.00%	-10%	99.00	-1.00%	1.00%
Day 3	-10%	89.10	-10.90%	10%	108.90	8.90%	10.90%
Day 4	20%	106.92	6.92%	-20%	87.12	-12.88%	-6.92%



Scenario 4: Volatile downward trend

In a volatile downward trend, where the Underlying Index generally moves downward over a period longer than 1 Business Day but with daily volatility, the Fund's performance may be adversely affected in that the Fund's performance may fall short of the cumulative inverse Underlying Index return. As illustrated in the scenario below, where the Underlying Index falls by 12.88% over 4 Business Days but with daily volatility, the Fund would have a cumulative gain of 6.92%, which is lesser than the cumulative inverse Underlying Index gain of 12.88%.

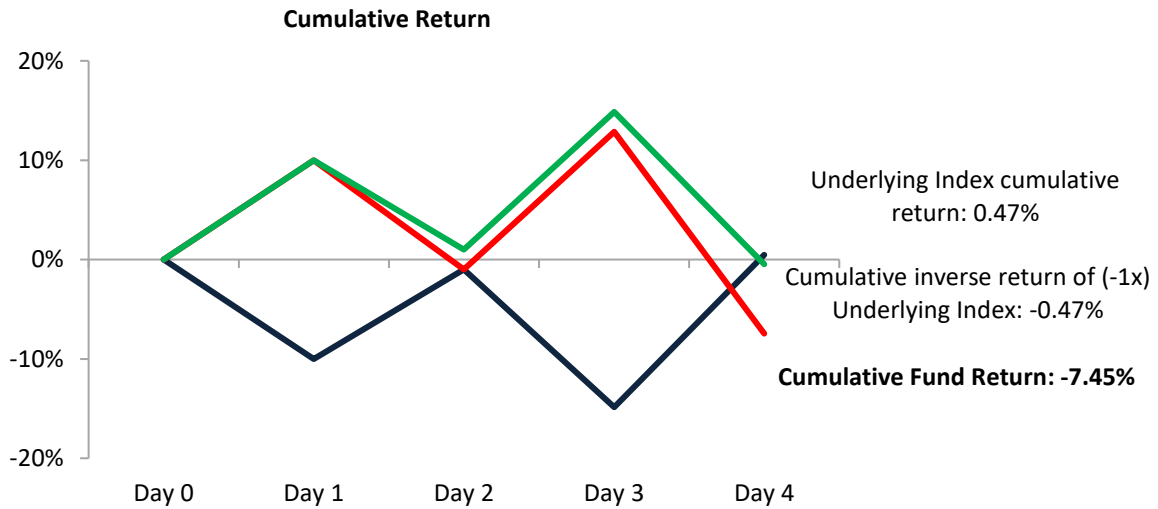
	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative inverse return of (-1x) Underlying Index
Day 0		100.00			100.00		
Day 1	10%	110.00	10.00%	-10%	90.00	-10.00%	-10.00%
Day 2	-10%	99.00	-1.00%	10%	99.00	-1.00%	1.00%
Day 3	10%	108.90	8.90%	-10%	89.10	-10.90%	-8.90%
Day 4	-20%	87.12	-12.88%	20%	106.92	6.92%	12.88%



Scenario 5: Volatile market with flat index performance

In a volatile market with flat Underlying Index performance, the aforementioned compounding can have an adverse effect on the performance of the Fund. As illustrated below, even if the Underlying Index has returned to its previous level, the Fund may lose value.

	Underlying Index Daily Return	Underlying Index Level	Underlying Index cumulative return	Fund's daily return	Fund's NAV (MYR)	Cumulative Fund return	Cumulative inverse return of (-1x) Underlying Index
Day 0		100.00			100.00		
Day 1	-10%	90.00	-10.00%	10%	110.00	10.00%	10.00%
Day 2	10%	99.00	-1.00%	-10%	99.00	-1.00%	1.00%
Day 3	-14%	85.14	-14.86%	14%	112.86	12.86%	14.86%
Day 4	18%	100.47	0.47%	-18%	92.55	-7.45%	-0.47%



### 3.10 Permitted Investments & Investment Restrictions of the Funds

**Permitted Investments:**

- Futures;
- Debentures;
- Money market instruments;
- Units/shares in collective investment schemes;
- Deposits/placements of money with Financial Institutions; and
- Any other investments permitted by the SC from time to time.

**Investment Restrictions:**

The investment restrictions imposed upon the Funds are as follows:

- The value of the Fund's investments in money market instruments, bond or sukuk issued by any single issuer must not exceed 15% of the Fund's NAV;
- The value of the Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- The aggregate value of the Fund's investments in money market instruments, bond or sukuk and deposits issued by or placed with, as the case may be, any single issuer/institution must not exceed 25% of the Fund's NAV;
- The value of the Fund's investments in money market instruments, deposits, bond or sukuk issued by any group of companies must not exceed 20% of the Fund's NAV;
- The Fund's investments in bond or sukuk must not exceed 20% of the bond or sukuk issued by any single issuer;
- The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This does not apply to money market instruments that do not have a pre-determined issue size;
- The Fund may invest in units or shares in other collective investment schemes ("Target Fund") provided that the value of the Fund's investment in units or shares of any collective investment scheme must not exceed 20% of the Fund's NAV and the Target Fund must:-
  - be regulated by a regulatory authority;
  - (if the Target Fund is constituted in Malaysia) be approved or authorised by the SC;
  - (if the Target Fund is constituted outside of Malaysia) be registered or authorised or approved by the relevant regulatory authority in its home jurisdiction; and
  - operate on the principle of prudent spread of risk and its investments do not diverge from the general investment principles of the ETF Guidelines.

Where the Fund invests in a Target Fund operated by the Manager or its related corporation, the Manager must ensure that:-

- there is no cross-holding between the Fund and the Target Fund;
- all initial charges on the Target Fund are waived; and
- the management fee must only be charged once, either at the Fund or the Target Fund.

The Fund's investments in foreign market are limited to markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO);

- In respect of a Leveraged Fund, the global exposure of the Fund from the derivative position calculated based on the commitment approach must not exceed 200% of its Net Asset Value:
  - (a) at the time of daily rebalancing of the Fund; and
  - (b) between each daily rebalancing,

and an allowance in excess of the limit by 20% due to market movements is permitted;

➤ In respect of an Inverse Fund, the global exposure of the Fund from the derivative position calculated based on the commitment approach must not exceed -100% of its Net Asset Value:

- (a) at the time of daily rebalancing of the Fund; and
- (b) between each daily rebalancing,

and an allowance in excess of the limit by -10% due to market movements is permitted.

The abovementioned restrictions and limits will be complied with at all times based on the up-to-date value of the Fund, and the value of its investments and instruments. The Manager must notify the SC, within seven Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of any –

- (a) appreciation or depreciation in the value of the Fund's underlying investments;
- (b) redemption of Units or payments made from the Fund;
- (c) change in capital of a company in which the Fund has invested in; or
- (d) downgrade in or cessation of a credit rating,

need not be reported to the SC but must be rectified as soon as practicable in accordance with the ETF Guidelines.

The Trustee may decide to extend the period if it is in the best interest of Unit Holders and such extension must be subject to at least a monthly review by the Trustee.

### **3.11 Securities Lending & Borrowing**

#### **Securities Lending**

The Funds will not participate in the lending of securities.

#### **Borrowing**

The Funds are not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the Securities Borrowing and Lending Guidelines) in connection with its activities. However the Fund may borrow cash for the purpose of meeting repurchase requests for Units and such borrowings are subjected to the following:-

- the Fund borrowing is only on a temporary basis and that borrowings are not persistent;
- the borrowing period should not exceed one (1) month;
- the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- the Fund may only borrow from Financial Institutions.

### **3.12 Income Distribution Policy**

The Funds may distribute income on an incidental basis.

The Funds may distribute to the Unit Holders all or substantial portion of the Funds' income (after the deduction of fees, costs, expenses and taxes), pro-rated based on the number of Units held by each Unit Holder as at the entitlement date of the income distribution. The amount to be distributed will be at the discretion of the Manager and will be paid in MYR only.

Investors would be notified of the income distribution through an announcement on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) of the following details:

- income distribution quantum;
- ex-entitlement date; and
- payment date.

Income distribution (if any) will be made in the following manner:

- by way of eDividend;
- by way of a cheque sent to the Unit Holder's postal address; or
- such other method to be determined by the Manager and the Trustee, and allowed under the relevant rules and regulations in Malaysia.

### **3.13 Valuations of the Funds' Assets**

The Manager will ensure that the valuation of the Funds is carried out in a fair manner in accordance with the relevant laws and ETF Guidelines. The Manager will obtain the daily price or value of the assets for the purpose of valuing the Funds in accordance with the Malaysian Financial Reporting Standard 9, issued by the Malaysian Accounting Standards Board.

The valuation bases for the permitted investments of the Funds are as below:

#### **Listed Futures**

Valuation of listed futures will be based on the market price i.e. closing bid price. Where no market price 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 futures for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee, such investments are valued at fair value determined in good faith by the Manager or its delegate, based on the methods or bases approved by the Trustee after appropriate technical consultation.

#### **Debentures**

Valuation of unlisted debentures denominated in MYR will be done using the fair value price quoted by a bond pricing agency ("BPA") registered with the SC. If the Manager is of the view that the price quoted by BPA differs from the market price quoted by at least three (3) independent dealers by more than 20 basis points and the Manager determines that the methodology used by the independent dealers to obtain the market price is more appropriate, the Manager may elect to use the price quoted by the independent dealers as the market price, provided that the Manager 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.

Investment in other listed and unlisted debentures will be valued by reference to the average indicative price quoted by at least 3 independent and reputable institutions. In the case where the Manager is unable to obtain quotation from 3 independent and reputable institutions, the other listed and unlisted debentures will be valued in accordance to fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

#### **Money Market Instruments**

The valuation of MYR denominated money market instruments will be done using the price quoted by a Bond Pricing Agency registered with the SC. For foreign money market instruments, valuation will be done using the average indicative yield quoted by 3 independent and reputable institutions.



**Deposits**

Deposits placed with Financial Institutions are valued by reference to the principal value of such investments and the interests accrued thereon for the relevant period.

**Collective Investment Schemes**

An unlisted collective investment schemes will be valued based on its last published repurchase price.

**Any Other Investment**

The valuation will be at fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

**3.14 Valuation Point for the Funds****TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker and TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker**

The Funds will be valued at the official close of trading of the NYSE® FANG+™ futures contract, currently being 6.00 p.m. (New York time) which is equivalent to 6.00 a.m. or 7.00 a.m. (Malaysian time) on each Business Day other than where there is a suspension of calculation of the NAV of the Funds.

**TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker**

The Funds will be valued at the official close of trading of the HSCEI futures contract, currently being 4.30 p.m. (Malaysian time) on each Business Day other than where there is a suspension of calculation of the NAV of the Funds.

**3.15 Listing of the Funds**

The approval for admission to the Official List and the listing of and quotation for up to 1,000,000,000 Units for each Fund on the Main Market of Bursa Securities was obtained from Bursa Securities on 4 November 2019.

The Units will be admitted to the Official List and official quotation for the Units on the Main Market of Bursa Securities will commence upon receipt of confirmation from Bursa Depository that the respective CDS Accounts of the Manager have been duly created.

**Pursuant to Section 14 (1) of the Central Depositories Act, Bursa Securities has prescribed the Units as a prescribed security. In consequence thereof, the Units offered through this Master Prospectus will be deposited directly with Bursa Depository and any dealings in these Units will be carried out in accordance with the Central Depositories Act and the rules of Bursa Depository.**

## 4. FEES & CHARGES

### 4.1 Charges directly incurred by an investor

#### 4.1.1 Charges for the Creation and Redemption of Units through the Participating Dealer

All Creation Applications and Redemption Applications must be submitted to the Manager through the Participating Dealer and the creation and redemption of Units must be implemented in accordance with the terms and conditions set out in the Participating Dealer Agreement.

This table describes the fees and charges (excluding out-of-pocket expenses) to be paid by the Participating Dealer to the Manager and/or Trustee. These fees and charges may either be charged to the investor by the Participating Dealer or may be absorbed by the Participating Dealer. Investors should check with the relevant Participating Dealer on the actual fees and charges which may be incurred.

Fees & Charges	Details
Creation/Redemption Application Fee	: MYR200 per Creation Unit Block or Redemption Unit Block as applicable (and subject to a maximum of MYR1,000) payable to the Manager or such other amount as may be determined by the Manager from time to time, in consultation with the Trustee.
Creation/Redemption Application Cancellation Fee	: 1.00% of the Subscription Amount or Cash Redemption, whichever is applicable, payable to the Manager or such other amount as may be determined by the Manager from time to time, in consultation with the Trustee.
Transaction Costs	: The Manager may charge Transaction Costs (incurred by the Fund) to prevent the NAV of the Fund from being diluted.
Other Fees	: The amount (other than Transaction Costs described above) that may be incurred by the Manager and/or the Trustee from time to time in relation to the Applications submitted by the Participating Dealer, which is charged by Bursa Depository.

Additionally, investors should note that they may have to pay fees and expenses to the Participating Dealer for its services for and in connection with applying for the creation and redemption of Units through the Participating Dealer. These fees and expenses are charged by the Participating Dealer for providing its services and to meet the expenses in connection therewith.

#### 4.1.2 Charges for the Buying and Selling of Units on Bursa Securities

This table describes the charges that investors may incur (based on the charges imposed by Bursa Securities as at the date of this Master Prospectus which charges may be varied from time to time) when they buy or sell Units in the Funds on Bursa Securities. Investors should check with their brokers on the actual fees and charges which may be incurred.

Fees & Charges	Details
Brokerage Fee	: As prescribed by the Bursa Securities.
Bursa Securities Clearing fee	: 0.03% of the transaction value, subject to a maximum of MYR 1,000 per transaction. A MYR 10 minimum fee per transaction is applicable for direct business contracts.

Further information on the charges that investors will incur when trading Units on Bursa Securities can be found at [www.bursamalaysia.com](http://www.bursamalaysia.com).

## 4.2 Fees and expenses indirectly incurred by an investor

Fees & Charges	Details	
	TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker & TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker	TradePlus HSCEI Daily (2x) Leveraged Tracker & TradePlus HSCEI Daily (-1x) Inverse Tracker
Annual Management Fee <sup>(1)</sup>	: Up to 1.00% per annum of the NAV of the Fund.	
Annual Trustee Fee <sup>(1)</sup>	: 0.04% per annum of the NAV of the Fund.	
Annual Index Licence Fee <sup>(2)</sup>	: 0.05% per annum subject to a minimum of USD 19,000 per annum.	: 0.04% per annum subject to a minimum of HKD100,000 per annum

Notes:

- (1) Calculated based on the NAV of the Fund, accrued daily. This fee is the current fee and is subject to such increase/variation as permitted by the Deed. All of the abovementioned fees and expenses shall be deducted from the Fund Assets.
- (2) Calculated based on the average daily NAV of the Fund for the quarter, and is payable quarterly. This fee is the current fee and is subject to such increase/variation as permitted by the Deed. All of the abovementioned fees and expenses shall be deducted from the Fund Assets.

There will be other fees or expenses incurred by the Funds such as audit fees, tax agent's fees, printing and stationery, bank charges, investment committee fees for independent members, lodgement fees for annual reports and other expenses permitted by the Deed of the Funds. In addition, there will be miscellaneous expenses such as professional and legal fees and fees to the authorities to be incurred in the setting up of the Funds.

All of the abovementioned fees and expenses will be deducted from the Fund Assets.

## 4.3 Establishment Costs of the Funds

The cost of establishment and Listing of the Funds which include the following expenses will be borne by the Fund:

- Cost of preparation and publishing of this Master Prospectus;
- Professional and advisory fees; and
- Regulatory fees.

(collectively, the "Establishment Costs").

The aforesaid Establishment Costs shall be funded upfront by the Manager as and when incurred. The Manager is allowed to charge the Establishment Cost, which shall not exceed MYR 500,000 for each Fund, over a period of two (2) years to reduce the impact of dilution on the returns of the Fund.

## 4.4 Permitted Expenses

The Trustee and/or the Manager shall be entitled to pay the following fees, costs and expenses from the Fund Assets to the extent they have been incurred in relation to a Fund:-

- any costs, fees and expenses to be paid under any licence and data supply contracts in relation to the Index Licensor entered into by the Manager in respect of the Fund;

- the processing or handling fees levied by any person for rendering services to effect any acquisition, disposal or any other dealings whatsoever in the Fund Assets and any expenses in relation thereto including commissions or fees paid to brokers and/or dealers in effecting dealings in the permitted investments of the Fund;
- all fees, charges, expenses and disbursements of any legal adviser or counsel, accountant, auditor, valuer, broker, banker, tax adviser or other professional advisers employed or engaged by the Trustee or the Manager in the establishment of the Fund, in maintaining, preserving and protecting the Fund Assets and in the ongoing performance of their respective duties and obligations under the Deed, or otherwise in connection with the Fund;
- all fees, charges, expenses and disbursements incurred in relation to the safe custody, acquisition, holding, registration, realisation of or other dealing with any foreign investments of the Fund Assets and all transactional fees as may be agreed from time to time between the Manager and the Trustee in relation to all transactions involving the whole or any part of the Fund Assets;
- all charges and expenses incurred for any meeting of Unit Holders other than convened by and for the benefit of the Manager and the Trustee;
- the fees and expenses incurred by the Manager and the Trustee in obtaining and/or maintaining the listing of and quotation for the Units on Bursa Securities and/or the authorisation or other official approval or sanction of the Fund under the CMSA or any other applicable laws or regulations;
- the fees and expenses incurred in connection with depositing and holding Units with Bursa Depository and Bursa Malaysia Securities Clearing Sdn Bhd (and in any other securities depository or clearing system);
- Establishment Costs of the Fund;
- all charges, costs and expenses incurred by the Manager and/or the Trustee in respect of and/or in connection with the maintenance of a website or webpages (as the case may be) dedicated entirely to the Fund and communications with and/or notification to the Unit Holders, the Registrar and/or any relevant authorities including notifications made in relation to the Fund in Bursa Securities, newspaper(s) in Malaysia and such other forms of communication permitted or acceptable under the ETF Guidelines and as the Manager may from time to time determine;
- all fees, costs and expenses incurred in respect of preparing any deeds supplemental to the Deed and in respect of preparing any agreement in connection with the Fund other than those for the benefit of the Manager or the Trustee;
- all costs incurred in respect of the preparation, publication and distribution of the annual reports and of all cheques, statements, notices and other documents relating to the Fund;
- all fees and expenses incurred in connection with the removal of the Manager, the Trustee or the auditor of the Fund or the appointment of a new management company, a new trustee or a new auditor other than those for the benefit of the Manager or the Trustee;
- all expenses incurred in the collection of income (including expenses incurred in obtaining tax repayments or relief and agreement of tax liabilities) or the determination of taxation;
- all expenses associated with the distributions declared pursuant to the Deed including without limitation fees for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer;
- all fees and expenses incurred by the Manager and the Trustee in terminating the Fund;

- fees for the valuation of the Fund by independent valuers for the benefit of the Fund; and
- such other charges, costs, expenses and disbursements (including but not limited to any tax and other duties imposed by any government and other authorities) as permitted or required (as the case may be) under the applicable laws which the Manager or the Trustee is entitled to charge to the Fund.

#### **4.5 Policy on Rebates and Soft Commissions**

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

The soft commission can be retained by the Manager provided that:-

- the Manager does not utilise the soft commission for the purpose of defraying costs relating to the establishment or maintenance of its infrastructure, framework or systems;
- the Manager ensures that the goods and services are in the form of research and advisory services that assist in the decision making process relating to the Fund's investments; and
- the practice of the Manager in relation to soft commissions is adequately disclosed in the Master Prospectus and annual report, including a description of the goods and services received by the Manager.

**All fees and charges payable by investors are subject to all applicable taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.**

## 5. DEALING INFORMATION

The Manager may issue new classes of Units or introduce new trading currencies from time to time.

### 5.1 Applications for the Purchase and Sale of Units

#### 5.1.1 Before Listing

Prior to Listing, Units will not be set aside for subscription by the public through the Participating Dealer. The Manager has agreed to undertake the initial creation of Units.

Proceeds received by the Funds from the Manager will be used for investments in accordance with the investment strategy of the Fund. The timeframe for full utilisation of the proceeds will be within five (5) Business Days of the receipt of the proceeds.

Units of the Funds will be made available to the public through the Participating Dealer After Listing. See Section 5.1.2 for more details on applying for Units After Listing.

#### 5.1.2 After Listing

After Listing, there are two (2) methods of subscribing for or redeeming Units -

i) Creation / Redemption of Units via the Participating Dealer (primary market)

A Participating Dealer (either acting for itself or for an investor as its client) may apply for the creation or redemption of Units. Investors who wish to apply for the creation or redemption of Units can only do so through the Participating Dealer.

Creation of Units can be done via Cash Creation in a Creation Unit Block (or whole multiples thereof). Redemption of Units can be done via Cash Redemption in a Redemption Unit Block (or whole multiples thereof).

See Section 5.2 for more details on the application for the creation and redemption of Units procedure.

ii) Buying / Selling of Units on Bursa Securities (secondary market)

Investors can buy Units through a licensed intermediary such as a stockbroker or any of the share dealing services offered by banks or other financial advisers.

Further details are set out in Section 5.8 of this Master Prospectus.

#### 5.1.3 Investors and the Participating Dealer

Where investors choose to apply for the creation or redemption of Units via the Participating Dealer (primary market) in the manner described above, the following should be noted –

i) The application for the creation and/or redemption of Units can only be made through the Participating Dealer.

ii) Investors who apply for the creation and/or redemption of Units through the Participating Dealer should note that the Participating Dealer may, for its own account, charge fees and expenses not set out in this Master Prospectus for providing its services and apply its own conditions for application for or redemption of Units in addition to those set out in this Master Prospectus.

- iii) Investors should contact the Participating Dealer for further details, procedures and requirements before submitting an application to the Participating Dealer.
- iv) The Participating Dealer has agreed with the Manager that it will accept requests received from investors, subject to normal market conditions, agreement as to fees and completion of client acceptance procedures, to create and/or redeem Units on behalf of such investors. Investors should note that although the Manager has a duty to closely monitor the operations of the Funds, neither the Manager nor the Trustee is empowered to compel the Participating Dealer to disclose its fees agreed with specific investors or other proprietary or confidential information to the Manager or the Trustee, or to accept any such application requests received from investors.
- v) Investors should note that the arrangements set out between the Participating Dealer and the investor are solely a contractual arrangement between the investor and the Participating Dealer and have nothing to do with the Manager, the Trustee or the Funds. The Trustee and the Manager are not parties to these arrangements which are outside the ambit of the Funds. Therefore, neither the Trustee nor the Manager shall be held responsible to the respective investors for these arrangements. An investor should contact the Participating Dealer and obtain further details before entering into any such arrangement.

## **5.2 Procedures for Creation and Redemption of Units via the Participating Dealer (primary market)**

The procedures set out in this Section are in relation to the creation and redemption of Units After Listing.

During this period:-

- (i) Both Creation Applications and Redemption Applications may be made by the Participating Dealer before the Dealing Deadline on any Dealing Day. If the Creation Applications and Redemption Applications are received on a day which is not a Dealing Day or received after the Dealing Deadline of a Dealing Day, such Applications will be treated as having been received on the following Dealing Day;
- (ii) Creation Applications by the Participating Dealer must be made by way of Cash Creation in a Creation Unit Block (or whole multiples thereof); and
- (iii) Redemption Applications by the Participating Dealer must be made by way of Cash Redemption in a Redemption Unit Block (or whole multiples thereof).

The Issue Price and Redemption Price for the Units After Listing shall be ascertained in accordance with the provisions of Section 5.4 of this Master Prospectus.

Units issued After Listing, pursuant to Creation Applications made by the Participating Dealer, will be registered in the name of the Participating Dealer in the Register and will be deposited with the Bursa Depository on the Creation Date relating thereto. Subject to the agreement between an investor and the Participating Dealer, the Units applied for or on behalf of the investor will thereafter be credited to the CDS Account of the investor.

### **5.2.1 Procedures for Cash Creation**

- (i) The Subscription Amount will be determined by the Manager on each Dealing Day and published on the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my) and Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) prior to the opening of the market on the following Business Day.
- (ii) For a Creation Application to be valid, it must:
  - be submitted by the Participating Dealer in accordance with the Participating Dealer Agreement; ✓

- include the certifications required under the Participating Dealer Agreement, and such other certificates and opinion of counsel as the Trustee and the Manager may consider necessary to ensure compliance with applicable laws; ✓
  - specify the number of Creation Unit Blocks (the current size of one (1) Creation Unit Block is 300,000 Units); and ✓
  - specify the person making the Creation Application or on whose behalf the Creation Application is being made. ✓
- (iii) Upon receipt of a valid Creation Application, the Manager will instruct the Trustee to do the following:

<b>Cash Creation</b>
<ul style="list-style-type: none"> <li>• Create and issue new Units, which will be settled in cash</li> </ul>

- (iv) The new Units will be created and issued, and the Register will be updated on the Creation Date. The Issue Price will be based on the NAV of the Fund as at the Valuation Point on the Trade Date.

### **5.2.2 Provisions applicable for Cash Creation**

- (i) The Manager and/or the Trustee reserves the right in its/their sole discretion, provided that it is reasonable, to reject or suspend a Creation Application if:
- the Creation Application is unclear, erroneous or ambiguous (in the reasonable opinion of the Manager and/or the Trustee);
  - the aggregate of the Creation Unit Block(s) in respect of a Creation Application and the number of Units then in issue exceeds the authorised size of the Fund as approved from time to time by the SC;
  - if any of the Relevant Exchanges are closed; or
  - the Manager has suspended the rights of the Participating Dealer to make Creation Applications pursuant to the Deed.
- (ii) In addition, the Trustee may (by notice to the Manager) refuse to:
- create Units; or
  - create Units in the number instructed by the Manager;

if the Trustee considers that such creation is not in the interest of the Unit Holders or that it would result in a breach of the provisions of the Deed and other applicable laws.

- (iii) Cancellation of Units created pursuant to a Creation Application for Cash Creation:
- The Manager may instruct the Trustee to cancel the Units created (but not yet issued) pursuant to a Creation Application if:
    - (a) the full Subscription Amount has not been received in cleared funds by or on behalf of the Manager and/or the Trustee (as the case may be); or
    - (b) the Creation Application Fee and Transaction Costs (if any) have not been received in cleared funds by or on behalf of the Manager and the Trustee;



by such time and date as determined by the Manager (in consultation with the Trustee) in accordance with the Participating Dealer Agreement.

- If any Units are cancelled as described above, the Subscription Amount (if already received by the Trustee) shall be delivered to the Participating Dealer.

The relevant cancelled Units shall be deemed to never have been created and the Participating Dealer shall have no right or claim against the Manager or the Trustee in respect of such cancellation. Further, the Manager may, but shall not be bound to:

- (a) charge the Participating Dealer the Application Cancellation Fee;
  - (b) charge the Participating Dealer any losses arising from the acquisition or disposal of Index Futures and any costs incurred by the Fund in connection with such cancelled creation; and
  - (c) require the Participating Dealer to pay to the Trustee (for the account of the Fund) in respect of each Unit so cancelled, the amount (if any) by which the Issue Price (as at the Trade Date of the Creation Application) exceeds the Redemption Price (which would have been applicable if the Manager had received a Redemption Application on the date on which such Units are cancelled).
- (iv) Once a Creation Application is submitted, it cannot be revoked or withdrawn without the consent of the Manager, unless a suspension period has been declared by the Manager in accordance with the Deed.
  - (v) Any commission, remuneration or other sum payable by the Manager in respect of the issue or sale of any Unit shall not be added to the Issue Price of such Unit and shall not be paid from the Fund Assets.

**5.2.3 Procedures for Cash Redemption**

- (i) The Redemption Amount will be determined by the Manager on each Dealing Day and published on the Fund’s website at *www.tradeplus.com.my* and Bursa Securities’ website at *www.bursamalaysia.com* prior to the opening of the market on the following Business Day.
- (ii) For a Redemption Application to be valid, it must:
  - be submitted by the Participating Dealer in accordance with the Participating Dealer Agreement; ✓
  - include the certifications required under the Participating Dealer Agreement, and such other certificates and opinion of counsel as the Trustee and the Manager may consider necessary to ensure compliance with applicable laws; ✓
  - specify the number of Redemption Unit Blocks (the current size of one (1) Redemption Unit Block is 300,000 Units); and ✓
  - specify the person making the Redemption Application or on whose behalf the Redemption Application is being made. ✓
- (iii) Upon receipt of a valid Redemption Application, the Manager will instruct the Trustee (by notice in writing) to effect the redemption, which will be settled in the following manner:

<b>Cash Redemption</b>
<ul style="list-style-type: none"> <li>• Cancel the Units</li> <li>• Payment of proceeds in cash</li> </ul>

- (iv) The Units will be redeemed and cancelled and the Register will be updated on the Redemption Date. The Redemption Price will be based on the NAV of the Fund as at the Valuation Point on the Trade Date.

The Fund size shall be reduced by the number of Units cancelled.

For Cash Redemption, the Trustee shall pay the Redemption Amount out of the Fund Assets to the Participating Dealer.

#### **5.2.4 Provisions applicable for Cash Redemption**

- (i) The Manager and/or the Trustee reserves the right in its/their discretion, provided that it is reasonable to reject or suspend a Redemption Application if:

- the Redemption Application is unclear, erroneous or ambiguous (in the reasonable opinion of the Manager and/or the Trustee);
- the number of Units in respect of which Redemption Applications are received by the Manager exceeds the limit set out in this Section, item (iv) below;
- the Manager has suspended the rights of the Participating Dealer to make Redemption Applications pursuant to the Deed;
- if any of the Relevant Exchanges are closed; or
- in the reasonable opinion of the Manager, the Redemption Application may breach any of the terms or conditions of the Participating Dealer Agreement and/or the Deed.

- (ii) In addition, the Trustee may (by notice to the Manager) refuse to:

- redeem Units; or
- redeem Units in the number instructed by the Manager;

if the Trustee considers that such redemption is not in the interest of the Unit Holders or that it would result in a breach of the provisions of the Deed and other applicable laws.

- (iii) Payment of Redemption Amount for Cash Redemption:

The Redemption Amount in respect of the redemption of Units shall be payable to the Participating Dealer on a Business Day immediately following the Redemption Date provided that:

- the Redemption Application has been received by the Manager in accordance with the Deed;
- the Units to be redeemed have been delivered to the Trustee; and
- the Redemption Application Fee has been paid in full.

- (iv) Limit on Redemption per Trade Date:

- If the total number of Units (for which Redemption Applications have been received by the Manager) on a Trade Date exceeds 10% (or such higher percentage as the Manager may determine) of the number of Units of the Fund(s) on that day, the Manager shall be entitled

to limit the total number of Units to be redeemed on that day to 10% (or such higher percentage as the Manager may determine) of the number of Units of the Fund(s).

- Any Units which are not redeemed in respect of a particular Trade Date (“**First Relevant Dealing Day**”) as a result of the limit imposed by the Manager (as set out above) shall be carried forward for redemption on the Dealing Day following the First Relevant Dealing Day (such Dealing Day being hereinafter referred to as “**Second Relevant Dealing Day**”).
  - The Manager will inform the Participating Dealer of the higher percentage (if any) and of the number of Units the redemption of which have been deferred, within one (1) Dealing Day after the First Relevant Dealing Day and these Units shall be redeemed on the Second Relevant Dealing Day.
  - If Redemption Applications are carried forward, any other Redemption Application received after the First Relevant Dealing Day and before the Second Relevant Dealing Day shall also be carried forward, and be deemed to be a Redemption Application submitted on the Second Relevant Dealing Day. Redemption Applications carried forward from the First Relevant Dealing Day shall be redeemed in priority to Redemption Applications received after such First Relevant Dealing Day.
- (v) The Manager may deduct and set-off the Redemption Application Fee against any Redemption Amount payable to the Participating Dealer.
- (vi) If the Units to be redeemed are not delivered to the Trustee in accordance with the provisions of the Deed:
- the Redemption Application shall be deemed never to have been made (except that the Redemption Application Fee shall remain due and payable); and
  - the Manager may charge the Participating Dealer:
    - (a) the Application Cancellation Fee;
    - (b) any Transaction Costs; and
    - (c) any losses arising from the acquisition or disposal of the Index Futures and any costs incurred by the Fund in connection with such failed redemption; the amount (if any) by which the Issue Price (which would have been applicable if the Manager had received a Creation Application on the date on which such Units were to be cancelled) exceeds the Redemption Price (as at the Trade Date of the Redemption Application).

### 5.3 Computation of NAV

The valuation of the Funds will be done in the Fund’s Base Currency. As such, the assets and cash denominated in any other currencies will be translated to the Fund’s Base Currency for valuation purposes.

The NAV of a Fund is determined by deducting the value of all the Fund’s liabilities from the value of all the Fund Assets, at a particular Valuation Point. Please refer to Section 3.14 of this Master Prospectus on details of the valuation point for the Fund.

### 5.4 Calculation of Issue Price and Redemption Price

The Deed provides that the Issue Price or Redemption Price of each Unit for any relevant Dealing Day will, subject to the qualification below, be calculated by the Manager and shall be based on the NAV of the Fund as at the

Valuation Point on the Trade Date divided by the number of Units in issue, truncated to four (4) decimal places, or in such manner as may be determined by the Manager from time to time in consultation with the Trustee. The benefit of any such adjustment shall accrue to the Fund.

The Manager may, in consultation with the Trustee, add to the Issue Price (but not include within it) such sum (if any) as the Manager may consider representative of the appropriate provision for Transaction Costs which shall be for the account of the Fund.

## **5.5 IOPV per Unit**

The IOPV per Unit, which is the estimated NAV per Unit of the Fund, is calculated as follows:

- (i) the price of the Fund Assets at the respective interval on a Business Day, including liquid assets (in the Fund's Base Currency);
- (ii) minus the liabilities of the Fund (in the Fund's Base Currency); and
- (iii) dividing the aggregation of sub-paragraph (i) and (ii) above by the number of Units in issue.

The Manager intends to provide near-real-time IOPV per Unit.

## **5.6 Provisions for Suspension of the calculation of the NAV and dealing in Units of the Fund**

The calculation of the NAV of the Fund and dealings in the Units i.e. Creation Application and Redemption Application may be suspended and the Manager, in consultation with the Trustee, will be under no obligation to rebalance or adjust the Fund Assets during the following periods:

- (a) any period when dealings of the Units on Bursa Securities are restricted or suspended upon a direction issued by the SC or Bursa Securities;
- (b) any period when the dealings of Index Futures on the Relevant Exchanges, or where the Index Futures has its primary listing is restricted or suspended;
- (c) any period when settlement or clearing of Index Futures in the relevant clearing and settlement depository is disrupted;
- (d) any period when there is a market disruption event or a settlement disruption event in any of the Relevant Exchanges;
- (e) the existence of any state of affairs as a result of which the acquisition or disposal of Index Futures for the time being comprised in the Fund Assets cannot, in the opinion of the Manager and the Trustee, be effected normally or without prejudicing the interests of the Unit Holders;
- (f) any period when, in the opinion of the Manager and the Trustee, funds cannot be normally remitted from the Fund Assets without prejudicing the interests of the Unit Holders;
- (g) any period when the Benchmark is not compiled or published;
- (h) any breakdown in the means normally employed in determining the NAV of the Fund or the NAV per Unit or the liabilities or when for any other reason the value of any Permitted Investments for the time being comprised in the Fund Assets or the liabilities cannot be promptly and accurately ascertained;
- (i) the existence of any state of affairs which in the opinion of the Manager and the Trustee, might seriously prejudice the interests of the Unit holders as a whole or the Fund Assets;

- (j) any forty eight (48) hours period (or such longer period as the Manager and the Trustee may agree) prior to the date of any meeting of Unit holders (or any adjourned meeting thereof);
- (k) any period when the operations of the Manager and/or the Trustee cease and/or are suspended at the direction of the SC; or
- (l) any period when the business operations of the Manager or the Trustee in relation to the operation of the Fund is substantially interrupted or closed as a result of or arising from a force majeure event.

The Manager shall publish the fact that the calculation of the NAV and dealing in Units of the Fund are suspended immediately following such suspension and at least once a month during such suspension period in such newspaper or newspapers in Malaysia or elsewhere as the Manager, in consultation with the Trustee, may from time to time think fit. An immediate notice informing Unit Holders on the suspension of the Fund will also be made on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and on the Fund's website at [www.tradepius.com.my](http://www.tradepius.com.my).

## 5.7 Obtaining information on the NAV and IOPV per Unit

Details of the NAV of the Funds and the NAV per Unit of each Dealing Day will be made available the following Business Day while the IOPV per Unit will be made available on each Business Day by the Manager on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and on the Fund's website at [www.tradepius.com.my](http://www.tradepius.com.my).

## 5.8 Trading of the Units on Bursa Securities (secondary market)

After Listing, Units of the Funds can be bought and sold on Bursa Securities throughout the trading day like any other publicly-traded shares. Units are generally purchased and sold in "board lots" of 100 Units. However, brokerage firms may permit investors to purchase or sell Units in smaller "odd-lots", although prices of Units traded in "odd-lots" may differ from Units purchased and sold in "board lots".

**However, investors should note that transactions in the secondary market on Bursa Securities will occur at quoted market prices which may differ from the daily NAV per Unit due to market demand and supply, liquidity and trading spread for the Units in the secondary market. As a result, the market price of the Units in the secondary market may be higher or lower than the daily NAV per Unit.**

When buying or selling Units through a broker, investors will incur customary brokerage and clearing fees.

Pursuant to Section 14(1) of the Central Depositories Act, Bursa Securities has prescribed the Units as a prescribed security. In consequence thereof, the Units will be deposited directly with Bursa Depository and any dealings in these Units will be carried out in accordance with the Central Depositories Act and the rules of Bursa Depository.

As an investor, the Unit Holder is the beneficial owner of the Units as shown in the records of Bursa Depository. Bursa Depository serves as the securities depository for all Units of the Funds. The Unit Holder is not entitled to receive physical delivery of Unit certificates or to have Units registered in its name, and it is not considered a registered owner of Units. Therefore, to exercise any right as the beneficial owner of Units, the Unit Holder must rely upon the procedures of Bursa Depository. These procedures are the same as those that apply to securities listed on Bursa Securities.

## 5.9 Unit Trading Prices

The trading prices of Units on Bursa Securities may differ from their daily NAV per Unit and IOPV per Unit and can be affected by market forces such as supply and demand, economic conditions and other factors. Unit Holders may keep track of the current market price of the Units via Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) on a daily basis.

## **5.10 Market Making**

It is the intention of the Manager to facilitate the provision of liquidity for Unit Holders through the appointment of the market maker who is required to maintain a market for the Units. In maintaining a market for Units, the market maker may realise profits or sustain losses. Any profit made by the market maker may be retained by it for its absolute benefit and it shall not be liable to account to the Fund in respect of such profits.

Although the market maker may buy and sell Units just like retail investors via Bursa Securities, there is no guarantee or assurance as to the price at which a market for the Units will be made. Additional market maker(s) may be appointed in future by the Manager. A list of market makers appointed by the Manager for the Funds may be obtained from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and on the Fund's website at [www.tradeplus.com.my](http://www.tradeplus.com.my). The Manager will also notify Bursa Securities of any changes to the list of market makers.

## 6. SALIENT TERMS OF THE DEED

**This section is meant to disclose the salient terms of the Deed and it is not meant to be exhaustive. Investors should refer to the Deed itself to confirm specific information or for a detailed understanding of the Fund. The Deed is available for inspection at the registered office of the Manager.**

The Deed had been entered into between the Manager and the Trustee of the Fund. The Fund is constituted by the Deed and regulated primarily by the CMSA and the ETF Guidelines. The terms and conditions of the Deed and of any deed supplemental thereto entered into pursuant to the provisions of the Deed is binding on each of the Unit Holders and all persons claiming through or under such Unit Holders as if they had:-

- been a party to and had executed the Deed and any such supplemental deed;
- thereby covenanted for themselves and for all such persons to observe and be bound by all the provisions thereof; and
- thereby authorised the Trustee and the Manager respectively to do all such acts and things as the Deed or any such supplemental deed may require or authorise the Trustee or the Manager (as the case may be) to do.

### 6.1 Rights of Unit Holders

A Unit Holder has the right, among others, to the following:

- (i) to inspect the Register, free of charge at any time during normal working hours at the registered office of the Manager, and obtain such information pertaining to its Units as permitted under the Deed and the ETF Guidelines;
- (ii) to receive distributions declared by the Fund (if any), and to other rights and privileges as set out in the Deed;
- (iii) to vote for the removal of the Trustee or the Manager through a Special Resolution; and
- (iv) to receive annual reports or any other reports of the Fund.

Unit Holders' rights may be varied by changes to the Deed, the ETF Guidelines or judicial decisions or interpretation.

### 6.2 Liabilities and limitations of Unit Holders

#### 6.2.1 Liabilities

- (i) A Unit Holder need not indemnify the Trustee or the Manager or any creditor of any one or more of them if there is a deficiency of Fund Assets compared with liabilities.
- (ii) The right of the Trustee or the Manager or any such creditor to seek indemnity is limited to having recourse to the Fund.

#### 6.2.2 Limitations

A Unit Holder cannot:

- (i) interfere with the rights or powers of the Manager and/or the Trustee in their dealings with the Fund;
- (ii) assert an interest in any particular part of the Fund Assets;

- (iii) require the transfer to the Unit Holder of any particular part of the Fund Assets;
- (iv) attend meetings whether of shareholders, creditors, ratepayers or otherwise or to take part in or to consent to any action concerning any property, corporation or scheme in connection with the Fund Assets;
- (v) exercise any rights, powers or privileges in respect of any of the Fund Assets;
- (vi) lodge with a government authority or any person any caveat or other notice whether under the provisions of any regulation, legislation, rule or otherwise;
  - (a) prohibiting the government authority or person (either conditionally or absolutely) from taking the action specified in the caveat or notice or forbidding (either conditionally or absolutely) the registration of any person as transferee or proprietor of, or of any instrument or thing affecting any particular part of the Fund Assets; or
  - (b) claiming any estate or interest in any particular part of the Fund Asset; or
- (vii) interfere in any way with the Fund.

For full details of the rights of a registered Unit Holder of the Fund, please refer to the Deed.

### 6.3 Maximum fees and charges permitted by the Deed

This table describes the maximum fees permitted by the Deed and payable indirectly by investors.

Fees	% / MYR
Management Fee	3.0% per annum, calculated daily on the NAV of the Fund.
Trustee Fee	0.10% per annum, calculated daily on the NAV of the Fund (excluding foreign sub-custodian fees and charges).

A lower fee and/or charges than what is stated in the Deed may be charged, all current fees and/or charges will be disclosed in the Master Prospectus.

Any increase of the fees and/or charges that is stated in the current Master Prospectus may be made provided that:

- (i) In relation to the Manager,
  - (a) the higher management fee does not exceed the maximum rate stipulated in the Deed;
  - (b) the Manager has notified the Trustee in writing of the higher management fee and the Trustee agrees after considering the matters required under the ETF Guidelines;
  - (c) the Manager has announced to Bursa Securities of the higher management fee and its effective date;
  - (d) thirty (30) days have elapsed since the date of the announcement in Section 6.3(i)(c) above; and
  - (e) a supplementary or replacement prospectus stating the higher management fee and its effective date, has been registered, lodged and issued.
- (ii) In relation to the Trustee,
  - (a) the higher trustee fee does not exceed the maximum rate stipulated in the Deed;



- (b) the Trustee has notified the Manager in writing of the higher trustee fee and the Manager agrees after considering the matters required under the ETF Guidelines;
- (c) the Manager has announced to Bursa Securities of the higher trustee fee and its effective date;
- (d) thirty (30) days have elapsed since the date of announcement in Section 6.3(ii)(c) above; and
- (e) a supplementary or replacement prospectus stating the higher management fee and its effective date, has been registered, lodged and issued.

Any increase in the maximum rates for the management fee and trustee fee stipulated in the Deed and this Section 6.3 may only be made by way of supplementary deed and in accordance with the requirements of the CMSA.

#### **6.4 Expenses permitted by the Deed**

The Deed allows for payment of other fees, costs and expenses from the Fund Assets, which include (without limitation) expenses connected with:

- any costs, fees and expenses to be paid under any licence and data supply contracts in relation to the Index Licensor entered into by the Manager in respect of the Fund;
- the processing or handling fees levied by any person for rendering services to effect any acquisition, disposal or any other dealings whatsoever in the Fund Assets and any expenses in relation thereto including commissions or fees paid to brokers and/or dealers in effecting dealings in the permitted investments of the Fund;
- all fees, charges, expenses and disbursements of any legal adviser or counsel, accountant, auditor, valuer, broker, banker, tax adviser or other professional advisers employed or engaged by the Trustee or the Manager in the establishment of the Fund, in maintaining, preserving and protecting the Fund Assets and in the ongoing performance of their respective duties and obligations under the Deed, or otherwise in connection with the Fund;
- all fees, charges, expenses and disbursements incurred in relation to the safe custody, acquisition, holding, registration, realisation of or other dealing with any foreign investments of the Fund Assets and all transactional fees as may be agreed from time to time between the Manager and the Trustee in relation to all transactions involving the whole or any part of the Fund Assets;
- all charges and expenses incurred for any meeting of Unit Holders other than convened by and for the benefit of the Manager and the Trustee;
- the fees and expenses incurred by the Manager and the Trustee in obtaining and/or maintaining the listing of and quotation for the Units on Bursa Securities and/or the authorisation or other official approval or sanction of the Fund under the CMSA or any other applicable laws or regulations;
- the fees and expenses incurred in connection with depositing and holding Units with Bursa Depository and Bursa Malaysia Securities Clearing Sdn Bhd (and in any other securities depository or clearing system);
- Establishment Costs of the Fund;
- all charges, costs and expenses incurred by the Manager and/or the Trustee in respect of and/or in connection with the maintenance of a website or webpages (as the case may be) dedicated entirely to the Fund and communications with and/or notification to the Unit Holders, the Registrar and/or any relevant authorities including notifications made in relation to the Fund in Bursa Securities, newspaper(s) in Malaysia and such

other forms of communication permitted or acceptable under the ETF Guidelines and as the Manager may from time to time determine;

- all fees, costs and expenses incurred in respect of preparing any deeds supplemental to the Deed and in respect of preparing any agreement in connection with the Fund other than those for the benefit of the Manager or the Trustee;
- all costs incurred in respect of the preparation, publication and distribution of the annual reports and of all cheques, statements, notices and other documents relating to the Fund;
- all fees and expenses incurred in connection with the removal of the Manager, the Trustee or the auditor of the Fund or the appointment of a new management company, a new trustee or a new auditor other than those for the benefit of the Manager or the Trustee;
- all expenses incurred in the collection of income (including expenses incurred in obtaining tax repayments or relief and agreement of tax liabilities) or the determination of taxation;
- all expenses associated with the distributions declared pursuant to the Deed including without limitation, fees for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer;
- all fees and expenses incurred by the Manager and the Trustee in terminating the Fund;
- fees for the valuation of the Fund by independent valuers for the benefit of the Fund; and
- such other charges, costs, expenses and disbursements (including but not limited to any tax and other duties imposed by any government and other authorities) as permitted or required (as the case may be) under the applicable laws which the Manager or the Trustee is entitled to charge to the Fund.

## **6.5 Retirement of the Manager**

The Manager may retire from the management of the Fund upon giving to the Trustee twelve (12) months' notice in writing of its desire to do so or such lesser time as the Manager and the Trustee may agree upon.

The retiring Manager, subject to the approval required by applicable laws, may appoint in writing any other suitably qualified corporation approved by the Trustee and the SC (if required) as the new management company in its stead.

The Trustee shall take reasonable steps to remove and replace the Manager as soon as practicable after becoming aware of any such circumstances as stated under Section 6.6 below.

## **6.6 Power of the Trustee to remove or replace the Manager**

The Manager may be removed by the Trustee under certain circumstances as specified in the Deed which include the following events:

- (i) if the Manager goes into liquidation or provisional liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation or some similar purpose upon terms previously approved in writing by the Trustee) or is placed under official management or ceases to carry on business or if a receiver, or receiver and manager is appointed in relation to all or a substantial portion of the property of the Manager and is not removed or withdrawn within thirty (30) days of appointment or if any encumbrances shall take possession of any of its assets;
- (ii) if the Trustee is of the reasonable opinion that the Manager has, to the prejudice of the Unit Holders, failed to comply with any provision or covenant under the Deed or contravened any of the provisions of the CMSA

and within such period as is specified by the Trustee in a written notice to the Manager, the contravention(s) have not been remedied;

- (iii) if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of the Unit Holders for the Trustee to remove the Manager provided that:
  - (a) the Trustee has given notice to the Manager of that opinion and the reasons for that opinion, and the Trustee has considered any representations made by the Manager in respect of that opinion;
  - (b) after consultation with the SC; and
  - (c) a Special Resolution has been duly passed by the Unit Holders;
- (iv) if the Unit Holders by a Special Resolution resolve that the Manager shall be removed; or
- (v) if the Manager ceases to be an approved management company under the provisions of the CMSA and applicable regulations.

In any of the above said grounds, the Manager for the time being shall upon receipt of a written notice by the Trustee cease to be the management company and the Trustee shall subject to any approval required by applicable laws, is entitled to appoint in writing some other suitably qualified corporation to be the management company for the Fund with the approval of Unit Holders by way of a Special Resolution at a meeting convened in accordance with the Deed.

The purported appointment of a new management company has no effect until the new management company executes a deed under which it covenants to act as the management company in accordance with the Deed.

## **6.7 Retirement of the Trustee**

The Trustee may retire as trustee of the Fund upon giving to the Manager twelve (12) months' notice in writing of its desire to do so, or such lesser period of notice as the Manager and the Trustee may agree upon.

The retiring Trustee, subject to the approval required by applicable laws, may appoint in writing any other suitably qualified corporation approved by the Manager and the SC (if required) as the new trustee in its stead.

The Manager shall take reasonable steps to remove and replace the Trustee as soon as practicable after becoming aware of any such circumstances as stated under Section 6.8 below.

## **6.8 Power of the Manager to remove or replace the Trustee**

The Trustee may be removed by the Manager under certain circumstances as specified in the Deed which include the following events:

- (i) if the Trustee goes into liquidation or provisional liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation or some similar purpose upon terms previously approved in writing by the Manager) or is placed under official management or ceases to carry on business or if a receiver, or receiver and manager, is appointed in relation to all or a substantial portion of the property of the Trustee and is not removed or withdrawn within thirty (30) days of the appointment or if any encumbrances shall take possession of any of its assets;
- (ii) if the Trustee ceases to be an approved trustee under the provisions of the CMSA and applicable regulations;
- (iii) if the Unit Holders by Special Resolution resolve that the Trustee should be removed; or

- (iv) if the Trustee has contravened its obligation to the Unit Holders in a manner that, in the reasonable opinion of the Manager, adversely affects those Unit Holders and, within such period as is specified by the Manager in a written notice to the Trustee, the contravention(s) have not been remedied.

In any of the above said grounds, the Trustee for the time being shall upon receipt of a written notice by the Manager cease to be the trustee and the Manager, subject to any approval required by applicable laws, is entitled to appoint in writing some other suitably qualified corporation to be the trustee of the Fund with the approval of Unit Holders by way of Special Resolution at a meeting convened in accordance with the Deed.

The purported appointment of a new trustee has no effect until the new trustee executes a deed under which it covenants to act as trustee in accordance with the Deed.

## **6.9 Termination of the Fund**

6.9.1 The Fund may be terminated by the Trustee in accordance with the provisions of the CMSA upon the occurrence of any of the following events:

- (i) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- (ii) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (iii) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of the Deed or contravened any of the provisions of any relevant law.

Upon a Special Resolution to terminate the Fund is passed by the Unit Holders at a meeting of Unit Holders summoned by the Trustee pursuant to Sections 6.9.1(i), (ii) and (iii) above, the Trustee shall apply to the court for an order confirming such Special Resolution.

6.9.2 The Fund may be terminated by the Trustee or the Manager by notice in writing to the Unit Holders in the following events:

- (i) the Fund ceases to be approved under the CMSA; or
- (ii) all market makers for the Fund have resigned and the Manager is unable to appoint another market maker within three (3) months from the resignation of the last market maker.

6.9.3 Notwithstanding Sections 6.9.1 and 6.9.2 above, the Fund may be terminated at any time by Special Resolution of the Unit Holders and such termination shall take effect from the date on which such Special Resolution is passed or such later date (if any) as the Special Resolution may provide.

## **6.10 Unit Holders' meeting**

6.10.1 The Trustee or the Manager may respectively at any time convene a meeting of Unit Holders at such time or place in Malaysia as the party convening the meeting may think fit.

6.10.2 The Manager shall call for a meeting of Unit Holders if not less than fifty (50) Unit Holders or ten per cent (10%) of all Unit Holders, whichever is less, direct the Manager to do so in writing delivered to the registered office of the Manager for the purpose of:

- (i) considering the most recent financial statement of the Fund;
- (ii) giving the Trustee such directions as the meeting thinks proper; or
- (iii) considering any other matter related to the Deed.

6.10.3 Where the meeting is convened to pass:

- (i) an Ordinary Resolution, at least fourteen (14) days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of such meeting shall be given to the Unit Holders by the Manager or the Trustee in the manner provided in the Deed; or
- (ii) a Special Resolution, at least twenty one (21) days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of such meeting shall be given to the Unit Holders by the Manager or the Trustee in the manner provided in the Deed; or
- (iii) where resolution which requires approval by not less than two-thirds (2/3) of all Unit Holders at a Unit Holders' meeting, at least twenty one (21) days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of such meeting shall be given to the Unit Holders by the Manager or the Trustee in the manner provided in the Deed.

Such notices shall be given to the Unit Holders in the following manner as contemplated under the Deed:

- (i) in writing to the Unit Holder by letter addressed to the Unit Holder at the Unit Holder's address appearing in the Register;
- (ii) by publication in a national language daily national newspaper and in one (1) other newspaper as may be approved by the SC; or
- (iii) by such other forms of communication permitted or acceptable under the ETF Guidelines and as the Manager may from time to time determine.

6.10.4 The notice shall be in the form of a circular and shall specify the place, time of meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed thereat. A copy of the notice shall be sent to the Trustee unless the meeting is convened by the Trustee. The accidental omission to give notice to or the non-receipt of notice by any of the Unit Holders shall not invalidate the proceedings at any meeting. The Manager or the Trustee shall publish an advertisement giving the relevant notice of the Unit Holders' meeting in at least one nationally circulated Bahasa Malaysia or English daily newspaper. The Unit Holders' meeting shall be held not later than two (2) months after the notice was given at the place and time specified in the notice and advertisement.

6.10.5 At any meeting, at least five (5) Unit Holders present in person or by proxy shall form a quorum for the transaction of business except for the purpose of passing a Special Resolution. The quorum for passing a Special Resolution shall be at least five (5) Unit Holders present in person or by proxy registered as holding not less than twenty five per cent (25%) of the Units in issue provided that if there are only five (5) or less than five (5) Unit Holders, the quorum shall be by all the Unit Holders for the time being. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

6.10.6 Every Unit Holder (being an individual) who is present in person or by proxy or (being a corporation) is represented by one of its representatives or by proxy shall, on a poll, have one vote for every Unit of which he or it is the Unit Holder and need not cast all the votes to which he or it is entitled in the same way.

6.10.7 Each Unit Holder shall be entitled to attend and vote at any meeting of Unit Holders, and shall be entitled to appoint another person (whether or not a Unit Holder) as his proxy to attend and vote. Where the Unit Holder is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with units standing to the credit of the said

securities account. Where a Unit Holder appoints two (2) proxies in accordance with this provision the appointment shall be invalid unless he specifies the proportions of his holding to be represented by each proxy. Such proxy shall have the same rights as the member to vote, to speak and to be reckoned in a quorum.

- 6.10.8 Any Unit Holder being a corporation may by resolution of its directors or other governing body authorise any person to act as its representative at any meeting of Unit Holders, and a person so authorised shall at such meeting be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Unit Holder.
- 6.10.9 In the case of an equality of votes the chairman of a meeting of Unit Holders shall have a casting vote in addition to his votes (if any) as a Unit Holder.
- 6.10.10 Every question arising at a general meeting of Unit Holders shall be decided by a poll.
- 6.10.11 Upon any question decided by a poll, each Unit Holder present in person or by proxy shall have one vote for each fully paid Unit.

## 7. ABOUT THE MANAGER

### 7.1 Corporate Information

Affin Hwang Asset Management Berhad (Company No. 429786-T) was incorporated in Penang, Malaysia on 2 May 1997 and began operations under the name Hwang-DBS Capital Berhad in 2001. In early 2014, the Manager was acquired by Affin Investment Bank Berhad (“Affin”) and hence, is now supported by a home-grown financial services conglomerate. Affin has over 39 years of experience in the financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Meanwhile, the Manager has 16 years’ experience in the fund management industry. Additionally, the Manager is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co., Ltd., an Asian investment management franchise.

The Manager’s head office is located in Kuala Lumpur and has another 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Johor Bahru, Melaka, Kuching, Miri and Kota Kinabalu.

### 7.2 Board of Directors

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

**Members of the Board of Directors:** -

**Raja Tan Sri Dato’ Seri Aman bin Raja Haji Ahmad (Chairman, Non-independent Director)**

*74 years of age*

Raja Tan Sri Dato’ Seri Aman is a Fellow of the Institute of Chartered Accountants in England and Wales and also a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He has held various positions in the Maybank Group from 1974 to 1985 prior to joining Affin Bank Berhad (formerly known as Perwira Habib Bank Malaysia Berhad) in 1985 as Executive Director. He left Affin Bank Berhad in 1992 to join Perbadanan Usahawan Nasional Berhad as Chief Executive Officer. He was re-appointed as Chief Executive Officer of Affin Bank Berhad in 1995 and retired in 2003. Raja Tan Sri Dato’ Seri Aman is also the Chairman of Ahmad Zaki Resources Berhad and he sits on the Boards of Tomei Consolidated Berhad and Affin Hwang Investment Bank Berhad.

**Datuk Maimoonah binti Mohamed Hussain (Non-independent Director)**

*61 years of age*

Datuk Maimoonah graduated from University of Singapore with a Bachelor of Accountancy and was the director, debt & capital markets of Affin Bank Berhad prior to her appointment as managing director at Affin Investment Bank Berhad. Prior to this, she had been the head of syndications at Standard Chartered Bank’s debt syndications business for Malaysia, Singapore, Thailand, Indonesia and the Philippines. She was also seconded to Standard Chartered Bank Malaysia Berhad for three years to develop the local as well as cross border debt business. She was prior thereto attached to Morgan Grenfell (Asia) Ltd where she was involved in structured finance and project advisory across South East Asian markets. She also serves as a director on the board of Affin Hwang Investment Bank Berhad, Merchant Nominees (Tempatan) Sdn Bhd and Affin Nominees (Asing) Sdn Bhd.

**Ms. Eleanor Seet Oon Hui (Non-independent Director)**

*44 years of age*

Ms. Eleanor joined Nikko Asset Management Asia Limited (“Nikko AM Asia”) in 2011 as the President and as an executive director of Nikko AM Asia. She is also the Head of Asia ex-Japan at Nikko AM Asia and is responsible for driving the growth of Nikko AM Asia in the region. Additionally, she leads in the management of Nikko Asset

Management group's joint venture relationships in China and Malaysia. A pioneer in the asset management industry, Ms. Eleanor has a strong background in the sales and marketing of investment products. Prior to joining Nikko AM Asia, Ms. Eleanor held the role of Senior Director for iShares, Private Wealth Distribution, Asia ex-Japan from 2009. Previously, she spent 12 years at AllianceBernstein, where she was responsible for building and developing the firm's distribution channels and business. She earned her role as Director of South East Asia with her strong performance in business development and strategic outlook. In that capacity, she was responsible for the overall strategy and execution of the firm's product offerings in South East Asia via intermediaries. Ms. Eleanor graduated with a Bachelor of Economics from the University of New South Wales, Sydney. In 2017, she was conferred the IBF Fellow distinction by the Institute of Banking and Finance Singapore.

**Mr. Teng Chee Wai (Non-independent Director)**

*53 years of age*

Mr. Teng is the founder of the Manager. In his capacity as the managing director and executive director of the Manager, Mr. 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. Mr. Teng's critical leadership and regular participation in reviewing and assessing strategies and performance has been pivotal in allowing the Manager to successfully navigate the economically turbulent decade. Mr. Teng's investment management experience spans more than 26 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. Mr. 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.

**YBhg Maj Gen Dato' Zulkiflee bin Mazlan (Independent Director)**

*65 years of age*

Maj. Gen Dato' Zulkiflee obtained LLB (Hons) from Institute Technology of Mara in 1989. He underwent his officer cadet training in the Royal Military Academy, Sandhurst, United Kingdom in January 1973. He was commissioned as a second lieutenant in the Royal Signals Regiment on 20 December 1974. He started his career in the Malaysian Army as a Troop Commander in 2nd Royal Signals Regiment.

Maj. Gen Dato' Zulkiflee held numerous command and staff appointments at the formation and Ministry of Defence. He has served as Director General of Veterans Affairs Department ("Jabatan Hal Ehwal Veteran") from December 2007 to August 2013. Prior to his promotion to Major General and appointment as Director General of Veteran Affairs Department in December 2007, he was the Chief Signals Officer, Army Headquarters in the rank of Brigadier General, commencing December 2004.

Maj. Gen Dato' Zulkiflee was the Chief Executive Officer ("CEO") of Veterans Foundation of the Malaysian Armed Forces from 2008 to 2014. He also served as Board member in Perbadanan Hal Ehwal Bekas Tentera (PERHEBAT).

**Encik Faizal Sham bin Abu Mansor (Independent Director)**

*49 years of age*

Faizal Sham bin Abu Mansor had garnered a wide range of experience prior to his appointment as a Director at Affin Hwang Asset Management Berhad on 5 July 2019.

His initial years in financial services were in treasury, corporate finance and investment banking before moving to the corporate sector in manufacturing, construction, aviation and most recently into media and entertainment. As a Chartered Accountant, his expertise lies in evaluating investments as well as strategic, operational and financial restructuring. He had been recognised on numerous occasions as the Best Chief Financial Officer (CFO) in Malaysia by both local and international institutions.



He started his career with the Securities Commission before gaining experience within the financial services industry through his tenure at Bank of Tokyo-Mitsubishi (M) Berhad, and Arab-Malaysian Merchant Bank Berhad which is now known as AmInvestment Bank Berhad.

He left Malaysia in 1998 to work in Australia for Polyaire Holdings Pty Ltd, a manufacturer and distributor of air-conditioning components before returning to rejoin AmInvestment Bank Berhad in 2003 where he provided financial advisory services to some of the largest corporates in the country.

He then moved on to become the Chief Financial Officer of WWE Holdings Berhad and later established his career at Malaysia Airports Holdings Berhad where he had helped restructure the company, drive its financial performance and raise its profile with the investor community and international business expansion.

Prior to his appointment as Director here, Faizal was the Chief Executive Officer of Astro Productions, and Head of Astro Awani within Astro Malaysia Holdings Berhad.

Faizal graduated with a Bachelor of Science in Accounting from Rutgers University, New Jersey, USA. He later went on to obtain his Masters in Business Administration from Ohio University, Athens, USA. Faizal also has a Diploma in Aviation Studies from the International Air Transport Association. He is a Fellow of the Chartered Accountants Australia & New Zealand and a former Member of the Malaysian Institute of Accountants.

### **7.3 Key Personnel & Designated Fund Manager**

#### **Key Personnel:-**

- **Mr. Teng Chee Wai (Managing Director)**  
(Please refer to the above)
- **Mr. David Ng Kong Cheong (Chief Investment Officer)**  
*47 years of age*

Mr. David joined the Manager in 2002 as Head of Equities and assumed the role of Chief Investment Officer in September 2006. He has been responsible for successfully steering the Manager's investments through a tumultuous decade of multiple crisis. His astute and decisive guidance on broad investment strategies which includes interpreting market signals and making timely asset allocation calls has allowed the Manager to remain ahead of its peers. A decade later, he has built the investment team from just four (4) fund managers to a 40 strong group featuring an impressive resume across different investment specialties, coverage and geographies. Under his foresight and vision, the team has evolved from being equity-heavy to encompass strong local and regional multi-asset and sector investment capabilities. His absolute return investment philosophy and bottom-up stock selection technique has garnered recognition for the Manager with its multiple award wins, having been voted "CIO of the Year" for Malaysia by Asia Asset Management 2013 awards. Mr David's philosophy of subscribing to the long-term, not taking excessive risk, and investing into quality throughout all the portfolios has set the blueprint for the Manager's investments in years to come. He is well-known in the industry for his discipline, prudence and reasonable attitude to investing. He graduated with a double degree in Bachelor of Commerce (Accounting) and Bachelor of Law from Monash University in Melbourne, Australia and is also a Chartered Financial Analyst (CFA) charterholder.

#### **Designated Fund Manager:-**

- Mr. David Ng Kong Cheong  
(Please refer to the above)

## 7.4 Investment Committee

The role of the Investment Committee is to ensure that the management of the Funds is consistent with the objectives of the Funds, the Deed, the ETF Guidelines and securities laws, internal investment restrictions and policies and acceptable and efficacious investment management practices within the unit trust industry.

The Investment Committee of the Funds is responsible for the following:

- To provide general guidance on matters pertaining to policies on investment management.
- To ensure that the strategies selected are properly and efficiently implemented at the management level.
- To ensure that the Funds are managed in accordance with the investment objectives, deed, product specifications, relevant guidelines and securities laws, internal restrictions and policies, as well as acceptable and efficacious practices within the industry.
- To monitor and evaluate the investment management performance, risk and compliance level of its investment department and all funds under the management of the company.
- To not make nor influence investment decisions of the licensed persons or perform any other action that is in breach of any SC laws and regulations pertaining to portfolio to manager's licence.

The investment committee members of the Funds are as follows:

<u>Investment Committee</u>	<u>Designation</u>
Dato' V. Danapalan	Chairman, Independent Member
Datuk Maimoonah binti Mohamed Hussain	Non-independent Member
Mr. Ong Teng Chong	Non-independent Member
En. Mohammad Aminullah bin Basir	Independent Member
Mr. Phuah Eng Chye	Independent Member

The Funds' investment committee's meetings will be held four (4) times a year and more frequently should the circumstances require.

The profiles of the Funds' investment committee are as follows:

➤ **Dato' V. Danapalan (Chairman, Independent Member)**

Dato' V. Danapalan holds a B.A. (Hons) from University Malaya and Masters in Public Administration from Pennsylvania State University, United States of America. He was previously the Chairman of the Malaysian Communications and Multimedia Commission (MCMC) until his retirement in March 2006. Prior to joining MCMC, he was a Senior Vice-President at the Multimedia Development Corporation Sdn. Bhd. Before this, he was the Secretary-General at the Ministry of Science, Technology and Environment, a position he held from 1991 to 1998. He currently serves on the Board of Sirim QAS Sdn. Bhd., Gibraltar BSN Life Insurance, Maybank Foundation and Tun Sambanthan Scholarship Board.

➤ **Datuk Maimoonah binti Mohamed Hussain (Non-independent Member)**

Datuk Maimoonah graduated from University of Singapore with a Bachelor of Accountancy and was the Director, Debt and Capital Markets of Affin Bank Berhad prior to her appointment as Managing Director at Affin Investment Bank Berhad. Prior to this, she had been the Head of Syndications at Standard Chartered Bank's debt syndications business for Malaysia, Singapore, Thailand, Indonesia and the Philippines. She was also seconded to Standard Chartered Bank Malaysia Berhad for three years to develop the local as well as cross border debt business. She was prior thereto attached to Morgan Grenfell (Asia) Ltd where she was involved in structured finance and project advisory across South East Asian markets. She also serves as a

Director on the Board of AHAM and AIIIMAN Asset Management Sdn Bhd (formerly known as Asian Islamic Investment Management Sdn Bhd).

➤ **Mr. Ong Teng Chong (Non-independent Member)**

Mr. Ong is currently the Head of Institutional Business (Securities division) at Affin Hwang IB. Graduated with a Bachelor of Commerce Degree majoring in accounting and finance from Monash University (Clayton campus, Australia), Mr. Ong has more than 20 years of working experience in the investment banking industry, specializing in investment research and equities related products/services. Mr. Ong has worked at a number of investment banks in Malaysia since 1995. At Affin Hwang IB, Mr. Ong led the Research and Analytics department for 6 years before taking the role as Head of Institutional Business (Securities Division) in January 2014. As Head of Research, Mr. Ong had led the overall research team's improvement in rankings - both clients and external surveys. In the category of equity strategy under his direct coverage, Mr. Ong had ranked well in the AsiaMoney Brokers Polls. In addition, Mr. Ong was ranked amongst the top 20 analysts in Malaysia in AsiaMoney Brokers Polls. As Head of Institutional Business, his primary focus is on building the bank's institutional brokerage related businesses as well as providing advisory role to the bank's research and analytics team.

➤ **En. Mohammad Aminullah bin Basir (Independent Member)**

Encik Mohammad Aminullah is an independent member of the Investment Committee for the Funds. He has vast experience in matters relating to collective investment schemes from his long serving tenure in the SC. Encik Aminullah retired as the Deputy General Manager and Head of Investment Products in the Corporate Finance and Investment Division, after serving for twenty (20) years covering various aspects of the capital market industry such as corporate finance (e.g. initial public offerings, mergers and acquisitions), collective investment schemes (e.g. unit trust funds, real estate investment trusts, exchange traded funds, business trusts) and private retirement scheme. He started his career as an auditor with Ivor Barry and Co, a firm of Chartered Accountants in United Kingdom before returning to Malaysia as an internal auditor with Sime Darby Berhad. Encik Aminullah is a Fellow of the Association of Chartered Certified Accountants (ACCA), a Chartered Accountant with the Malaysian Institute of Accountants and he is also a certified member of Financial Planning Association of Malaysia (FPAM).

➤ **Mr. Phuah Eng Chye (Independent Member)**

Mr. Phuah was previously the Senior General Manager and the Head of the Strategy and Research Department at the SC. For a period of 10 years, he was involved in various capital market development and regulatory projects and led the project team that developed the Capital Market Masterplan 2. Prior to joining the SC, he was a regional bank analyst with Dresdner Kleinwort Benson where he was ranked among the top banking analysts in South East Asia. He was also head of Malaysian equities research for PB Securities and K&N Kenanga. He also previously worked as a remisier, a fund manager and as a financial journalist. He graduated with a degree in economics from the University of Manchester, United Kingdom in 1981.

## **7.5 Roles, Duties and Responsibilities of the Manager**

The Manager is responsible for managing the Funds' portfolio, issuing Units and preparing and issuing the Master Prospectus. The Manager is also responsible for setting the investment policies for the Funds and implementing strategies to meet these objectives. The Manager is subject to the provisions of the Deed and shall carry out all activities as may be deemed necessary for the management of the Funds and its business. The Manager shall, in managing the Funds, undertake primary management activities in relation to the Funds, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

In addition, the Manager has covenanted with the Trustee, among others, to do the following:

- (a) carry out and conduct its business activities in a proper and diligent manner and manage and administer the

Funds in a proper, diligent and efficient manner in accordance with the Deed, CMSA, the securities laws, the ETF Guidelines and other applicable laws at all times and acceptable and efficacious business practice within the unit trust industry;

- (b) manage the Funds' assets and liabilities for the benefit of the Unit Holders;
- (c) set the investment policies of the Funds and submit proposals to the Trustee on the acquisition, divestment or enhancement of assets of the Funds;
- (d) issue an annual report and interim report of the Funds to the Unit Holders within two (2) months of the Funds' FYE;
- (e) ensure that the Funds are managed within the ambit of the Deed, the CMSA, the securities laws, the ETF Guidelines and other applicable laws;
- (f) observe high standards of integrity and fair dealing in managing the Funds to the best and exclusive interest of the Unit Holders;
- (g) act with due care, skill and diligence in managing the Funds, and effectively employ the resources and procedures necessary for the proper performance of the Funds;
- (h) ensure that the Deed and the Master Prospectus are in compliance with the CMSA, the securities laws, the relevant guidelines and other applicable laws at all times;
- (i) take all necessary steps to ensure that the investments and other assets of the Funds are adequately protected and properly segregated; and
- (j) unless otherwise specified in writing by the SC, ensure that the Funds have, at all times, an appointed trustee.

## **7.6 Material Litigation and Arbitration**

As at LPD, the Manager 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 Manager and any of its delegates.

## **7.7 Direct and Indirect Unit Holding in the Fund**

As the Funds have only been established as at the date of this Master Prospectus, none of the substantial shareholders, directors or the key personnel of the Manager have any direct and indirect Unit holding in the Funds.

The substantial shareholders, directors or the key personnel of the Manager may hold Units, direct or indirect, in the Funds upon the Listing of the Funds.

## **7.8 Investment Adviser**

The Manager has appointed Samsung Asset Management (Hong Kong) Limited ("SAMHK") as an Investment Adviser to the Funds. SAMHK is a limited liability company incorporated in Hong Kong on 1 November 2007. The company is principally engaged in asset management and securities investment advisory services in Hong Kong. SAMHK obtained its licenses from the Securities and Futures Commission of Hong Kong on 23 April 2008 to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities with CE Number AQG442.

The company is a wholly-owned subsidiary of Samsung Asset Management Co.,Ltd. ("SAM"). A member of the Samsung Group of companies, SAM is the leading asset manager in Korea, with over USD 208 billion in assets under management as of the LPD.

The Investment Adviser shall provide advice on the following areas of the Funds including but not limited to:

- a) product development;
- b) management of the investment portfolio; and
- c) operational functions.

**For further information on AHAM and/or AHAM's delegate and any subsequent changes to such information, you may obtain the details from our website at [www.affinhwangam.com](http://www.affinhwangam.com) or the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my).**

## **8. ABOUT THE TRUSTEE**

The Trustee is obliged under the Deed, CMSA and ETF Guidelines to act as the custodian for all the Fund Assets and safeguard the interests of Unit Holders.

The Trustee must ensure that the Manager administers the Funds in accordance with the objectives of the Funds and adheres strictly to the provisions of the Deed, CMSA, ETF Guidelines and other securities law.

### **8.1 Corporate Information and Experience as Trustee**

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

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

As at the LPD, the Trustee has under its trusteeship, a total of 70 unit trust funds, 30 wholesale funds and 1 private retirement scheme (consisting of 5 funds).

### **8.2 Duties and Responsibilities**

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

- a. Take into custody the investments of the Funds and hold the investments in trust for the Unit Holders.
- b. Ensure that the Manager operates and administers the Funds in accordance with the provisions of the Deed, the ETF Guidelines and acceptable business practice within the unit trust industry.
- c. As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, the ETF Guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unit Holders are not served.
- d. Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operation and management of the Funds by the Manager to safeguard the interests of Unit Holders.
- e. Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Funds to be formed and to ensure that the Funds are operated and managed in accordance with the Deed of the Funds, Master Prospectus, the ETF Guidelines and securities law.
- f. Require that the accounts be audited at least annually.

The 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 Unit Holders.

### **8.3 Delegation of the Trustee's Function**

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

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

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

#### **8.4 Material Litigation and Arbitration**

As at the LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and there are no facts likely to give rise to any proceedings which might materially affect the business or financial position of the Trustee and any of its delegates.

#### **8.5 Trustee's Responsibility Statement**

The Trustee has given its willingness to assume the position as trustee of the Funds and all the obligations in accordance with the Deed, all the laws, regulations, guidelines, rules and official requirements, guidance notes, practice notes (whether or not having the force of law) applicable to ETFs from time to time including the CMSA, the ETF Guidelines, the Listing Requirements, the rules of Bursa Depository and taxation laws and rulings.

## **9. APPROVALS AND CONDITIONS**

The SC had on 30 August 2019, approved the following proposals subject to the following terms:-

- (i) the establishment of each Fund with an initial fund size of up to 1 billion units; and
- (ii) the Listing of and quotation for up to 1 billion units for each of the Fund on the Main Market of Bursa Securities.



## **10. RELATED PARTY TRANSACTIONS**

### **10.1 Existing and Potential Related Party Transactions**

#### **10.1.1 The Manager**

The Manager and each of its directors including the investment committee members will at all times act in the best interests of the Unit Holders of the Funds and will not conduct itself in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Funds are not disadvantaged.

In the unlikely event that the Manager faces conflicts in respect of its duties to the Funds and its duties to other investment funds that it manages, the Manager is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Funds will have dealings with a party which is related to the Manager. The related party is Affin Hwang IB, which holds 63% equity interest in the Manager and is also the Participating Dealer for the Funds.

#### **10.1.2 The Trustee**

As at LPD, there are no existing or proposed related party transactions involving the Trustee and/or any person connected to it.

### **10.2 Conflict of Interest**

As at LPD, save as disclosed in Sections 10.1 and 10.6, the Manager is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as the Manager to the Funds.

### **10.3 Policies on Dealing with Conflict of Interest Situation**

#### **10.3.1 Manager**

The Manager has in place policies and procedures to deal with any conflict of interest situations. In making an investment transaction for the Funds, the Manager 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 Unit Holders. Where the interests of the directors or the investment committee member's interests may conflict with that of the Funds, they are to refrain from participating in the decision-making process relating to the matter. Staffs of the Manager are required to seek prior approval from the executive director or the managing director 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 no less favourable to the Funds than an arms-length transaction between independent parties.

#### **10.3.2 Trustee**

CIMB Commerce Trustee Berhad is the trustee of the Funds. Where applicable, there may be proposed related party transactions and/or conflict of interest involving or in connection with the Funds in the following events:

- (a) Where the Funds invest in instrument(s) offered by CIMB Group; and
- (b) Where the assets of the Funds are being custodied by the CIMB Group both as sub-custodian of this Funds (i.e. Trustee's delegate)

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the legal registered owner of the Fund's assets to gain, directly or indirectly, and advantage or cause detriment to the interest of the Unit holders.

#### **10.4 Details of the Directors of the Manager's Direct and Indirect Interest in Other Corporations Carrying on a Similar Business**

Save as disclosed below, as at LPD, the directors of the Manager do not have any direct and indirect interest in other corporations carrying on a similar business:

Mr Teng Chee Wai has indirect interest in ALLMAN Asset Management Sdn Bhd, which is wholly-owned by the Manager.

#### **10.5 Details of the Substantial Shareholders of the Manager's Direct and Indirect Interest in other Corporations Carrying on a Similar Business**

Save as disclosed below, as at the LPD, the substantial shareholders of the Manager do not have any direct or indirect interest in other corporations carrying on a similar business:

Nikko Asset Management International Limited, a substantial shareholder of the Manager is wholly-owned by Nikko Asset Management Co., Ltd. (Nikko AM). Nikko AM's office is situated in Japan where it provides investment management services, focused on sourcing, packaging and distributing retail investment fund products which are managed in-house or outsourced to third-party sub-advisers.

#### **10.6 Declaration of Conflict of Interest as at LPD**

- (i) The Manager is a 63% owned subsidiary of Affin Hwang IB. Affin Hwang IB has been appointed as the Participating Dealer for the Funds by the Manager.

Affin Hwang IB has considered the factors involved and believes its objectivity and independence as the Participating Dealer for the Funds is maintained at all times and has confirmed that there is no conflict of interest that exists or is likely to exist in its role as the Participating Dealer notwithstanding the aforementioned roles and services performed as these are mitigated by the following:-

- (a) Affin Hwang IB and its related and associated companies ("**AHIB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The AHIB Group has engaged and may in the future, engage in transactions with and perform services for the Manager and/or the Funds and/or the Manager's affiliates, in addition to the roles set out in this Master Prospectus. In addition, in the ordinary course of business, any member of the AHIB Group may at any time offer or provide its services to or engage in any transaction with the Manager and/or the Funds, and/or the Manager's shareholders and/or Manager's affiliates and/or any other entity or person, hold long or short positions in securities issued by the Manager and/or the Manager's affiliates, and may trade or otherwise effect transactions for its own account or the account of the Manager's other customers. This is a result of the businesses of AHIB Group generally acting independently of each other, and accordingly, there may be situations where parts of AHIB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of the AHIB Group. Nonetheless, the AHIB Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese walls between different business divisions.
- (b) all credit facilities/services have been extended and/or will be extended by Affin Hwang IB in its ordinary course of its banking business;

- (c) it is in the ordinary course of business of Affin Hwang IB to provide advisory and other services in its role as the Participating Dealer to its clients; and
- (d) Affin Hwang IB is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, including the CMSA, Bursa Securities' rules and Participating Organisation Directives and Guidance, which require Affin Hwang IB to have, among others, an established internal control structure, policies and procedures to identify, monitor and manage conflict of interest as well as the flow of information through segregation between different divisions and management groups.

Save as disclosed above, Affin Hwang IB has confirmed that as at the LPD, it is not aware of any other circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as the Participating Dealer in respect of the Funds.

- (ii) The Trustee has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as trustee in respect of the Funds.
- (iii) Deloitte Tax Services Sdn Bhd has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as tax adviser in respect of the Funds.
- (iv) PricewaterhouseCoopers has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as the auditor in respect of the Funds.
- (v) Messrs. Wei Chien & Partners has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as solicitors in respect of the Funds.
- (vi) Malacca Securities Sdn Bhd has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as Participating Dealer in respect of the Funds.
- (vii) Samsung Asset Management (Hong Kong) Limited has confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest in its capacity to act as Investment Adviser in respect of the Funds.

# 11. TAXATION

1 October 2019

The Board of Directors  
**Affin Hwang Asset Management Berhad**  
Ground Floor, Menara Boustead  
69 Jalan Raja Chulan  
50200 Kuala Lumpur

Dear Sirs

**TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, TradePlus HSCEI Daily (2x) Leveraged Tracker and TradePlus HSCEI Daily (-1x) Inverse Tracker**

## **Taxation of the Funds and Unit Holders**

1. This letter has been prepared for inclusion in the Master Prospectus (hereinafter referred to as the “Master Prospectus”) in respect of the offering up to 1,000,000,000 units of each of the funds on the main market of Bursa Malaysia Securities Berhad (each of the Funds hereinafter referred to as “the Fund”).

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

## **2. Taxation of the Fund**

### **2.1 Income Tax**

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

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

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

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

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

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

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

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

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

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

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

## **2.2 Gains on Disposal of Investments**

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

## **2.3 Goods and Services Tax (“GST”) and Service Tax**

GST was repealed effective from 1 September 2018 and Service Tax was introduced as a replacement tax effective from 1 September 2018.

As the Fund is not providing a taxable service under the Service Tax Regulations 2018, it is not required to register for Service Tax or charge Service Tax. Should the Fund provide taxable services (i.e. management and consulting services) with an aggregate value of RM500,000 or more in a 12 months period, the Fund would be required to register for Service Tax and charge Service Tax on the said services at the prevailing rate of 6%. The issuance of units by the Fund to investors will not be subject to Service Tax, and no Service Tax would be included in the price of the units. Any distributions made by the Fund to unitholders are also not subject to Service Tax.

Any fund management fees that are charged to the Fund by the Fund Managers in relation managing the Fund would not be subject to Service Tax as fund management fees are excluded from the scope of Service Tax under the Service Tax Regulations 2018. To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

### 3. Taxation of Unit Holders

#### 3.1 Taxable Distribution

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

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

Unit Holders	Malaysian Tax Rates for Year of Assessment 2019
<p>Malaysian tax residents:</p> <ul style="list-style-type: none"> <li>▪ Individual and non-corporate Unit Holders</li> <li>▪ Co-operative societies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Progressive tax rates ranging from 0% to 28%</li> <li>▪ Progressive tax rates ranging from 0% to 24%</li> </ul>
<p>Malaysian tax residents:</p> <ul style="list-style-type: none"> <li>▪ Trust bodies</li> <li>▪ Corporate Unit Holders               <ul style="list-style-type: none"> <li>i. A company with paid up capital in respect of ordinary shares of not more than RM2.5 million where the paid up capital in respect of ordinary shares of other companies within the same group as such company is not more than RM2.5 million (at the beginning of the basis period for a year of assessment)</li> <li>ii. Companies other than those in (i) above</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ 24%</li> <li>▪ 17% for every first RM500,000 of chargeable income</li> <li>▪ 24% for chargeable income in excess of RM500,000</li> <li>▪ 24%</li> </ul>
<p>Malaysian tax residents:</p> <ul style="list-style-type: none"> <li>▪ Individual and non-corporate Unit Holders</li> <li>▪ Corporate Societies</li> </ul>	<ul style="list-style-type: none"> <li>▪ 28%</li> <li>▪ 24%</li> </ul>

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

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

### **3.2 Tax Exempt Distribution**

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

### **3.3 Distribution Voucher**

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

### **3.4 Sale, Transfer or Redemption of Units**

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

### **3.5 Reinvestment of Distribution**

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

### **3.6 Unit Splits**

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

Yours faithfully,

**Chee Pei Pei**  
Executive Director

### Tax Exempt Income of Unit Trusts

1. Interest or discount paid or credited to any individual, unit trust and listed closed-end fund in respect of the following will be exempt from tax: -
  - Securities or bonds issued or guaranteed by the Government; or
  - Debentures or sukuk, other than convertible loan stock, approved or authorized by, or lodged with, the SC; or
  - Bon Simpanan Malaysia issued by the Central Bank of Malaysia.
2. Income of a unit trust in respect of interest derived from Malaysia and paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 (“FSA”) or the Islamic Financial Services Act 2013 (“IFSA”) or any development financial institution regulated under the Development Financial Institutions Act 2002 (“DFIA”).  
Provided that the exemption shall not apply to the interest paid or credited to a unit trust that is a wholesale fund which is a money market fund.
3. Interest in respect of any savings certificates issued by the Government.
4. Interest paid or credited to any person in respect of Sukuk originating from Malaysia, other than convertible loan stock, issued in any currency other than RM and approved or authorized by, or lodged with, the SC or approved by the Labuan Financial Services Authority.
5. Interest received in respect of bonds and securities issued by Pengurusan Danaharta Nasional Berhad within and outside Malaysia.
6. Interest income derived from bonds (other than convertible loan stocks) paid or credited by any company listed in Malaysia Exchange of Securities Dealing and Automated Quotation Berhad (“MESDAQ”) (now known as Bursa Malaysia Securities Berhad ACE Market).
7. Income derived from the Sukuk Issue which has been issued by the Malaysia Global Sukuk Inc.
8. Discount or profit received from the sale of bonds or securities issued by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad within and outside Malaysia.
9. Income derived from the Sukuk Ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad.
10. Gain or profit received from the investment in Islamic securities, other than convertible loan stock, which are issued in accordance with the principles of *Mudharabah*, *Musyarakah*, *Ijarah*, *Istisna’* or any other principle approved by the Shariah Advisory Council established by the SC under the Capital Markets and Services Act 2007.
11. Gains or profits in lieu of interest, derived from the Sukuk Wakala in accordance with the principle of *Al-Wakala Bil Istithmar*, other than a convertible loan stock, issued in any currency by Wakala Global Sukuk Berhad.
12. Income derived from Sukuk Kijang is exempted from the payment of income tax pursuant to Income Tax (Exemption) (No. 10) Order 2013. For the purpose of this order, “Sukuk Kijang” means the Islamic Securities of nominal value of up to two hundred and fifty million United States dollars (USD\$250,000,000) issued or to be issued in accordance with the Shariah principle of Ijarah by BNM Kijang Berhad.
13. Gains or profits derived, in lieu of interest, derived from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (USD1,500,000,000.00) in accordance with the principle of *Wakala Bil Istithmar*, other than a convertible loan stock, issued by the Malaysia Sovereign Sukuk Berhad.
14. Gains or profits derived, in lieu of interest from the Sukuk Wakala with the nominal value up to one billion and five hundred million United States Dollar (US\$1,500,000,000.00) in accordance with the principle of *Wakala*, other than a convertible loan stock, issued by the Malaysia Sukuk Global Berhad (formerly known as 1Malaysia Sukuk Global Berhad).
15. Income received by the Fund from Malaysia Building Society Berhad (“MBSB”).



## 12. RELEVANT INFORMATION

### 12.1 Keeping abreast with developments of the Funds

The Manager shall deliver a copy of the annual report of the Funds to Unit Holders without charge within two (2) months of the end of the financial year of a Fund. Unit Holders may request for additional copies of the said report during normal business hours subject to the payment of a reasonable sum as may be determined by the Manager and the Trustee.

Where applicable, the Manager will send to Unit Holders their tax vouchers which set out such information that is needed to complete a tax return.

The Manager will publish important news and information with respect to the Funds on the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my) and/or as announced/published on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) from time to time.

Some of the information which will be made available on the Funds' website and/or Bursa Securities' website includes:

- the annual reports and interim reports (if any);
- NAV per Unit;
- IOPV per Unit;
- fees and charges in relation to the Funds;
- the Funds' portfolio on daily (end of day) basis;
- Master Prospectus; and
- Benchmark.

Further information on the Manager and Manager's delegate may be obtained from the Manager's website at [www.affinhwangam.com](http://www.affinhwangam.com).

It is the investors' responsibility to consider such information. Please refer to the section headed "Avenue for Advice" in Section 12.3 of this Master Prospectus for the warning and the disclaimer regarding information contained in such website.

### 12.2 Material Agreements

Save as disclosed below, there are no other material agreements which have been entered into in relation to the Funds as at the date of this Master Prospectus:-

- The Deed in respect of the Funds all dated 4 September 2019 entered into between the Trustee and Manager;
- The Index Licence Agreement dated 28 January 2019 entered into between the Manager and ICE Data Indices, LLC;
- The Index Licence Agreement dated 6 September 2019 entered into between the Manager and Hang Seng Indexes Company Limited;

- The Participating Dealer Agreement dated 29 October 2019 entered into between Malacca Securities Sdn Bhd as the Participating Dealer, the Manager and the Trustee; and
- The Participating Dealer Agreement dated 30 October 2019 entered into between Affin Hwang Investment Bank Berhad as the Participating Dealer, the Manager and the Trustee.

### **12.3 Avenue for Advice**

All queries, notices and communications to the Manager should be made in writing and sent to the following addresses:

Ground Floor, Menara Boustead  
69 Jalan Raja Chulan  
50200 Kuala Lumpur

Toll free number: 1-800-88-7080  
Email: [customercare@affinhwangam.com](mailto:customercare@affinhwangam.com)

Information of the Fund can be obtained at the Funds' website, [www.tradeplus.com.my](http://www.tradeplus.com.my).

The offer of the Units is made solely on the basis of information contained in this Master Prospectus. All references in this Master Prospectus to other websites and sources where further information may be obtained are merely intended to assist the investors to access further information relating to the subject matter indicated and such information does not form part of this Master Prospectus. Neither the Manager nor the Trustee accepts any responsibility for ensuring that the information contained in such other websites and sources as well as information provided by the Participating Dealer relating to the arrangements between the Participating Dealer and investors/Unit Holders, if available, is accurate, complete and/or up-to-date, and no liability is accepted by the Manager and the Trustee in relation to any person's use of or reliance on the information contained in these other websites and sources save, in respect of the Funds' website at [www.tradeplus.com.my](http://www.tradeplus.com.my).

Investors should exercise an appropriate degree of caution when assessing the value of such information.

### **12.4 Documents for Inspection**

Copies of the following documents may be inspected at the principal office of the Manager and/or Trustee during normal business hours:-

- The latest annual report of the Funds;
- The material agreements referred to in Section 12.2 of this Master Prospectus;
- The Tax Adviser's Letter referred to in Section 11 of this Master Prospectus;
- Each consent given by the parties as disclosed in this Master Prospectus;
- This Master Prospectus; and
- The audited financial statements of the Manager and the Fund for the three (3) most recent financial years or such shorter period that the Funds have been in existence, preceding the date of the Master Prospectus.

### **12.5 Consent**

The Trustee, Trustee's delegate (custody services), Manager's delegate (fund valuation & accounting function), Investment Adviser, solicitor, auditor, participating dealers, registrar and index licensors have given their consent

to the inclusion of their names and statements in the form and context in which they appear in this Master Prospectus and have not been subsequently withdrawn such consent before the issue of this Master Prospectus.

The tax adviser has given its consent to the inclusion of its name and tax adviser's letter in the form and context in which they appear in this Master Prospectus and have not been subsequently withdrawn such consent before the issue of this Master Prospectus.