

## InterPac Dana Safi

Date of Issuance: 9 July 2019

### RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors or authorised committee 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 Securities Commission Malaysia has authorised the issuance of InterPac Dana Safi and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the InterPac Dana Safi and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the InterPac Dana Safi 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 Inter-Pacific Asset Management Sdn Bhd responsible for the InterPac Dana Safi 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 Product Highlights Sheet only highlights the key features and risks of the InterPac Dana Safi. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

## PRODUCT HIGHLIGHTS SHEET

### INTERPAC DANA SAFI

#### BRIEF INFORMATION ON THE PRODUCT

##### 1. What is this product about?

InterPac Dana Safi is a Shariah-compliant equity fund issued by Inter-Pacific Asset Management Sdn Bhd, which seeks to maximize capital gain by investing principally in Shariah compliant securities listed on Bursa Malaysia. It has a flexible asset allocation strategy and may invest in Shariah compliant fixed income securities and Islamic money market instruments to meet its objective over the medium to long term.

This is neither a capital protected nor capital guaranteed fund.

#### PRODUCT SUITABILITY

##### 2. Who is this product suitable for?

This Fund is suitable for investors who:

- seek higher capital gain; and
- have a long-term investment horizon.

#### KEY PRODUCT FEATURES

##### 3. What am I investing in?

Fund Category	Equity-Shariah.
Fund Type	Growth.
Benchmark	6% per annum.
Investment Strategy	In seeking to achieve its investment objective, between 70% to 95% of the Fund's NAV may be invested in shares that conform to the principles of Shariah. It also has a flexible asset allocation and may also invest in sukuk to help generate returns where yields are attractive and interest rates trends are favourable.
Principal Investment Risk	Market risk, Credit/Default risk, Interest Rate risk, Liquidity risk, and Specific Stock risk.
Financial Year End	31 March.
Distribution Policy	Subject to the availability of income, distributions may be declared at the Manager's discretion on an annual basis or at such other intervals as the Manager may deem appropriate.

##### 4. Who am I investing with?

Manager	Inter-Pacific Asset Management Sdn Bhd
Trustee	RHB Trustees Berhad
Shariah adviser	Amanie Advisors Sdn Bhd
Auditor	Ernst & Young
Tax Consultants	Ernst & Young Tax Consultants Sdn Bhd

## KEY RISKS

### 5. What are the key risks associated with this product?

<b>General risks of investing in a unit trust fund :</b>	
Market risk	This risk refers to fluctuations in the market due to changes and developments in the economic climate, political stability and technology of the country. This risk can be reduced by investing in a well-diversified portfolio of securities from the different market sectors.
Loan financing risk	This risk occurs when you take a financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event units are used as collateral, you may be required to top-up your existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the loan.
Liquidity risk	This risk refers to the ease of converting an investment into cash without incurring an overly significant loss in value. If a unit trust fund has a large portfolio of stocks issued by smaller companies, the relatively less liquid nature of those stocks can cause the value of the fund to drop. This is because there are generally less ready buyers of such stocks as compared with the stocks of larger and more established companies. This risk is managed by taking greater care in stock selection and diversification.
Management company risk	This risk arises when the Manager does not adhere to the investment mandate of a fund. However, this risk is greatly reduced by the presence of the fund's Trustee, whose duty is to ensure that the fund's investment mandate is complied with. Poor management of the Manager may jeopardise the unit trust fund's performance.
Non-compliance risk	This risk refers to a lack of fiduciary duty on the part of the management company to ensure compliance with laws, rules and regulations, internal policies and procedures or work ethics standards to the best interest of the Unit holders. In order to mitigate this risk, a dedicated compliance unit and effective compliance procedures should be implemented and monitored to ensure the management company and its fund manager comply with the relevant laws and guidelines at all times.
Inflation risk	This is the risk that investors' investment in the unit trust fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.
Risks of Shariah non-compliance	Investments in Islamic funds are subject to the list of Shariah compliant securities approved by the Shariah adviser/committee. The fund manager invests in securities based on this list and there is a possibility that any securities might be removed from the list when the list is reviewed by the relevant agencies/Shariah adviser. When the securities are no longer Shariah-compliant, the fund manager would have to dispose-off such securities and the fund may potentially suffer losses due to the disposal of the Shariah non-compliant securities.
<b>Specific risks of the Fund:</b>	
Market risk	This will arise when prices of stock/shares, bonds and money market instruments fluctuate due to various factors such as changes in the prevailing economic conditions, industry trends, political and social environment and movement of foreign financial markets. This fluctuation will cause the NAV or unit prices to fall or rise and likewise affect the income portion of the Fund.
Credit/Default risk	This will arise when the borrower or issuer of money market instruments or other fixed income securities default on its obligations to pay profit and repay the principal amount borrowed. This may cause the value of the Fund to be affected. To mitigate this risk the fund manager will set limits to each exposure and will regularly monitor the credit worthiness of the company they invest in.
Interest Rate risk	This risk, which is related to a drop in the price of money market instruments and other fixed income securities when interest rate rises and vice-versa, will have an impact on the NAV or unit prices. The magnitude of the drop in price is normally greater for longer-term securities rather than shorter-term securities as they are more sensitive to interest rate changes. An Islamic fund may also be affected by fluctuations in interest rates that affect the general market as a rise in the general level of interest rates will have a direct impact on the rate of return in Shariah-compliant fixed income securities. To mitigate this risk, the fund manager will monitor the duration structure of the fixed income portfolio.

Liquidity risk	This risk is normally associated with low volume of trade, as some investments are not as liquid as deposits, making it difficult to dispose off at a desired price. Should an investment become illiquid, it may be sold at a discount to its fair value, causing the NAV to fall. This risk is more pertinent for investments in smaller companies, as there are relatively less ready buyers of such stocks/shares compared with bigger and more established companies. To mitigate this risk, the fund manager will exercise care in selecting the right mix of stocks/shares.
Specific Stock risk	This risk is associated with large fluctuations in the prices of stocks/shares of any of the companies that the Fund invest in thereby causing the NAV or unit prices to fluctuate accordingly. Fluctuations are caused by the performance and the prospects of individual companies. To mitigate such risk, the fund manager will monitor closely the price movement of the companies they invest in and will take immediate steps to alter the mix when necessary. The impact of an individual stock/share is managed by the fund manager by having a diversified portfolio and an asset allocation plan that includes both liquid assets/cash.

**Investors are reminded that the risks listed above may not be exhaustive and if necessary, they should consult their adviser(s), e.g. their bankers, lawyers, stockbrokers or independent professional advisers for a better understanding of the risks.**

Note: If a Unit holder's investments are made through an institutional unit trust adviser ("Distributor") which adopts the nominee system of ownership, he would not be deemed to be a Unit holder under the Deed and as a result, his rights as an investor may be limited. Accordingly, the Manager will only recognise the Distributor as a Unit holder of the Fund and the Distributor shall be entitled to all the rights conferred to it under the Deed.

## FEE & CHARGES

### 6. What are the fees and charges involved?

This part informs investors about the fees & charges involved.

<b>Charges Directly Incurred:</b> Charges & fees that you may incur <b>directly</b> when you buy, repurchase, switch or transfer units of the Fund.	
Sales Charges	Up to 5.00% of the NAV per Unit.  <i>Note: The Manager will impose the sales charge 30 days after the date of the prospectus, i.e. from 13 July 2018 onwards.</i>
Repurchase Charges	The Manager does not intend to impose any repurchase charge  <i>Note: The Manager will not impose any repurchase charge 30 days after the date of the prospectus, i.e. from 13 July 2018 onwards.</i>
Transfer Fee	RM5.00 per transfer.
Switching Fee	Nil.
<b>Fee &amp; Expenses Indirectly Incurred:</b> Fees that you may incur <b>indirectly</b> when you invest in the Fund.	
Annual Management Fee	1.50% per annum of NAV. The fee is calculated and accrued on a daily basis and payable to the Manager on a monthly basis.
Trustee Fee	0.07 % per annum of NAV. This fee is calculated and accrued on a daily basis and payable to the Trustee on a monthly basis.
<b>Other Charges:</b>	
Other Charges	In executing investor's transaction, charges and expenses including but not limited to bank charges, telegraphic transfer charges and courier charges are to be borne by the investors. The Manager reserves the right to vary such conditions from time to time, which shall be communicated to investors in writing.

*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 Fund.*

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

## TRANSACTION INFORMATION

### 7. What are the transaction details?

Minimum Initial Investment	RM100 or such other amount as the Manager may at its discretion deem appropriate.
Minimum Balance of Units to be held by Unit holders	200 units or such other amount, either greater or less than 200 units as the Manager may at its discretion deem appropriate.
Minimum Additional Investment	RM10 or such other amount as the Manager may at its discretion deem appropriate.
Frequency / Minimum Units for Redemption	No limit as to frequency of redemption. The minimum amount of units for each redemption is 50 units or such other amount, either greater or less than 50 units as the Manager may at its discretion deem appropriate.
Switching facility	Unit holders may switch some or all of their units in the Fund into units of another unit trust fund managed by the Manager. The minimum unit to switch is 200 units for the Fund or such other amount as the Manager may at its discretion deem appropriate.
Transfer facility	Unit holders may transfer their unit holdings subject to the provisions in the Deed and subject to the transferee, if an individual, being eighteen (18) years of age or more at the time of the transfer. The minimum unit to transfer is 200 units for the Fund or such other amount as the Manager may at its discretion deem appropriate.
Cooling-off period	The cooling-off period is six (6) Business Days from the date of receipt of the initial application form by the Manager. This right is only given to an individual investor who is investing in any unit trust fund managed by the Manager for the first time and such cooling-off right is not given to: (a) a staff of the Manager; and/or (b) a person registered with a body approved by the SC to deal in unit trust.
Period of Payment of Proceeds from Redemption	Unit holders may redeem all or part of the units held on or before the cut-off time of 4.00 p.m. on any Business Day and receive the payment of redemption /repurchase of units proceeds within ten (10) days of the Manager's receipt of the request.

## VALUATIONS AND EXITING FROM INVESTMENT

### 8. How often are valuations available?

The Fund must be valued at least once every Business Day. The valuation point for the NAV per Unit of the Fund, based on the valuation of the Fund's investments, assets and properties is performed at the end of a Business Day upon closing of the Bursa Malaysia.

*Note: Valuation point is the particular point in time on a Business Day, as the Manager may decide, at which the NAV of the Fund is calculated.*

### 9. How can I exit from this investment and what are the risks and costs involved?

To exit from this investment, you may redeem from the Fund, switch out of the Fund or transfer your unit holdings to other investors. Please refer to the "Fees & Charges" and "Transaction Information" sections for details on switching and transfer facility.

Redemptions can be made from the Fund by completing a transaction form and sending it to the Manager's business office, marketing representatives, independent tied-agents appointed by the Manager with valid authorisation cards issued by the FIMM or any institutional agents appointed by the Manager and who is a member of the FIMM. There is no restriction on the frequency of redemption. The amount that you will receive is calculated by the redemption value. That amount will be paid in Ringgit Malaysia within ten (10) calendar days. Any applicable bank charges and other bank fees incurred as a result of a redemption by way of telegraphic transfer, bank cheque or other special payment method will be charged to you.

## FUND PERFORMANCE

### 1. The average total return of the Fund

Period	1-Year	3-Year	5-Year	10-year
<b>As at 31 March 2019 (%)</b>				
Fund	-3.83	1.40	0.76	8.07

Source: InterPac Master Trust Annual Report for the financial year ended 31 March 2019. The average total return of the Fund was sourced from Lipper for Investment Management.

2. The annual total return of the Fund for the last 10 years

As at 31 March (%)										
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fund	43.08	16.23	2.35	9.28	5.96	-6.34	5.92	13.54	-5.51	-3.83
Benchmark	48.28	16.22	4.27	5.00	15.75	-0.18	-4.75	2.50	6.00	6.00

Source: Lipper for Investment Management

For the financial year under review, i.e., 1 April 2018 to 31 March 2019, the Fund registered a total return of -3.83% against the benchmark of 6.00%. The Fund underperformed the benchmark by 9.83% during the reporting period with an overall growth of +60.92% against the benchmark return of 70.00% since inception on 25 July 2007, thereby achieving its objective of providing capital appreciation.

The benchmark for the Fund has been changed from FBM Emas Shariah Index to “**6% per annum**” with effect from 23 July 2017. The new benchmark is a better performance comparator to better reflect the fund’s objectives.

Basis of calculation and assumptions made in calculating returns are as follows:

$$\text{Percentage Growth} = \frac{\text{NAV}_T - \text{NAV}_{T-1}}{\text{NAV}_{T-1}} \times 100$$

Where,

NAV<sub>T</sub> = NAV Price at the end of the period  
 NAV<sub>T-1</sub> = NAV Price at the beginning of the period  
 Total No of Periods = The number of days in the duration of calculation

$$\text{Average total return} = \frac{\text{Total returns of the years under review}}{\text{Number of years under review}}$$

3. Portfolio turnover ratio (“PTR”) for three most recent financial years

As at 31 March			
Year	2019	2018	2017
	(times)	(times)	(times)
Fund	0.93	2.67	1.11

PTR was lower for the financial year ended 31 March 2019 due to lower trading activities as a result of lower amount of investment into the Fund and unfavourable market conditions.

4. Distribution for the past three financial years

There were no income distributions for the past three financial years.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

## CONTACT INFORMATION

### 10. Who should I contact for further information or to lodge a complaint?

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

Via phone number (03) 2117 1888 or fax number (03) 2142 6029. Our office hour is Monday to Friday, from 8:30 a.m. to 5:45 p.m. (Malaysian time).

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

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

(a) via phone to: 03-2282 2280

(b) via fax to: 03-2282 3855

(c) via email to: [info@sidrec.com.my](mailto: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](mailto:aduan@seccom.com.my)

(d) via online complaint form available at [www.sc.com.my](http://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: 03-2092 3800

(b) via fax to: 03-2093 2700

(c) via email to: [complaints@fimm.com.my](mailto:complaints@fimm.com.my)

(d) via the online complaint form available at [www.fimm.com.my](http://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 Securities Berhad (635998-W).
Business Day	A day on which the Bursa Malaysia is open for trading.
Deed	The Deed dated 2 July 2007 as amended by the first supplemental deed dated 2 May 2018, including any other supplemental deed(s) thereto, relating to InterPac Dana Safi, InterPac Dynamic Equity Fund and InterPac Cash Fund.
FIMM	Federation of Investment Managers Malaysia.
Fund	InterPac Dana Safi.
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.
NAV per Unit	NAV of the Fund at a particular valuation point divided by the number of Units in circulation at the same valuation point.
Unit holder	The person registered for the time being as a holder of units including persons jointly so registered in accordance with the provisions of the Deed.
Units in circulation	Refers to the total number of units created and fully paid for and which have not been cancelled.