

## RHB DEPOSITS FUND

### RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd (“RHBAM”) and they have collectively and individually accepted full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### STATEMENT OF DISCLAIMER

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

The authorisation of the RHB Deposits Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Deposits 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 RHBAM responsible for the RHB Deposits 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.

## PRODUCT HIGHLIGHTS SHEET

**This Product Highlights Sheet only highlights the key features and risks of RHB Deposits Fund. Investors are advised to request, read and understand the Fund’s prevailing prospectus and its supplementary(ies) (if any) before deciding to invest.**

<b>Name of Fund</b>	RHB Deposits Fund (“Fund”).	<b>Fund Category</b>	Money market fund.
<b>Manager</b>	RHB Asset Management Sdn Bhd.	<b>Launch Date</b>	19 October 2011.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.	<b>Financial Year End</b>	31 October.

### PRODUCT SUITABILITY

This Fund is suitable for investors who:

- (i) require a high level of liquidity\*;
- (ii) are conservative and seek capital preservation;
- (iii) seek reasonable returns that commensurate with the low risks investments; and
- (iv) prefer a short-term investment horizon.

### KEY PRODUCT FEATURES

#### INVESTMENT OBJECTIVE

The Fund aims to provide investors with a high level of liquidity\* while providing reasonable returns by predominantly investing its assets in Malaysian Ringgit deposits placed with financial institutions in Malaysia.

\*Note: Redemption monies of this Fund will generally be paid by the next business day (a working day when the Manager is open for business) after receipt by the Manager of the request to repurchase.

#### INVESTMENT STRATEGY

The Fund will invest in a portfolio of Malaysian Ringgit deposits placed with financial institutions.

The Fund’s portfolio will be structured as follows:

At least 98% of Net Asset Value (“NAV”) - Investments in deposits placed with financial institutions which have a remaining maturity period of not more than 365 days.

Up to 2% of NAV - Maintained in cash.

Although the Fund is actively managed, its fund management strategy will depend on the interest rate environment and the anticipated redemption requests by the unit holders of the Fund (“Unit Holder(s”).

In managing the risks of the Fund’s investments, the Manager will only place deposits with established financial institutions. The Manager will continuously monitor closely the financial health of these financial institutions. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission. Adherence to the permitted investments and restrictions also helps the Manager to risk-manage the Fund’s portfolio (in terms of diversification and exposure). Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the Deed.

#### BENCHMARK

Maybank – Basic Savings Account Rate.

#### DISTRIBUTION

**DISTRIBUTION POLICY** - Consistent with the Fund’s objective to provide reasonable returns, the Fund will distribute a substantial portion of its returns to the Unit Holders. Distributions, if any, after deduction of taxation, if any and expenses are generally declared annually. However, this does not preclude the Manager from increasing the frequency of distribution, if deemed appropriate to do so.

**DISTRIBUTION MODE** - Distributions, if any, after deduction of taxation and expenses (i.e. net distribution) will be reinvested to purchase additional units of the Fund based on the NAV per unit as at the first Business Day\*\* when units in the Fund are quoted ex-entitlement. Allotment of such units shall be within two (2) weeks thereafter.

\*\* Note: Business Day refers to a day, other than Saturdays, Sundays and public holidays, in which Bursa Malaysia is open for trading.

## KEY RISKS

**CREDIT / DEFAULT RISK** - This refers to the creditworthiness of the financial institutions and its expected ability to make timely payment of interest and principal. Default happens when the financial institutions are not able to make timely payments of interest and/or repay or pay the principal in a timely manner thus lowering the value of the Fund's investments and subsequently the value of Unit Holders' investment.

**INFLATION / PURCHASING POWER RISK** - Inflation can be defined as increases of the 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 and results in uncertainty over the future value of the investments. Inflation reduces purchasing power of money. In an inflationary environment, fixed rate deposits are exposed to higher inflation risks than equities due to its fixed returns nature as compared to equities whose returns are variable.

**INTEREST RATE RISK** - Interest rate risk is crucial in this Fund since deposits portfolio management depends on forecasting interest rate movements. Interest rate changes could affect the Fund's potential returns from future placements in deposits if the strategy taken by the fund manager differs from the actual outlook of the interest rates market. In an environment of falling interest rates, the Fund's future placement in deposits would be reinvested at lower interest rates which in turn will reduce the potential returns of the Fund. This risk will be mitigated via shorter or longer tenured deposits depending on the Manager's view of the future interest rate trend, which is based on its continuous fundamental research and analysis.

**RETURNS ARE NOT GUARANTEED** - There is no guarantee on the investment returns to Unit Holders. Unlike fixed deposits which carry a specific rate of return, the Fund does not provide a fixed rate of return.

## FUND PERFORMANCE

### AVERAGE TOTAL RETURNS OF THE FUND

Average total returns for the following periods ended 31 October 2017

	1 Year	3 Years	5 Years	Since Launch (19/10/2011* to 31/10/2017)
RHB Deposits Fund (%)	-0.19	1.89	2.33	2.44
Benchmark <sup>^</sup> (%)	1.30	1.51	1.57	1.59

### ANNUAL TOTAL RETURNS OF THE FUND

Annual total returns for the following financial years ended 31 October

	2017	2016	2015	2014	2013	Since Launch (19/10/2011* to 31/10/2017)
RHB Deposits Fund (%)	-0.19	2.84	3.07	3.01	2.98	3.06
Benchmark <sup>^</sup> (%)	1.30	1.58	1.66	1.66	1.66	1.72

Source: Lipper IM, 15 November 2017. \* The last day of the Fund's initial offer period. ^ The benchmark of the Fund is Maybank – Basic Savings Account Rate. The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions and unit splits, if any and are annualised.

For the latest financial year, the Fund recorded a loss of -0.19% whilst its benchmark recorded a gain of 1.30%.

### PORTFOLIO TURNOVER RATIO ("PTR")

PTR (times)	Financial Year Ended 31 October		
	2017	2016	2015
	-	114.34	127.37

The PTR for the financial year is not comparable as there are no transactional activities during the latest financial year.

### DISTRIBUTION RECORD

	Financial Year Ended 31 October		
	2017	2016	2015
Gross distribution per unit (sen)	-	2.8350	2.8500
Net distribution per unit (sen)	-	2.8350	2.8500

For the latest financial year, no distribution has been proposed by the Fund.

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

## FEES & CHARGES

*This table describes the charges that you may directly incur when you buy or redeem units of this Fund:*

Charges	
<b>Sales charge by distribution channel</b>	
Institutional Unit Trust Adviser (IUTA)	None.
Tied (Retail) Agent	None.
Direct Sales (Direct Investment with the Manager)	None.
<b>Repurchase charge</b>	None.
<b>Dilution fee or transaction cost factor</b>	None.
<b>Other charges payable directly by the investors</b>	
Switching fee <sup>1</sup>	RM25.00 per switch or the difference in sales charge which is deductible from the redemption amount of the units to be switched, where applicable.
Transfer fee <sup>1</sup>	RM5.00 per transfer.

*This table describes the fees that you may indirectly incur when you invest in the Fund:*

Fees and Expenses	
Annual management fee <sup>1</sup>	0.40% per annum of NAV before deducting the Manager's fee for that particular day. From the annual management fee received, the Manager will pay the Trustee an annual trustee fee of up to 0.08% per

	annum of NAV and all expenses which are directly related in the ordinary course of business of the Fund.
Annual trustee fee	None.
Expenses directly related to the Fund	Generally none, except for those fees and charges which are out of the ordinary course of business of the Fund and directly related and necessary in administering the Fund such as, taxation of the Fund, if any, and expenses incurred in terminating the Fund. Such expenses will be charged to the Fund.
Other fees payable indirectly by an investor (if any)	None.

<sup>1</sup> The implementation of Goods and Services Tax ("GST") is effective from 1 April 2015 at the rate of 6% and the fees and charges payable are exclusive of GST.

**Note:** The Manager may, for any reason at any time, waive or reduce the amount of its management fee only or all charges directly payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.

#### TRANSACTION INFORMATION

Minimum Initial Investment	RM50,000 or such other amount as the Manager may from time to time accept.
Minimum Additional Investment	RM10,000 or such other amount as the Manager may from time to time accept.
Minimum Repurchase Units	10,000 units or such other lower quantity as the Manager may from time to time decide.
Restriction on Frequency of Repurchase	No restrictions.
Switching Facility and Frequency of Switching	The minimum amount for a switch to another fund is RM1,000.00. There are no restrictions as to the number of switches a Unit Holder may perform or the frequency of switching.
Minimum Investment Balance	10,000 units or such other lower quantity as the Manager may from time to time decide.
Transfer Facility	Available. In the event of a partial transfer, both the transferor and transferee must each hold a minimum investment balance of ten thousand (10,000) units after the transfer.
Redemption Period	Redemption monies to be paid the next business day <sup>#</sup> after receipt by the Manager of the request to repurchase. <sup>#</sup> These are the working days when the Manager is open for business.
Cooling-off Period	Unit Holders have the right to request for a refund of their investment within six (6) business days <sup>#</sup> which shall be effective from the date of receipt of the application by the Manager, subject to eligibility. <sup>#</sup> These are the working days when the Manager is open for business.
Dealing Hours	9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day** or such later time as the Manager may determine provided always that complete applications for the Fund are received before the next valuation point.

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

#### VALUATIONS AND EXITING FROM INVESTMENT

##### VALUATION OF ASSETS

The Fund must be valued at least once every Business Day\*\*. The valuation of the Fund for a Business Day\*\* will be conducted at the close of Bursa Malaysia for that Business Day\*\*. Thus, the daily price of the Fund for a particular Business Day\*\* will be published in the major newspapers on the next day. Investors may obtain the most current computed price by contacting the Manager directly or visiting our website, [www.rhbgroup.com](http://www.rhbgroup.com).

\*\* Note: Business Day refers to a day, other than Saturdays, Sundays and public holidays, in which Bursa Malaysia is open for trading.

##### EXITING FROM THIS INVESTMENT

Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's registered office or any of its branch offices, or to any of its participating IUTAs or to any other authorised distributors before their respective cut-off times. The redemption monies will be paid by the next business day<sup>#</sup> after receipt by the Manager of the request to repurchase units. In the event of any technical difficulties beyond the Manager's control or should the redemption request result in the sale of assets which cannot be liquidated at an appropriate price or on adequate terms and is as such not in the interest of existing Unit Holders, redemption monies may be paid at any time not later than ten (10) days after receipt by the Manager of the request to repurchase units or such other period as may be permitted by the relevant authorities from time to time.

<sup>#</sup>These are the working days when the Manager is open for business.

Redemptions for the Fund should be of at least ten thousand (10,000) units or such other lower quantity as the Manager may from time to time decide. There are no restrictions on the frequency of redemptions in a year. However, the Manager shall not be bound to comply with any request for redemption of units if the balance of units held after the redemption is less than ten thousand (10,000) units or such other lower quantity as the Manager may from time to time decide (the minimum investment balance).

#### CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to [rhbam@rhbgroup.com](mailto:rhbam@rhbgroup.com).

##### HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

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|--|---|
| (a) via phone to                                   | : 03-9205 8000  |
| (b) via Unit Holders Services Toll-Free Hotline at | : 1-800-88-3175   |
| (c) via fax to                                     | : 03-9205 8100  |
| (d) via e-mail to                                  | : <a href="mailto:rhbam@rhbgroup.com">rhbam@rhbgroup.com</a>  |
| (e) via website at                                 | : <a href="http://www.rhbgroup.com">www.rhbgroup.com</a>  |
| (f) via letter to                                  | : RHB Asset Management Sdn Bhd<br>Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur |

2. 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 e-mail 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
3. You can also direct your complaint to the Securities Commission Malaysia ("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 the Aduan Hotline at : 03-6204 8999
  - (b) via fax to : 03-6204 8991
  - (c) via e-mail to : **aduan@seccom.com.my**
  - (d) via online complaint form 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
4. 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 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, 6<sup>th</sup> Floor Wisma Tune  
No. 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur