

INTERPAC SOCIAL ENTERPRISE AND RESPONSIBILITY FUND

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PRODUCT HIGHLIGHTS SHEET

RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of Inter-Pacific Asset Management Sdn Bhd and they have collectively and individually accepted full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

STATEMENT OF DISCLAIMER

The relevant information and document in relation to the InterPac Social Enterprise and Responsibility Fund ("Fund"), including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the Fund, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Inter-Pacific Asset Management Sdn Bhd responsible for the Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

This Fund is a qualified Sustainable and Responsible Investment Fund under the Guidelines on Sustainable and Responsible Investment Funds.

This Product Highlights Sheet only highlights the key features and risks of the Fund. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

INTERPAC SOCIAL ENTERPRISE AND RESPONSIBILITY FUND

BRIEF INFORMATION ON THE PRODUCT

This Fund is a conventional wholesale equity fund issued by Inter-Pacific Asset Management Sdn Bhd that encourages social responsibility and social enterprise participation by utilizing returns from investments. The Fund will disburse 20% of the gain in the financial year (measured by increase in the Fund's NAV within the financial year), either in the form of dividend declaration, capital repayment or any other methods, back to the investors. The principal objective of the disbursement is for the investors to participate in social responsibility projects and causes of their choice. However, actual utilization of the disbursement is at sole discretion of the investors.

This is neither a capital protected nor capital guaranteed fund.

PRODUCT SUITABILITY

This Fund is suitable for sophisticated investors who:

- Have long term investment horizon;
- Seek capital gains; and
- Use a portion of the capital gain to participate in social projects of their choice.

KEY PRODUCT FEATURES

Fund Category	Wholesale Equity-Conventional
Fund Type	Growth Conventional
Benchmark	6% growth per annum in Net Asset Value per Unit over the medium term. This is not a guaranteed return. It is only a measurement of the Fund's performance. The Fund may not achieve the aforesaid 6.00% per annum growth rate in any particular financial year but targets to achieve this growth over the medium term.
Investment Strategy	The Fund invests minimum 70% of NAV in equities and equity related securities listed in the local and Asia Pacific markets other than those involved in gaming, alcohol, tobacco and other businesses regarded as vice and also has a flexible asset allocation to invest in money market instruments.
SRI Strategies	<p>The Fund adopted SRI methodologies such as negative or exclusionary screening, sustainability themed investing, impact or community investing or corporate engagement in its investment strategy, including the selection, retention and realisation of its investments.</p> <p>The Fund excluded companies undertaking business activities or practices in gaming, alcohol, tobacco and other businesses regarded as vice in its investments.</p> <p>The Fund may invest in companies that are undertaking steps and measures to re-invent its value chain to make the value chain more sustainable and in-line with environmental and social developments.</p> <p>The Fund is searching to invest in companies that participate in solving social issues.</p> <p>The Fund may engage with companies to further enhance the sustainable, responsible and governance practices of the companies.</p> <p>The Manager will periodically review on sustainability aspects of the Fund's portfolio to ensure the investments of the Fund consistent with the sustainable considerations adopted in the investment strategy employed at all time based on internally developed SRI assessment framework which covers the above-mentioned strategies.</p> <p>The Manager will not allow any investments in the company that fall under the exclusion</p>

	<p>business activities or practices in the Fund's portfolio, even though the involvement of the company in such business activities or practices in a very low percentage.</p> <p>The Manager will keep monitoring the companies that the Fund invested through meeting with the companies' key management personnel or site visit. This is to assure that the companies that the Fund's invested are in line with the sustainable considerations adopted and the overall impact of the investments with its SRI strategies is not inconsistent with any other sustainability considerations.</p> <p>In the event that the invested company becomes inconsistent with the sustainable considerations adopted in the investment strategies employed, the Manager will dispose the equities and equity related securities within 10 business days in such events.</p>
Principal Investment Risk	Currency risk, Country risk, Market risk, Particular security risk, Inflation/Purchasing power risk, Liquidity risk, Single issuer risk and Returns are not guaranteed.
Financial year End	31 December
Distribution Policy	Incidental
Manager	Inter-Pacific Asset Management Sdn Bhd
Trustee	RHB Trustees Berhad
Regulatory Advisers/Other	Federation of Investment Managers Malaysia
Auditor	Ernst & Young
Tax Consultants	Ernst & Young Tax Consultants Sdn Bhd

KEY RISKS

General risks of investing in this Fund:	
Management risk	This risk refers to the expertise of the Manager in managing the Fund. Inadequate expertise will jeopardize the Unit Holders' investment in the Fund through the risk of reduced returns and in some cases the Unit Holders may also lose the capital invested in the Fund.
Non-compliance risk	The risk arises should the Manager not follow the provisions set out in the Deed or the law that governs the Fund or its own internal procedures whether by oversight or omission, or if the Manager acts fraudulently or dishonestly. Such non-compliance may result in the Fund being mismanaged and may affect the Unit Holders' investment.
Fund management risk	The selection of securities and placement of Ringgit Malaysia deposits which make up the assets of the Fund is a subjective process. Securities selected and the Ringgit Malaysia deposits placed by the Manager may perform better or worse than the overall market, or as compared to portfolios of a similar mandate selected by our competitors.
Specific risks of the Fund:	
Currency risk	Where a percentage of the value of the Fund is invested in foreign currency or assets denominated in a foreign currency, the Fund will then be exposed to currency risk. Fluctuation in foreign exchange rates will affect the value of the Fund's foreign investments when converted into local currency and subsequently the value of the unit Holders' investments. This risk can be mitigated through investing in a wide range of foreign currency denominated asset through diversifying the risk of a single currency exposure. Hedging may be applied to mitigate the currency risk, if necessary.
Country risk	In addition to currency risk, the value of the assets of the Fund may also be affected by uncertainties such as currency repatriation restrictions or other developments in the law or regulations of the countries in which the Fund may invest. Further, when investing in foreign markets, there are countries which may require prior approvals before investments can take place. For example, if a foreign market requires the Fund to obtain an investment license which is subject to renewal and if such investment license is not renewed in a timely manner, this may result in the Fund's investment account in that country being frozen by the regulator resulting in investment activities for the Fund in that country being suspended. To mitigate this, the Manager will monitor closely the adherence of investment regulatory requirements in such countries.
Market risk	Market risk is a risk that arises when the prices of investments in the marketplace are affected by situational circumstances such as political and economic events. These situational circumstances, which may be a local or global event can affect a local market where the Fund is invested in and subsequently the value of the Fund's investment.
Particular security risk	The Fund's portfolio comprises of different securities, i.e. equities and/or equity-related securities. The fluctuation in performance of each individual security that the Fund invests in will affect the price of the Units. Not all companies issuing the securities (equities or equity-related securities) are successful. The success or failure of the companies will cause the value of its securities to rise or fall. Valued collectively, the performance of individual securities comprising the Fund's portfolio will cause the Unit Price to rise or fall accordingly.

Inflation/Purchasing power risk	Inflation can be defined as increase of price level of goods and services and is commonly reported using the Consumer Price Index as a measure. Inflation is one of the major risks to investors over the long term and results in uncertainty over the future value of the investments. Inflation reduces purchasing power of money. Hence, fixed income instruments are more directly affected by inflation than equities due to its fixed returns nature as compared to equity returns where its returns are variables.
Liquidity risk	This refers to the case with which a security can be sold at or near its fair value depending on the volume traded on the market. Should a security become illiquid, it may be sold at a discount to its fair value, thus lowering the value of the Fund's investments and subsequently the value of the Unit Holder's investments.
Single Issuer risk	Concentration risk is associated with the number / weigh of underlying investments with an issuer or financial institutions which the Fund invests in / places deposits with. As the Fund may invest up to 25% of its Net Asset Value in deposits with any single financial institution and/or money market instruments with any single issuer, it is therefore exposed to concentration risk. This is because should any of the financial institutions / issuers default on their obligations, it would have a significant impact to the Fund.
Returns are not guaranteed	Although the Fund has a targeted return of 6% growth per annum, there is no guarantee of returns to Unit Holders. Unlike fixed deposits which carry a specific rate of return, the Fund does not provide a fixed rate of return, but only a target rate of return of 6% growth per annum in terms of Net Asset Value per Unit

FEE & CHARGES

Charges Directly Incurred: Describes the charges that you may incur directly when you buy and repurchase units of the Fund.	
Sales Charges	None
Repurchase Charges	None
Transfer Fee	Not applicable
Switching Fee	Not applicable
Fee & Expenses Indirectly Incurred: Describes the fees that you may incur indirectly when you invest in the Fund.	
Annual Management Fee	Up to 1.5% per annum of Net Asset Value calculated on a daily basis before deducting the Manager's fee for that particular day. All expenses of the Fund include Trustee fee and any other expenses incurred in the administration of the Fund such as auditor's fee, tax adviser fee and bank charges will be borne by the Fund. The management fee will be payable monthly.
Annual Performance Fee	If the time weighted rate of return ("TWRR") and the compound annual growth rate ("CAGR") of the Fund outperform the hurdle rate of 6% per annum at the end of each financial year, then the Manager is entitled to an additional annual performance fee of 20% of the excess return.
Trustee Fee	The Trustee is entitled to an annual Trustee Fee based on the following rate: 0.05% per annum of NAV. This fee is calculated on a daily basis.
Other Charges:	
Other Charges	All expenses which are directly related and necessary to the business of the Fund such as auditors' fees, other relevant professional fees, custodial charges, commission paid to the broker, other transaction costs and taxes will be payable by the Fund.

Note: The Manager and the Trustee must ensure that any fees or charges to be incurred or incurred are in accordance with the Deed. There are fees and charges involved and investors are advised to consider the fees and charges before investing in the Funds.

TRANSACTION INFORMATION

Minimum Initial Investment for each fund	Minimum RM300,000 or such other amount as the Manager may from time to time accept.
Minimum Units Held / Minimum Balance of Units held at all times	300,000 Units or such other amount as the Manager may from time to time decide.
Minimum Additional Investment for each fund	Minimum RM30,000 or such other amount as the Manager may from time to time accept.
Frequency / Minimum Units Redeemed for each fund	No limit as to frequency of redemption. The minimum amount of Units for each redemption is 100,000 units or such other amount as the Manager may from time to time accept.

Switching	Not allowed.
Transfer	Not allowed
Period of Payment of Proceeds from Redemption	T + 7 Business Days – by bank transfer.

VALUATIONS & EXITING FROM INVESTMENT

Frequency of valuations

The Fund will be valued at least one every Business Day (a day other than Saturdays, Sundays and public holidays) on which Bursa Malaysia is open for trading and the markets in which investments of the Fund amounting to at least 50% of the Net Asset Value (in aggregate values) are also open for trading.

However, certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia. Accordingly, the valuation of the Fund for a Business Day will be conducted before 5.00 p.m. on the following day in which the Manager is open for business, when the closing prices of the foreign markets for that Business Day would be available. Thus, the daily price of the Fund for a particular Business Day will be sent by the Manager to Unit Holders on the next day through electronic mail or any other form or method as determined by the Unit Holders from time to time.

Exiting from Investment within initial offer period / after initial offer period

To exit from this investment, unit holders may redeem their investments in the Fund on any Business Day by completing the prescribed transaction form and returning it to the Manager on any Business Day. The transaction form is available at the office of the Manager or from any authorized consultants or representatives or distributors of the Manager.

There is no restriction on the frequency of redemption. The redemption amount will be paid in RM within T+7 Business Days. Any applicable bank charges and other bank fees incurred as a result of a remittance by way of telegraphic transfer, bank cheque or other special payment method will be charged to unit holders.

THE MANAGER

The Manager of the Fund, Inter-Pacific Asset Management Sdn Bhd ("IPAM") is a wholly owned subsidiary of Inter-Pacific Securities Sdn. Bhd. IPAM was incorporated in Malaysia on 24 September 1990 under the Companies Act, 1965. The principal business of IPAM is the management of unit trust funds and portfolio management. IPAM has started its unit trust business since 25 July 2007.

CONTACT INFORMATION

Who should I contact to lodge a complaint?

(i) For internal dispute resolution, you may contact:

Compliance Officer, Inter-Pacific Asset Management Sdn Bhd
West Wing, Level 13,
Berjaya Times Square,
No. 1 Jalan Imbi,
55100 Kuala Lumpur

You can contact us via phone number (03) 2117 1888, fax number (03) 2142 6029 or email ipam@interpac.com.my. Our office hours are Monday through Friday, 8:30 a.m. to 5:45 p.m. (Malaysian time).

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

(a) via phone to: 03-2282 2280
(b) via fax to: 03-2282 3855
(c) via email to: info@sidrec.com.my
(d) via letter to: Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No.5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

- (iii) You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:
- (a) via phone to Aduan Hotline at: 03-6204 8999
 - (b) via fax to: 03-6204 8991
 - (c) via email to: aduan@seccom.com.my
 - (d) via online complaint form available at www.sc.com.my
 - (e) via letter to: Consumer & Investor Office
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur
- (iv) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:
- (a) via phone to: 03 – 20923800
 - (b) via fax to: 03 – 20932700
 - (c) via e-mail to: complaints@fimm.com.my
 - (d) via online complaint form available at: www.fimm.com.my
 - (e) via letter to: Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Tune
No. 19 Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

APPENDIX: GLOSARRY

Bursa Malaysia	Bursa Malaysia Berhad (30632-P).
Bursa Securities	Bursa Malaysia Securities Berhad. (635998-W).
Business Day	A day on which the Bursa Malaysia Securities is open for trading.
Buying / Repurchase Price per Unit	NAV per Unit of the Fund and the price at which the Manager buys/repurchases back units from unit holders.
Deed	The Deed dated 6 April 2017, including any supplemental deed(s) thereto, entered into between the Manager and the Trustee, and relating to the Fund
Eligible Market	means a market that: - (a) Is regulated by a regulatory authority; (b) Operates regularly; (c) Is open to the public; and (d) Has adequate liquidity for the purposes of the fund in question. Note: A non-exhaustive list of eligible markets includes stock exchange, derivative exchange, over-the-counter debt securities market and money market.
FIMM	Federation of Investment Managers Malaysia.
Long Term	Mean investment horizon of more than three (3) years.
Medium Term	Mean investment horizon of more than one (1) year but not exceeding three (3) years.
NAV	Determined by deducting the value of all the fund's liabilities from the value of all the fund's assets, at the valuation point, except that, for the purpose of computing the annual management fee and the annual Trustee Fee, the NAV of a fund should be inclusive (that is, before any deduction) of the management fee and the Trustee Fee for the relevant day.
NAV per Unit	NAV of a fund at a particular valuation point divided by the number of units in circulation at the same valuation point
Trustee	RHB Trustees Berhad (573019-U).
Units in circulation	Refers to the total number of units created and fully paid for and which have not been cancelled.
Sustainable and Responsible Investment (SRI) Fund	A fund structured in accordance with paragraph 3.01 of the Guidelines on Sustainable and Responsible Investment Funds.