

InterPac Cash Fund

RESPONSIBILITY STATEMENT

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

STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of InterPac Cash Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the InterPac Cash Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the InterPac Cash 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 InterPac Cash 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 Product Highlights Sheet only highlights the key features and risks of this unlisted capital market product. Investors are advised to request, read and understand the disclosure documents before deciding to invest.

PRODUCT HIGHLIGHT SHEET

INTERPAC CASH FUND

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

InterPac Cash Fund is a money market fund issued by Inter-Pacific Asset Management Sdn Bhd, seeks to provide a reasonable return with high degree of liquidity by investing in money market / short - term debt instruments.

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 a lower risk fund to park excess funds
- have a short term investment horizon

KEY PRODUCT FEATURES

3. What am I investing in?

Fund Category	Money Market
Fund Type	Income
Benchmark	MBB Overnight Rate
Investment Strategy	To invest primarily in a diversified portfolio of counters and also has a flexible asset allocation to invest in fixed income securities.
Principal Investment Risk	Credit/Default Risk, Interest Rate risk, Liquidity risk and Manager risk
Approved Fund Size	300million units
Financial year End	31 March
Distribution Policy	Distribution may be declared quarterly basis for ICF, or at such other intervals as the Manager may deem appropriate.

3. Who am I investing with?

Manager	Inter-Pacific Asset Management Sdn Bhd
Trustee	CIMB Commerce Trustee Berhad
Solicitors	M.K Chen & Leong
Regulatory Advisers/Other	Federation of Investment Managers Malaysia
Auditor	Ernst & Young
Tax Consultants	Ernst & Young Tax Consultants Sdn Bhd

KEY RISKS

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

General risks of investing in a unit trust fund :	
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.
Interest Rate risk	Interest rate risk is crucial in a bond fund since bond portfolio management depends on forecasting interest rate movements. Prices of bonds move inversely to interest rate movements. Therefore, as interest rate rises, the prices of bonds decrease and vice-versa. Bonds with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.
Credit/Default risk	Bonds are subject to credit/default risk. In the event that the issuer of the instrument is faced with financial difficulties, their credit worthiness will decrease, which may in turn lead to a default in the payment of the principal and interest/profit (Shariah).
Loan financing risk	This risk must be considered carefully when unit trust investment is financed by a loan. You should be aware that you might be forced to provide additional funds or security to top up on loan margins if the value of your investment goes down. Therefore, you will bear the additional responsibility and cost of financing the loan. You might also risk losing your initial capital.
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 custodian, the 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 compliance unit 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 minimize this risk, a dedicated compliance unit and effective compliance procedures should be implemented and monitored to ensure the fund management company and its investment manager comply with the relevant laws and guidelines at all times.
Inflation risk	Inflation risk is the potential loss of purchasing power of your investment due to a general increase in consumer prices. Inflation erodes the real rate of your return, that is, the return after you take away the inflation rate.
Risks of Shariah non-compliance	Investments in Shariah based funds are subject to the list of securities approved by the Shariah adviser/Committee. The investment 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 investment manager would have to dispose-off such securities and the fund may potentially suffer losses due to the disposal of the non-Shariah compliant stocks.
Specific risks 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 interest/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. 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 minimise this risk, the Fund Manager will exercise care in selecting the right mix of stocks/shares.

FEE & CHARGES

6. What are the fees and charges involved?

This part informs investors about the fees & charges involved.

Charges Directly Incurred:	
Describes the charges that you may incur directly when you buy, repurchase, switch or transfer units of the Funds.	
Sales Charges	Currently there will be no sales charge for this fund. The Manager may however, at its sole discretion, reserve the right to impose sales charge for any Fund subject to the provisions of the Deed and the SC Guidelines.
Repurchase Charges	For ICF, the rate of the repurchase charge per unit is 1% of the NAV per Unit.
Transfer Fee	Unit holders are allowed to transfer their unit holdings subject to the terms and conditions as spelt out in the Deed. The transfer is allowed within the same Fund by completing a Transfer Form and signed by both the transferor and the transferee. The Manager will impose a fee of RM5.00 per transfer.
Switching Fee	Switching is a facility which enables unit holders to convert the units that he holds in a Fund to units of other unit trust fund also managed by the Manager. The units converted will be valued at the Buying price of those units or at NAV of the Fund. Effective from 24 July 2008, the Switching Fee for this fund is waived and there is no limit as to the frequency of the switching transaction. The minimum amount to switch is 1,000 units or such other amount as the Manager may at its discretion deem appropriate.
Fee & Expenses Indirectly Incurred:	
Describes the fees that you may incur indirectly when you invest in the Funds.	
Annual Management Fee	The Manager is entitled to an Annual Management Fee which is chargeable based on the following rate/s: ICF - For this Fund, 0.30% 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	The Trustee is entitled to an annual Trustee Fee based on the following rate: ICF - For this Fund, 0.07 % per annum of NAV, subject to a minimum of RM18,000 per annum. This fee is calculated on a daily basis.
Other Charges:	
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 Funds.

TRANSACTION INFORMATION

7. What are the transaction details?

Minimum Initial Investment for each fund	RM1,000 or such other amount as the Manager may at its discretion deem appropriate.
Minimum Units Held / Minimum Balance of Units held for each fund	1,000 units or such other amount as the Manager may at its discretion deem appropriate.
Minimum Additional Investment for each fund	RM100 or such other amount as the Manager may at its discretion deem appropriate.
Frequency / Minimum Units Redeemed for each fund	No limit as to frequency of redemption. The minimum amount of Units for each redemption is 1,000 units or such other amount as the Manager may at its discretion deem appropriate.
Switching	Switching Fee is waived for the duration of the prospectus. There is no limit as to frequency of switching transactions. The minimum amount to switch is 1,000 units for each Fund or such other amount as the Manager may at its discretion deem appropriate.
Transfer	An administrative charge of RM5 per transfer. The minimum transfer amount is 1000 units for each Fund or such other amount as the Manager may at its discretion deem appropriate. The transfer facility is subject to the provisions of the Deed.
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 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 corporation or institution; (b) a staff of the Manager; and/or (c) 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 units on any Business Day and receive payment of repurchase proceeds within 10 days of receiving the repurchase request.

VALUATIONS AND EXITING FROM INVESTMENT

8. How often are valuations available?

The valuation point will be carried out on each Business Day at the close of the Bursa Malaysia. Should investors rely on the local dailies, the unit price is published in the local dailies on the following Business Day.

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

To exit from this investment, you may withdraw 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.

Withdrawals can be made from the Fund by completing a redemption form and sending it to the head or branch offices of Inter-Pacific Asset Management Sdn Bhd. For Institutional Marketing sales, please go to the head or branch offices of Inter-Pacific Asset Management Sdn Bhd. There is no restriction on the frequency of withdrawals. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. That amount will be paid in RM within ten (10) calendar days. Any applicable bank charges and other bank fees incurred as a result of a withdrawal by way of telegraphic transfer, bank cheque or other special payment method will be charged to you.

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, portfolio management and provision of advisory services. IPAM has started its unit trust business since 25 July 2007. As at 30 June 2013, the company manages a total of three (3) unit trust funds and two (2) wholesale funds with the total funds under management amounting to RM39.5 million.

CONTACT INFORMATION

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

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

You can contact our via phone number (03) 21171888 or fax number (03) 21426029. Our office hour is available Mondays to Fridays, 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 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 Investor Affairs & Complaints Department:

- (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 : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

APPENDIX: GLOSARRY

AA	Amanie Advisors Sdn Bhd (684050-H).
CCTB / Trustee	CIMB Commerce Trustee Berhad (313031-A).
Bursa Malaysia	Bursa Malaysia Berhad (30632-P).
Bursa Securities	Bursa Malaysia Securities Berhad. (635998-W).
Business Day	A day on which the Bursa 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.
Cooling – off Right	A cooling-off right refers to the right of the unit holder to obtain a refund of his investment in the fund if he so requests within 6 Business Days from the day the initial application for units is received by the Manager. This right is only given to an 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 corporation or institution; (b) a staff of the Manager; and/or (c) a person registered with a body approved by the SC to deal in unit trust. When a unit holder who is entitled to a cooling-off right exercises such right during the cooling-off period, the entitled amount must be refunded within 10 days of receipt of the cooling-off application by the Manager.
Deed	The Deed dated 2 July 2007, including any supplemental deed(s) thereto, entered into between the Manager and the Trustee, and relating to InterPac Dana Safi, InterPac Dynamic Equity Fund & InterPac Cash 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.
FBM Emas Shariah	FTSE Bursa Malaysia EMAS Shariah Index.
FBM KLCI	FTSE Bursa Malaysia KLCI.
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
Units in circulation	Refers to the total number of units created and fully paid for and which have not been cancelled.
ICF	InterPac Cash Fund