

## RHB ISLAMIC CASH MANAGEMENT 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 Islamic Cash Management Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Islamic Cash Management Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Islamic Cash Management 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 Islamic Cash Management 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 Islamic Cash Management 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 Islamic Cash Management Fund ("Fund").	<b>Fund Category</b>	Money market (Shariah-compliant) fund.
<b>Manager</b>	RHB Asset Management Sdn Bhd.	<b>Launch Date</b>	30 June 2008.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.	<b>Financial Year End</b>	30 November.
<b>External Investment Manager</b>	RHB Islamic International Asset Management Berhad.		

### PRODUCT SUITABILITY

This Fund is suitable for investors wanting to earn returns higher than savings deposits while maintaining a high degree of liquidity.

### KEY PRODUCT FEATURES

#### INVESTMENT OBJECTIVE

Aims to provide liquidity and a regular stream of income by investing in Shariah-compliant money market instruments.

#### INVESTMENT STRATEGY

This Fund seeks to achieve its investment objective by structuring a portfolio as follows:

- At least 90% of Net Asset Value ("NAV") invested into Islamic money market instruments and Islamic deposits with licensed financial institutions that are not more than 365 days maturity.
- Up to 10% of NAV invested in Islamic money market instruments and Islamic deposits with licensed financial institutions that is more than 365 days but fewer than 732 days maturity.

The Fund is an Islamic money market fund whose investment strategy is to invest in a diversified portfolio of short term Islamic money market instruments and Islamic deposits with financial institutions. Although the Fund is actively managed, any such trading strategy will depend on the market opportunities and the anticipated redemption requests by the unit holders of the Fund ("Unit Holder(s)").

The minimum credit rating for the rated instruments to be invested by the Fund will be "A" by Malaysian Rating Corporation Berhad or equivalent rating by any other similar rating agencies. In the event of a credit downgrade of a particular instrument below the minimum stipulated, the External Investment Manager will endeavour to take the necessary steps to divest that instrument within a time frame deemed reasonable by the External Investment Manager. However, in order to best protect the interests of the Fund, the External Investment Manager has the discretion to take into consideration all relevant factors that affect the value of the investment before deciding on the manner and time frame of its liquidation.

The risk management strategies and techniques employed by the External Investment Manager include diversification of the Fund's assets allocation in terms of its exposure to various classes and/or type of investment. The permitted investments and restrictions imposed by the Securities Commission also provide a risk management framework. Moreover, the External Investment Manager in making its investment decisions shall at all times comply with the investment restrictions, requirements as set out in the Deed and the principles of the Shariah. The Fund's investment strategy takes into consideration the direct correlation between risk and return for any investment alternative. The Fund's investment strategy requires the investment committee to:

- employ strategies for maximum capital protection<sup>2</sup> through diversification and risk acceptance strategies for optimal return on investment;
- oversee the asset allocation between various forms of investments made to meet the investment objectives of the Fund; and
- review the investment results on a monthly basis against the performance of benchmark indices.

Note: <sup>2</sup>Although the Fund's investment strategy requires the investment committee to employ strategies for maximum capital protection, the Fund is not a capital guaranteed fund or a capital protected fund.

Results will be evaluated on a total rate of return basis. The investment committee also evaluates the Fund for compliance with its investment objective.

The above investment strategy of the Fund may be varied by the fund manager with the approval of the investment committee of the Fund from time to time with the knowledge of the Trustee. Such variation in investment strategy may be short term in nature and shall be regularized within three (3) months. The reason for such variation may be due to large redemptions or adverse mark-to-market valuation on the money market instruments. Depending on the prevailing circumstances, the Fund will adopt a suitable level of activeness and frequency in trading for

the purpose of meeting the Fund's objective.

To mitigate the risks confronting the Fund, the External Investment Manager will, amongst other things:

- constantly monitor market liquidity and pricing;
- adhere to the Fund's objectives and investment restrictions and limits; and
- constantly liaise with the investment committee of the Fund and follow the advice from the investment committee of the Fund.

#### BENCHMARK

Maybank Islamic Berhad's 1-month Islamic Fixed Deposit-i rate.

#### DISTRIBUTION

**DISTRIBUTION POLICY** - Income is paid monthly, depending on the level of income (if any) the Fund generates.

**DISTRIBUTION MODE** - Distribution (if any) will be automatically paid out to the Unit Holders via cheque, unless the Unit Holder specifically requests for the distribution to be reinvested into the Fund by selecting the appropriate option in the application form. Unit Holders who opt for their distribution to be reinvested into the Fund will have their distribution reinvested into the Fund based on the NAV per unit of the Business Day\*\* on which the distribution is declared. No Sales Charge or costs shall be incurred or payable by the Unit Holders for the reinvestment.

Note: Distribution (if any) which is less than or equal to the amount of RM1.00, will be automatically reinvested into the Fund based on the NAV per unit seven (7) Business Days\*\* after the ex-dividend date. No Sales Charge or costs shall be incurred or payable by the Unit Holders for the reinvestment.

\*\* Note: Business Day refers to a day on which either the Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business.

#### KEY RISKS

**INTEREST RATE RISK** - Interest rate risk is crucial in this Fund since Islamic money market instruments and Islamic deposits portfolio management depends on forecasting interest rate movements. Even though the Fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country which may affect the value of the investment of the Fund. The interest rate risk here refers to the general interest rate risk of the country which may affect the value of investment even if the Fund does not invest in interest bearing instruments.

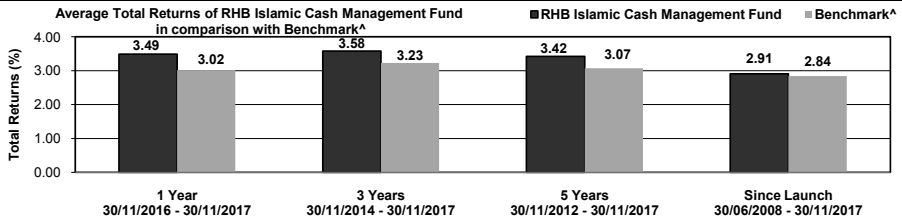
**CREDIT AND DEFAULT RISK** - This risk refers to the possibility that the issuer of a particular investment will not be able to make timely or full payments of principal or income due on that investment. In the case of the Fund, the Manager will endeavour to mitigate this risk by selecting only issuers with prescribed and acceptable credit ratings. The minimum credit rating for rated instruments to be invested by the Fund shall be "A" by Malaysian Rating Corporation Berhad or equivalent rating by any other similar rating agencies. In the event of a credit downgrade of a particular instrument below the minimum stipulated, the Manager will endeavour to take the necessary steps to divest that instrument within a time frame deemed reasonable by the Manager. However, in order to best protect the interests of the Fund, the Manager has the discretion to take into consideration all relevant factors that affect the value of the investment before deciding on the manner and time frame of its liquidation.

**INFLATION RISK** - Inflation reduces the purchasing power of money. Therefore, in an inflationary environment, there is a possibility that income from Islamic money market instruments and Islamic deposits may not be able to keep up with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.

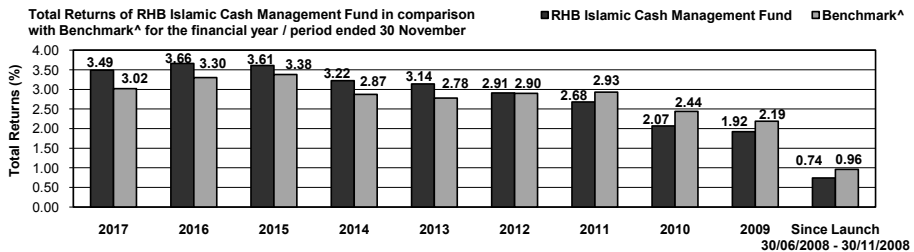
**SHARIAH SPECIFIC RISK** - The risk that the investments do not conform to the principle of Shariah may result in those investments being not Shariah-compliant. Should the situation arise, the Manager will need to take the necessary steps to dispose of such investments in accordance with the rules of divestment of non Shariah-compliant investments. If this occurs, the Fund could suffer losses from the disposal and thus, adversely affecting the value of the Fund.

#### FUND PERFORMANCE

##### AVERAGE TOTAL RETURNS OF THE FUND



##### ANNUAL TOTAL RETURNS OF THE FUND



Source: Lipper IM, 15 December 2017. <sup>^</sup> The benchmark of the Fund: Maybank Islamic Berhad's general investment account-i rate from 30/06/08 - 31/12/15 and Maybank Islamic Berhad's 1-month Islamic Fixed Deposit-i rate from 01/01/16 onwards. 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 registered a gain of 3.49% whilst its benchmark recorded a gain of 3.02%.

**PORTFOLIO TURNOVER RATIO ("PTR")**

PTR (times)	Financial Year Ended 30 November		
	2017	2016	2015
	16.34	17.14	15.29

The PTR for the latest financial year was lower compared with previous financial year due to higher average NAV for the latest financial year.

**DISTRIBUTION RECORD**

	Financial Year Ended 30 November		
	2017	2016	2015
Gross distribution per unit (sen)	3.4312	3.5980	3.5478
Net distribution per unit (sen)	3.4312	3.5980	3.5478

For the latest financial year, the Fund has declared a total net distribution of 3.4312 sen per unit.

**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</b>	None.
Investments via the EPF ("Employees Provident Fund") Members' Investment Scheme will be levied a sales charge of up to 3.00% of NAV per unit (or such other rate that may be determined by the EPF from time to time). Please note that there may be changes to the status of the eligibility of the Fund under the EPF Members' Investment Scheme from time to time. Investors may refer to <a href="http://www.kwsp.gov.my">http://www.kwsp.gov.my</a> for updated information on the eligibility of the Fund under the EPF Members' Investment Scheme.	
<b>Repurchase charge</b>	None.
<b>Dilution fee or transaction cost factor</b>	None.
Any other charges payable directly by the investors	
Switching fee <sup>1</sup>	RM25.00 per switch or the difference in sales charge between switching funds on the amount to be switched, where applicable.
Transfer fee	None.

*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>	Up to 0.30% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day.
Annual trustee fee <sup>1</sup>	0.025% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day.
Expenses directly related to the Fund	Auditors' fees, shariah adviser's fees, custodial charges, other relevant professional fees, cost of distribution of interim and annual reports, tax certificates, reinvestment statements, distribution cheques (where applicable) and other notices to Unit Holders, other transaction costs and taxes.
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.

**TRANSACTION INFORMATION**

Minimum Initial Investment	RM100,000 for institutional investors and RM50,000 for retail investors or multiples thereof, or such other amount as the manager may from time to time decide.
Minimum Additional Investment	RM50,000 for institutional investors and RM25,000 for retail investors or multiples thereof, or such other amount as the manager may from time to time decide.
Minimum Repurchase Units	Any number of units.
Restriction on Frequency of Repurchase	No restrictions.
Switching Facility and Frequency of Switching	Available. Following a switch transaction, if the quantity of holdings of a Unit Holder in the Fund falls below its minimum holding, the manager can withdraw the entire investment and forward the proceeds to the Unit Holder.
Minimum Investment Balance	100,000 units for institutional investors and 50,000 units for retail investors, or such other lower quantity as the manager may from time to time decide.
Transfer Facility	Available. Following a transfer transaction, if the quantity of holdings of a Unit Holder in the Fund falls below its minimum holding, the Manager can withdraw the entire investment and forward the proceeds to the Unit Holder.
Redemption Period	Unit Holder may receive the repurchase proceeds within ten (10) days from the date the Manager is in receipt of the duly completed repurchase forms. For EPF Unit Holders, the repurchase proceeds will be remitted to Kumpulan Wang Simpanan Pekerja ("KWSP") by crediting into the members' provident account.
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\*\*. Accordingly, 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 on which either the Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business.

**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/principal office or any of its branch offices, or to any of its participating Institutional Unit Trust Advisers (IUTAs) or to any other authorised distributors before their respective cut-off times. The Manager does not impose any minimum amount for any repurchase transaction but subject to the minimum holding requirement. There are no restrictions on the number of units of the Fund a Unit Holder can redeem out of his investments or 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 one hundred thousand (100,000) units for an institutional investor or less than fifty thousands (50,000) units for a retail investor or such other quantity as the Manager may from time to time decide (the "minimum holding"). For the avoidance of doubt, the Manager will deem an automatic request for a full repurchase of units to have been made by the Unit Holder should a request for partial redemption leave the balance of units held after the redemption less than the applicable minimum holding. Unit Holders may receive the repurchase proceeds on the following Business Day\*\* upon receipt of the duly completed repurchase forms by the Manager. For EPF Unit Holders, the repurchase proceeds will be remitted to KWSP by crediting into the members' provident account.

**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 [rham@rhbgroup.com](mailto:rham@rhbgroup.com).

**HOW DO YOU LODGE A COMPLAINT?**

1. For internal dispute resolution, you may contact:
  - (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 : [rham@rhbgroup.com](mailto:rham@rhbgroup.com)
  - (e) via website at : [www.rhbgroup.com](http://www.rhbgroup.com)
  - (f) via letter to : RHB Asset Management Sdn Bhd  
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](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
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](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
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](mailto:complaints@fimm.com.my)
  - (d) via 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, 6<sup>th</sup> Floor Wisma Tune  
No. 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur