

## PRODUCT HIGHLIGHTS SHEET

### BOSWM DYNAMIC ISLAMIC INCOME FUND

#### RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors or authorised committee or persons approved by the Board of BOS Wealth Management Malaysia Berhad and they have 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, 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 relevant information and document in relation to the BOSWM Dynamic Islamic Income 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 BOSWM Dynamic Islamic Income Fund, including this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the BOSWM Dynamic Islamic Income 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 BOS Wealth Management Malaysia Berhad responsible for the BOSWM Dynamic Islamic Income 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 this unlisted capital market product. Investors are advised to request, read and understand the disclosure documents before deciding to invest.**

#### BRIEF INFORMATION ON THE PRODUCT

##### 1. What Is This Product About?

<b>Product Type</b>	Unlisted wholesale fund (open-ended)
<b>Manager</b>	BOS Wealth Management Malaysia Berhad 199501006861 (336059 – U)
<b>Trustee</b>	MTrustee Berhad 198701004362 (163032-V)

#### PRODUCT SUITABILITY

##### 2. Who Is This Product Suitable For?

The Fund is suitable for sophisticated investors who are seeking income and potential capital growth.  
*Income is in reference to the Fund's distribution, which could be in the form of cash or units.*

*Please note that if you are a US Person, you are not eligible to subscribe to the Fund. We reserve the right to return your investment without advance notice if we become aware that you are US Person who holds any Class of Units of the Fund.*

**Unit prices and distributions payable, if any, may go down as well as up. The investor may not get back the full amount invested, and the principal amount invested may be at risk.**

## KEY PRODUCT FEATURES

### 3. (a) What Am I Investing In?

<b>Fund Category</b>	Islamic wholesale fund (wholesale)
<b>Fund Type</b>	Growth & Income
<b>Base Currency</b>	MYR
<b>Financial Year End</b>	30 June
<b>Distribution</b>	Declaration of income distribution (if any) is at least once a year.
	Class BOS MYR
<b>Issuance Date</b>	1 June 2021
<b>Issuance Price</b>	RM1.0000

#### INVESTMENT OBJECTIVE

The Fund aims to deliver total return.

*Any material changes to the Fund's investment objective would require unitholders' approval.*

*'total return' refers to a combination of income (in the form of income distribution) and potential capital growth.*

#### INVESTMENT STRATEGY AND APPROACH

The Fund adopts a conservative investment approach, where the stability of the Fund's NAV per unit is the top priority. Nevertheless, the Fund is not a passive fund as it may dynamically adjust its portfolio to achieve its investment objective. Investment decision will be guided by the Manager's outlook on investment environment by considering various factors, such as inflation expectation, monetary policies as well as economic growth.

As an Islamic wholesale fund, the Fund is expected to invest in Islamic fixed income instruments (i.e. sukuk, Islamic money market instruments, Islamic deposits as well as investment accounts). As the Fund's name implies, the Manager will allocate its assets dynamically between the Islamic fixed income instruments mentioned. Take for example, if the market condition permits (i.e. optimistic outlook), the Manager may seize the opportunity to hold more of the Shariah-compliant investments with longer maturity profile to enhance the Fund's performance.

On the selection of sukuk, the Fund will only purchase sukuk with minimum long-term credit rating of single 'A' rated by RAM (or an equivalent long-term credit rating rated by other global or domestic credit-rating agencies). Should the long-term credit rating of the sukuk held by the Fund is being downgraded, the Manager shall have full discretion to decide whether to hold or to sell the Islamic fixed income instruments.

#### Asset Allocation

Up to 100% of the Fund's NAV in:

- Sukuk;
- Islamic money market instruments; and/or
- Islamic deposit & investment accounts.

\* Note: the Fund may utilise collective investment scheme(s) (including fund(s) that are managed by the Manager) to gain exposure.

### 3. (b) Who Am I Investing With?

<b>Manager</b>	BOS Wealth Management Malaysia Berhad 199501006861 (336059 – U)
<b>Trustee</b>	MTrustee Berhad 198701004362 (163032-V)
<b>Shariah Adviser</b>	BIMB Securities Sdn Bhd
<b>Auditors</b>	Ernst & Young
<b>Tax Advisers</b>	Ernst & Young Tax Consultants Sdn Bhd 198901002487 (179793-K)

#### 4. What Are The Possible Outcomes Of My Investment?

- The quantum of potential returns of the Fund would depend on the Fund's asset allocation decisions and performance of the underlying investments of the Fund.
- This is a non-guaranteed Fund and the investor may not get back the full amount invested and the principal amount invested may be at risk. Returns are also not fixed or guaranteed.

### KEY RISKS

#### 5. What Are The Key Risks Associated With This Product?

The following are the general risks associated with the **Fund**:

##### Market risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in a fund's investment(s)

##### Inflation or purchasing power risk

This risk refers to the effect of inflation or loss of purchasing power on the value of investment returns and the worth of the investment itself. Investors' returns from a fund may not keep pace with inflation and hence reduce their purchasing power.

##### Manager risk

This risk refers to the day-to-day management of a fund by its manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely impact the performance of the fund.

The following are the specific risks associated with the **Fund**:

##### Interest rate risk

Generally, sukuk prices move in the opposite direction of interest rates; a rise in interest rates will generally cause a fall in sukuk prices and vice versa. The Fund will experience a capital loss or capital gain should the sukuk be sold before maturity. The interest rate risk here refers to the general interest rate risk of the country which may affect the value of the Fund's investments even if the Fund does not invest in interest bearing instruments. The sukuk indicative rate is influenced by the yield curve of the conventional interest rates. Thus, any movement in the conventional interest rates may be reflected in the indicative rates of sukuk as well.

However, this does not in any way suggest that the Fund will invest in fixed income securities where conventional interest rates apply. All the investments carried out for the Fund will be in accordance with Shariah principles. To mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the Manager's view on interest rate environment.

##### Credit & default risk

Credit risk relates to the creditworthiness of the issuers of the sukuk and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk. In the case of rated sukuk, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of sukuk either defaulting on profit payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk.

Both credit and default risk could adversely affect the value of the Fund should the Fund invest in sukuk which are subsequently downgraded and/or their issuers defaulting in profit payments or failing to make payments in a timely manner.

##### Early termination of placement in Islamic deposit(s) and investment accounts

This is the risk of the Fund having to terminate/withdraw its placements in Islamic cash deposit(s) and/or investment account(s) before the maturity date of the respective placements – due to redemptions from the Fund. As a result of the premature termination of placements, there will be a loss of a percentage or even all of the profits accumulated during the holding period, resulting in loss of income to the Fund.

To mitigate this risk, the Manager will have in place the process to anticipate the potential redemptions from time to time and allocates maturities accordingly. For example, the Manager may ensure that there are sufficient tranches of Islamic deposits and/or investment accounts maturing weekly to meet any potential redemptions from the Fund.

Shariah status reclassification risk

This risk refers to the risk of a possibility that the currently held Shariah-compliant instruments invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such instruments. In such situation, the investment may need to be liquidated at an unfavourable market value which will affect the performance of the Fund.

Note: Please refer to the Cleansing Process in the Information Memorandum of the Fund for details.

**The investment manager exercises diligence in minimising the above risks to the Fund. However, it is not always possible to cover all investment risks in spite of best efforts as financial markets can be highly unpredictable. Investors are encouraged to consult their advisers such as financial/tax consultants, lawyers or bankers for a further understanding of these risks.**

## FEES AND CHARGES

### 6. What Are The Fees And Charges Involved?

	Class BOS MYR
<b>Sales Charge</b>	Up to 2.00% of the Fund's NAV per unit
<b>Annual Management Fee</b>	Up to 0.50% p.a. of the NAV of the Class of Units
<b>Annual Trustee Fee</b>	Up to 0.02% per annum of the NAV of the Fund (excluding foreign custodian fee and charges). The annual trustee fee is payable on a monthly basis.
<b>Redemption Charge</b>	There is no redemption charge imposed on unitholders of the Fund.
<b>Switching Fee</b>	The Manager does not intend to charge any switching fee; however, investors (including the Unitholders' of the Fund(s)) performing a switching transaction will have to pay the applicable difference in sales charge between the fund to be switched from and the fund to be switched into, which could be up to 5.50% of net asset value per unit depending on the fund(s) involved in a switching transaction.  The differential in sales charge resulted from switching transaction is subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.
<b>Transfer Fee</b>	There is no transfer fee imposed on unitholders of the Fund.

**Note: By default, redemption and income distribution proceeds will be made via bank transfer. Request for cheque payment will be subjected to a fee. Kindly refer to the prevailing information memorandum for more information.**

**Despite the maximum fees and charges permitted by the deed, all current fees and charges are as disclosed above.**

**All fees and charges quoted are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities from time to time.**

## VALUATIONS AND EXITING FROM INVESTMENT

### 7. How Often Are Valuations Available?

- The valuation of the Fund's NAV is calculated once at the end of every Business Day. The Fund's NAV attributable to the Class(es) will then be calculated, and the daily NAV per unit of the Class(es) will be published on the next Business Day after the valuation (T+1).
- Fund prices will be published on the Manager's website at:  
<https://www.boswealthmanagement.com.my/>

## 8. How Can I Exit From This Investment And What Are The Risks And Costs Involved?

- Investors can exit from the investment by completing the transaction form. The duly completed and accepted original transaction form must be received by the Manager by 4.00 p.m. on any business day. The Manager will repurchase units at the Fund's NAV per unit calculated at the end of that business day.
- The investor will receive the prevailing price per unit.
- Transaction forms received after 4.00 p.m. will be treated as having been received on the next business day.
- By default, payment will be made to you within 10 business days.

We will not be held responsible for any loss/delay in the events below (which are beyond the control of the Manager and Trustee):

1. Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;
2. Telegraphic Transfer experiencing problems; and
3. Inaccurate details, including but not limited to identity card number and account number furnished by you.

## CONTACT INFORMATION

### 9. Who Should I Contact For Further Information Or To Lodge A Complaint?

#### Contact Details Of The Manager

<b>Head Office</b>	BOS Wealth Management Malaysia Berhad 199501006861 (336059 – U) 09-02, Level 9, Imazium No. 8, Jalan SS 21/37, Damansara Uptown, 47400 Petaling Jaya, Selangor Tel: 03-7712 3000 E-mail: <a href="mailto:customercare@boswm.com">customercare@boswm.com</a> Website: <a href="http://www.boswealthmanagement.com.my">www.boswealthmanagement.com.my</a>
<b>Institutional Unit Trust Advisers</b>	For more details on the list of appointed Institutional Unit Trust Advisers, please contact the Manager.

Please specify the nature of the complaint and the person(s) involved – stating the date, time and place of occurrence.

- (i) For internal dispute resolution, you may contact your Relationship Manager.
- (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 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
- (iii) You can also direct your complaint to the Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the Securities Commission Malaysia'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

(iv) Federation of Investment Managers Malaysia's (FIMM) 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  
50590 Kuala Lumpur

## APPENDIX: GLOSSARY

### **business day(s)**

Refers to a day (other than Saturdays, Sundays and public holidays) on which banks in Kuala Lumpur are open for business.

### **Class BOS MYR**

A specific Class of the Fund denominated in MYR.

### **daily unit price / net asset value (NAV) per unit**

Refers to the NAV attributable to a Class of units divided by the number of units in circulation for that Class, at the valuation point.

### **Fund**

Refers to BOSWM Dynamic Islamic Income Fund

### **net asset value (NAV)**

Refers to the value of the Fund's total assets minus its total liabilities, at the point of valuation. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.

### **Shariah Adviser**

BIMB Securities Sdn Bhd 199401004484 (290163-X) or any person or any corporation approved and registered by the Securities Commission Malaysia as Shariah Adviser under the Registration of Shariah Advisers Guidelines.

### **sophisticated investors**

means any person who comes within any of the categories of investors asset out in Part 1, Schedules 6 and 7 of the Capital Market Services Act 2007 (CMSA) and such other investors(s) as may be permitted by the Securities Commission from time to time and/or under the relevant guidelines.

*Note: For more information, please refer to the current excerpts of Part 1, Schedules 6 and 7 of the CMSA.*

### **unitholder(s)**

The person for the time being who is registered pursuant to the deed as a holder of units, including a joint holder.

### **US Person**

Means a US citizen or US tax resident individual, (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.