



**LIBRA INVEST BERHAD**

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**PROSPECTUS**  
**LIBRA SHARIAH LIQUIDITY FUND SERIES 2**

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Constituted on 8 September 2014

This Prospectus is dated 30 November 2019.

**MANAGER**

**Libra Invest Berhad** 199501032001 (361207-D)  
(A member of Kenanga Investors Berhad)

**TRUSTEE**

**CIMB Islamic Trustee Berhad**  
198801000556 (167913-M)

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**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS.  
IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.**

**FOR INFORMATION CONCERNING CERTAIN FACTORS WHICH SHOULD BE CONSIDERED BY  
PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGES 6-7**

## RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of Libra Invest Berhad and they collectively and individually accept 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 this Prospectus false or misleading.

## STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

The authorisation of the Fund, and registration of this Prospectus, should not be taken to indicate that the Securities Commission Malaysia recommends the said Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Libra Invest Berhad, the Manager responsible for the said Fund and takes no responsibility for the contents in this Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.**

## ADDITIONAL STATEMENTS

Investors should note that they may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to the Fund.

**The Fund has been certified as being Shariah-compliant by the Shariah Adviser appointed for the Fund.**

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## 1.0 GLOSSARY

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In this Prospectus, the following abbreviations or words shall have the following meanings, unless otherwise stated:

<b>Baitulmal</b>	Refers to an Islamic treasury institution intended for community development as well as to provide for disadvantaged Muslims
<b>BNM</b>	Refers to Bank Negara Malaysia
<b>Bursa Malaysia</b>	Bursa Malaysia Securities Berhad the stock exchange managed or operated by Bursa Malaysia Berhad.
<b>Business Day</b>	A day on which Bursa Malaysia is open for trading.
<b>CMSA / the Act</b>	Capital Markets and Services Act 2007 as may be amended from time to time.
<b>Cooling-Off Period</b>	Grace period for investors to reconsider their investment.
<b>Deed</b>	Means the deed dated 8 September 2014 and any other supplemental deed(s) that may be entered into between the Manager and the Trustee and registered with the Securities Commission Malaysia.
<b>Islamic deposits</b>	<p>Means a sum of money accepted or paid in accordance with Shariah-</p> <p>(a) on terms under which it will be repaid in full, with or without any gains, return or any other consideration in money or money's worth, either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and person accepting it; or</p> <p>(b) under an arrangement, on terms whereby the proceeds under the arrangement to be paid to the person paying the sum of money shall not be less than such sum of money,</p> <p>but excludes money paid <i>bona fide</i>-</p> <p>(i) by way of an advance or a part payment under a contract for the sale, hire or other provision of property or services, and is repayable only if the property or services are not in fact sold, hired or otherwise provided;</p> <p>(ii) by way of security for the performance of a contract or by way of security in respect of any loss which may result from the non-performance of a contract;</p> <p>(iii) without limiting paragraph (ii), by way of security for the delivery up or return of any property, whether in a particular state of repair or otherwise; and</p> <p>(iv) in such other circumstances, or to or by such other person, as set out in schedule 2 IFSA</p>
<b>IFSA</b>	Islamic Financial Services Act 2013
<b>Financial Institution(s)</b>	<p>Refers to,</p> <p>(a) if the institution is in Malaysia –</p> <p>(i) licensed bank;</p> <p>(ii) licensed investment bank; or</p> <p>(iii) Islamic bank;</p> <p>if the institution is outside Malaysia, any institution that is licensed/ registered/ approved or authorised to provide financial services by the relevant banking regulator</p>

<b>Guidelines</b>	Guidelines on Unit Trust Fund issued by the Securities Commission Malaysia as may be amended from time to time.
<b>the Fund</b>	Means the Libra Shariah Liquidity Fund Series 2
<b>the Manager / LIB</b>	Refers to Libra Invest Berhad
<b>NAV</b>	Net Asset Value of a fund is the value of all the assets of the fund at a particular valuation point less the total liabilities of the fund at the same valuation point.
<b>NAV per Unit</b>	The Net Asset Value of the Fund at a particular valuation point divided by the number of Units in circulation at the same valuation point.
<b>Prospectus</b>	Means this prospectus which is the Prospectus for the Fund
<b>RM</b>	Means Ringgit Malaysia
<b>SACSC</b>	Shariah Advisory Council of the Securities Commission Malaysia.
<b>SC</b>	Securities Commission Malaysia.
<b>Shariah</b>	means Islamic law comprising the whole body of rulings pertaining to human conducts derived from the sources of Shariah namely the Qur'an (the holy book of Islam), and Sunnah (practices and explanations rendered by the Prophet Muhammad (pbuh) and other sources of Shariah such as ijihad (exertion of individual efforts to determine the true ruling of the divine law on matters whose revelations are not explicit) of Shariah scholars
<b>Shariah Adviser</b>	Refers to BIMB Securities Sdn Bhd or any Shariah adviser appointed for the Fund which includes its permitted assigns, successor in title and any new or replacement Shariah adviser.
<b>Shariah Requirements</b>	A phrase or expression which generally means making sure that any human conduct must not involve any elements which are prohibited by the Shariah and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element.
<b>short-term</b>	Means a period of less than one (1) year.
<b>Special Resolution</b>	Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed and carried by a majority in number representing at least three-fourths of the value of the Units held by the Unit Holders voting at the meeting in person or by proxy
<b>sukuk</b>	Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SACSC and/or relevant Shariah Advisory Board.
<b>Trustee / CITB</b>	Refers to CIMB Islamic Trustee Berhad
<b>Unit(s)</b>	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund.
<b>Unit Holder(s)</b>	Means the person registered as the holder of a Unit or Units including persons jointly registered for the Fund

## 2.0 CORPORATE DIRECTORY

<b>Manager</b>	: <b>Libra Invest Berhad 199501032001 (361207-D)</b> (A member of Kenanga Investors Berhad)
Registered Office	: Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur.
Business Address	: Ground Floor Bangunan ECM Libra 8 Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur General line: 03-2089 1888 Investor care line: 03-2089 1883 Fax: 03-2096 1020 / 2096 1662 E-mail: <a href="mailto:libra.invest@kenanga.com.my">libra.invest@kenanga.com.my</a> Website: <a href="http://www.librainvest.com">www.librainvest.com</a> Please check our website for any changes in the addresses and contact numbers
<b>Trustee</b>	<b>CIMB Islamic Trustee Berhad 198801000556 (167913-M)</b>
Registered Office	: Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel: 03-2261 8888 Fax: 03-2261 0099 Website: <a href="http://www.cimb.com">www.cimb.com</a>
Business Address	: Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel: 03-2261 8888 Fax: 03-2261 9889
<b>Shariah Adviser</b>	<b>BIMB Securities Sdn Bhd</b>
Registered Office	: Level 32, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur.
Business Address	: Level 32, Menara Multi-Purpose Capital Square 8, Jalan Munshi Abdullah 50100 Kuala Lumpur. Tel: 603 – 2613 1600 Fax: 603 – 2613 1799 Website: <a href="http://www.bimbsec.com.my">www.bimbsec.com.my</a>

### 3.0 DETAILED INFORMATION OF THE FUND

The Libra Shariah Liquidity Fund Series 2 is an open-ended unit trust fund investing in Ringgit-denominated short-term Islamic deposits with Financial Institutions.

FUND CATEGORY	FUND TYPE	INCEPTION DATE
Money Market	Income	4 February 2015

#### INVESTMENT OBJECTIVE

The Fund seeks to preserve capital<sup>1</sup> while providing steady income<sup>2</sup> by investing in short-term Islamic deposits.

Any material changes to the investment objective of the Fund would require Unit Holders' approval.

**Note:**

<sup>1</sup> Unit Holders are to note that this is not a capital guaranteed nor protected Fund. Unit Holders' capital is neither guaranteed nor protected.

<sup>2</sup> All income distribution will be automatically reinvested into additional Units.

#### SHARIAH ADVISER

The Shariah Adviser for this Fund is BIMB Securities. Please refer to pages 19-20 for details of their roles and responsibilities.

#### INVESTMENT STRATEGY

The Fund will invest 100% of its NAV in Ringgit-denominated short-term Islamic deposits with Financial Institutions.

The Manager shall adopt an active investment strategy by monitoring short-term profit rates offered by Financial Institutions on a daily basis. The Manager seeks to maximize the Fund's returns by actively sourcing for and subsequently investing in short-term Islamic deposits that offer the highest profit rates available.

Note:

- The Fund's investment in Islamic deposits may be lower than 100% to allow for payments of fees and expenses as permitted under the Deed.
- The Fund does not have a minimum rating requirement for the Financial Institutions that it invests short-term Islamic deposits with.

#### ASSET ALLOCATION

The Fund's asset allocation is as follows:

Asset Class	% of the Fund's NAV
Short-term Islamic deposits	Up to 100%*

\*The Fund's investment in Islamic deposits may be lower than 100% to allow for payments permitted under the Deed.

#### RISK MANAGEMENT STRATEGIES

Please refer to pages 6-7 for detailed explanation of risk management strategies employed by the Manager.

#### TEMPORARY DEFENSIVE POSITIONS

No temporary defensive position will be taken as the Fund will only invest in Islamic deposits.



## PERFORMANCE BENCHMARK

Maybank 1 Month Islamic Fixed Deposit-i rate<sup>1</sup>.

<sup>1</sup> Source: [www.maybank2u.com.my](http://www.maybank2u.com.my)

The risk profile of the Fund is not the same as the risk profile of the performance benchmark. There is no guarantee that the Fund will always outperform its benchmark.

## PERMITTED INVESTMENT

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted under the Deed to invest in the following:

- Malaysian Ringgit denominated Islamic deposits placed with financial institutions.

## INVESTMENT RESTRICTIONS

The investment restrictions of the Fund are as follows:

- The value of the Fund's investments in permitted investment which have a maturity period of not more than 365 days must not be less than 90% of the Fund's NAV;  
The value of the Fund's investments in permitted investment which have a maturity period of more than 365 days but fewer than 732 days must not exceed 10% of the Fund's NAV; and
- The value of the Fund's placements in Islamic deposits with any single Financial Institution must not exceed 20% of the Fund's NAV.

**Details of the policy on the application of the investment restrictions are set out on page 8.**

**Investment in the Fund is not the same as placement in a deposit with a financial institution. There are risks involved and investors should rely on their own evaluation to assess the merits and risks when investing in the Fund.**

## 4.0 RISK FACTORS

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All types of investments carry some degree of risk which may have an adverse effect on the Unit price of the Fund. In making an investment decision, prospective investors should consider the risks associated with the Fund. While it is not always possible to protect against all types of risk that can occur, the Manager will endeavour to mitigate the risk as much as possible while working to achieve the objective of the Fund.

### 4.1 General Risks of Investing in the Fund

- **Risk of Non-Compliance**

The Fund's objective may be affected should the Manager and the fund managers not adhere to the Fund's investment mandate. To maintain the Fund's integrity, sufficient internal policies, controls and monitoring must be in place to protect the interests of Unit Holders. In this instance, the compliance unit of the Manager would oversee the operations of the Fund to reduce and mitigate instances of non-compliance with internal policies and the relevant laws, regulations and guidelines.

- **Fund Manager Risk**

The performance of the Fund depends on the experience, knowledge and expertise of the fund manager and the investment strategies adopted. The failure to exercise due care or any lapses in judgment on the part of the Manager may jeopardize the performance of the Fund.

- **Returns Not Guaranteed**

As a result of the risk elements described herein, the returns from the Fund are not guaranteed. The Fund's NAV may go down as well as up.

- **Financing Risk**

This risk occurs when investors take a financing to finance their investment. The inherent risk of investing with financing includes investors being unable to service the financing payments. In the event units are used as collateral, an investor may be required to top-up his/her 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 financing.

Islamic unit trust fund's investors are advised to seek for Islamic financing to finance their acquisition.

- **Political Risk**

The investments of the Fund may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restriction on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. The Manager shall implement a stringent screening process in respect of the country and region prior to investing to assess the impact of such risk to the performance of the investments.

- **Regulatory Risk**

Any changes in national or economic policies or regulations may have an adverse effect on the capital markets and could consequently have an impact on the investments of the Fund. To mitigate the impact of regulatory risk, the Manager will seek to keep abreast of regulatory developments that may affect specific investments of the Fund while attempting to pre-empt any regulatory changes that may adversely impact the investments of the Fund.

## 4.2 Specific Risks of Investing in the Fund

- **Financial Institution Risk**

Financial institution risk occurs when a licensed financial institution which the Fund placed its deposits with, defaults on its obligations to pay back the deposits and profits on demand. To mitigate financial institution risks, the Fund will diversify its placement of deposits with different financial institutions regulated by BNM.

- **Interest Rate Risk**

Interest rate risk refers to how changes in the interest rate environment would affect the performance of the Fund. Deposit rates offered by Financial Institutions will fluctuate according to the overnight policy rate determined by BNM and this may affect the Fund's investments in short-term deposits at the point of investment. Depending on the deposit rates locked in at the point of investment, the Fund's returns may be high when deposit rates are high and the Fund's returns may be low when deposit rates are low.

The above interest rate is a general indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

**It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not always possible to protect investments against all risks. Different investment instruments generally exhibit different levels of risk. Please note that the returns of the Fund are not guaranteed.**

**The investment of the Fund carries risk and investors are recommended to read the whole Prospectus to assess the risks of the Fund.**

**Investors are reminded that the above list of risks 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.**

## 5.0 ADDITIONAL INFORMATION IN RELATION TO THE FUND

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### Policy on Application of Investment Restrictions of the Fund

Any entitlement accruing on the investment held may be excluded when determining compliance with the investment restrictions. However, the entitlement should not be exercised if the exercise results in the breach of any restrictions specified. Nevertheless, the right of convertibility may be exercised even if it results in the breach of the restrictions, provided there are justifiable reasons and prior approval of the Trustee has been obtained, and the Manager takes all necessary steps and actions to rectify the breach within a reasonable time of not more than one (1) month from the date of the breach.

A 5% allowance in excess of any limit or restriction may be permitted, where the breach occurred through an appreciation or depreciation of the NAV of the Fund, whether as a result of an appreciation or depreciation in the value of the investments, or as a result of repurchase of units or payment made by the Fund. The Manager should not make any further acquisitions and will take necessary steps and actions to rectify the breach within a reasonable period of not more than three (3) months from the date of the breach. Such limits and restrictions, however, do not apply to securities that are issued or guaranteed by the government of Malaysia or BNM.

### Valuation of Assets

The Manager will ensure that all the assets of the Fund are valued at fair value and at all times be in compliance with the Guidelines.

- **Islamic Deposits**

Islamic deposits will be valued based on the principal value of such investments with profits accrued thereon on a daily basis for the relevant period.

### Valuation Point for the Fund

The valuation point of the Fund is the end of each Business Day. Unit Holders may contact the Manager or visit our website [www.librainvest.com](http://www.librainvest.com) to obtain the latest NAV of the Fund.

## 6.0 SHARIAH INVESTMENT GUIDELINES, CLEANSING PROCESS AND ZAKAT FOR THE FUND

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### 1. Shariah Investment Guidelines Adopted by BIMB Securities

The following guidelines are adopted by BIMB Securities in determining the Shariah status of investments of the Fund:

- The Fund must at all times and all stages of its operation comply with Shariah principles as resolved by the SACSC or in cases where no specific rulings are made by the SACSC, the decisions of the Shariah Adviser.
- The Fund must be raised and operated, and finally redeemed by the investors on the basis of contracts which are acceptable in Shariah. The banking facilities and short-term money market instruments used for the Fund have to be Shariah-compliant.
- For Islamic money market instruments, they shall be based on the list readily available on Bank Negara Malaysia and/or SC websites.
- The decision of the Shariah Adviser shall be final.

### 2. Cleansing Process for the Fund

#### Wrong Investment

This refers to Shariah non-compliant investment made by the Manager. The said investment shall be disposed of/withdrawn with immediate effect if possible; or otherwise within one (1) calendar month of knowing the status of the investment. In the event that the investment resulted in Shariah non-compliant income, it has to be channeled to baitulmal and/or charitable bodies approved by the Shariah Adviser. The Shariah Adviser advises that this cleansing process (i.e. channeling of income from wrongful investment to baitulmal and/or approved charitable bodies) shall be carried out within two (2) calendar months from the said disposal/withdrawal date. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.

**The Shariah Adviser confirms that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SACSC and/or the Shariah Advisory Council of BNM. As for instruments that are not classified as Shariah-compliant by the SACSC and/or the Shariah Advisory Council of BNM, the Shariah Adviser will review and determine the Shariah status of the said instruments.**

### 3. Zakat for the Fund

The Fund does not pay zakat on behalf of both Muslim individuals and Islamic legal entities who are investors of the Fund. Thus, investors are advised to pay zakat on their own.

## 7.0 FEES, CHARGES AND EXPENSES OF THE FUND

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### 7.1 Fees and Charges Directly Incurred

(a) **Sales Charge**

Nil.

(b) **Redemption Charge**

Nil.

(c) **Performance Fee**

Nil.

(d) **Dilution Fee / Transaction Cost**

Nil.

(e) **Transfer Fee**

Nil.

(f) **Other Charges**

There are no other charges (except charges levied by Financial Institutions on remittance of money) payable directly by Unit Holders when purchasing or redeeming Units.

### 7.2 Fees and Expenses Indirectly Incurred

(a) **Annual Management Fee**

The Manager is entitled to an annual management fee based on the NAV of the Fund, which is accrued daily and payable monthly. The chargeable rate is up to 0.30% per annum of the Fund's NAV.

Please refer to page 12 for an illustration on the calculation of the management fee.

(b) **Annual Trustee Fee**

The annual trustee fee is based on the NAV of the Fund, which is accrued daily and payable monthly. The chargeable rate is up to 0.02% per annum of the Fund's NAV.

Please refer to page 12 for an illustration on the calculation of the trustee fee.

### 7.3 Other Expenses to Be Paid Out Of the Fund

(a) **Other Expenses to be Paid out of the Fund**

Apart from the fees payable to the Manager and the Trustee as described above, the Deed for the Fund provides for certain other fees and expenses that are directly related to the operations of the Fund which are to be paid out of the Fund. A non-exhaustive list of expenses includes:

- auditor and other professional fees;
- tax and duties imposed by the authorities;
- foreign sub-custodian fee or charges (where the custodial function is delegated by the Trustee);

- commissions paid to brokers in effecting the investment transactions of the Fund;
- cost of convening meetings of Unit Holders other than those incurred by or for the benefit of the Manager or Trustee;
- cost for modification of Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- cost of production and distribution of reports of the Fund, tax vouchers, dividend warrants and notices to Unit Holders; and
- other fees/expenses permitted in the Deed.

Where the Manager or the Trustee have incurred such expenses on behalf of the Fund, it shall be duly reimbursed by the Fund.

## 7.4 Rebate and Soft Commissions

It is the policy of the Manager to credit any rebates received into the account of the Fund. Soft commissions are retained by the Manager for purchasing goods and services that are of demonstrable benefit to the Unit Holders of the Fund and are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services and investment advisory services).

Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund.

**There are fees and charges involved and investors are advised to consider them before investing in the Fund.**

## 8.0 TRANSACTION INFORMATION

### 8.1 Pricing

#### 8.1.1 Computation of NAV and NAV per Unit

The NAV of the Fund is calculated at the end of each Business Day by deducting the total liabilities of the Fund from the value of all the asset of the Fund at the valuation point. Where applicable, investment income, profit payable, fees and other liabilities (including management fee) will be accrued daily in arriving at the NAV of the Fund.

NAV per Unit of the Fund = NAV of the Fund / Number of Units in circulation

Illustration			
	NAV before deducting management fee and trustee fee for the day	RM	20,000,000.00
Less:	Management fee for the day (0.3% per annum) $20,000,000 \times 0.3\% / 365$	RM	164.38
Less:	Trustee fee for the day (0.02 per annum) $20,000,000 \times 0.02\% / 365$	RM	10.96
	NAV	(a) RM	19,999,824.66
	Units in circulation	(b)	40,000,000.00
	NAV per Unit (a) / (b)	RM	0.4999956165
	NAV per Unit (rounded up to four decimal places)	RM	0.5000

#### 8.1.2 Pricing Policy

##### (a) Single Pricing

The Manager adopts the single pricing policy in relation to investment or redemption of Units. This means that selling of Units by the Manager (i.e. when you purchase Units) and redemption of Units by the Manager (i.e. when you redeem your Units) will be transacted at NAV per Unit of the Fund. The sales charge or redemption charge (if any) would be computed separately based on your investment or redemption amount.

##### (b) Forward Pricing

The price for investment or redemption of Units shall be the daily NAV per Unit of the Fund as at the next valuation point after the Manager receives the application for investment or redemption of Units.

##### (c) Incorrect Pricing Policy

Subject to any relevant law, if there is an error in the pricing of the NAV per Unit of the Fund, the Manager will take immediate remedial action to correct the error. Rectification shall, where necessary, extend to the reimbursements of money as follows if the error is at or above the significant threshold of 0.5% of the NAV per Unit:

- (a) if there is an over valuation and/ or pricing in relation to the purchase and creation of Units, the Fund shall reimburse the Unit Holder;
- (b) if there is an over valuation and/ or pricing in relation to the redemption of Units, the Manager shall reimburse the Fund;
- (c) if there is an under valuation and/ or pricing in relation to the purchase and creation of Units, the Manager shall reimburse the Fund; and



- (d) if there is an under valuation and/ or pricing in relation to the redemption of Units, the Fund shall reimburse the Unit Holder or former Unit Holder.

The Manager retains the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit or where the total impact on an individual account is less than RM10.00 in absolute amount. This is because the reprocessing costs may be greater than the amount of the adjustment.

### 8.1.3 How Is the Selling Price Computed

The NAV per Unit of the Fund is the selling price. Investors may invest in Units of the Fund based on the selling price on any Business Day.

The number of Units invested is determined by dividing the investment amount with the NAV per Unit of the Fund rounded up to the nearest two decimal places.

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#### Illustration : Determining Investment Amount & Units Entitlement

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	Investment amount	RM	10,000.00
Add :	Sales charge (NIL)		NIL
	Total amount payable by investor	RM	10,000.00

The following day, the price of a Unit i.e., the NAV per Unit, will be published in the Manager's website. For example, if the NAV per Unit was RM0.5000 the number of Units invested would be:

	Investment amount	RM	10,000.00
Divide :	NAV per Unit	RM	0.5000
	Number of Units invested		20,000.00

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### 8.1.4 How Is the Liquidation Amount Computed

Investors may liquidate their investments on any Business Day. The redemption price per Unit will be the NAV per Unit of the Fund. The redemption amount is calculated by multiplying the NAV per Unit of the Fund at the next valuation point with the number of Units to be liquidated after the Manager receives the redemption application form.

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#### Illustration : Determining Liquidation Amount

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	Number of Units to be liquidated		10,000.00
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For example, if the NAV per Unit calculated at the next valuation point was RM0.5050, the liquidation amount would be:

Multiply :	NAV per Unit	RM	0.5050
	Liquidation amount	RM	5,050.00
Less :	Repurchase charge (Nil)		NIL
	Net amount payable to investor	RM	5,050.00

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## 8.2 Transaction Details

### Who Can Invest

- Local and foreign individuals, investing in single or joint names (joint-holders). Persons under the age of 18 are to jointly hold the investment with an adult.
- Corporate entities, trusts, co-operatives and foundations.

**How can I Purchase or Liquidate an Investment?**

Investments can be purchased or liquidated at our office in Kuala Lumpur or at our authorised distributors or at our Johor Bahru Service Centre after completing an investment form. If you are a first time investor of the Manager, you will be required to complete the account opening forms and provide the requisite documents.

If you would like to top-up or liquidate your investments electronically (for opt-in investors), you may send a completed Investment Form (along with a copy of the bank-in slip / banking evidence) or Liquidation Form, respectively to us via any one of the following methods:

By Fax: +603-20961020 By Email: libtransactions@kenanga.com.my

**Where can I obtain an Application Form?**

- At our office in Kuala Lumpur;
- Through our authorised distributors; or
- At our Johor Bahru Service Centre.

**How do I pay for an Investment?**

- By way of a standing instruction, subject to the rules and regulations of the banks.
- By a crossed cheque, banker's draft, money order or cashier' order made payable to Libra Invest Berhad.
- By depositing into any of the Manager's bank accounts below:

**Maybank:**

<b>Branch</b>	<b>A/C. No</b>
<b>Kuala Lumpur</b>	514057-646827

**Standard Chartered Bank:**

<b>Branch</b>	<b>A/C. No</b>
<b>Kuala Lumpur</b>	312-1-4359833-1

Please note that for the purpose of investor's protection and risk management, no cash shall be accepted by any of the Manager's representatives or staff.

**Investors are advised not to make payment in cash to any individual agent when purchasing units of a Fund.**

**How to Liquidate My Investment?**

- Units may be liquidated on any Business Day by completing a Liquidation Form.
- For a transaction to take effect on the same day, the liquidation form must reach the Manager on or before 4.00 p.m.
- The liquidation of Units will be priced at NAV per Unit calculated at the next valuation point and the Manager will use best efforts to make payment on the next Business Day (T+1 day) upon receipt of the duly completed original liquidation form by the Manager.
- There is no limit as to frequency of liquidation transactions.

**Transaction Details for the Fund**

<b>Minimum Initial Investment (RM)</b>	<b>Minimum Additional Investment (RM)</b>		<b>Minimum Redemption (Units)</b>	<b>Minimum Transfer (Units)</b>	<b>Minimum Balance (Units)</b>
	Regular	Non-regular			
100,000.00	Not applicable	5,000.00	5,000.00	5,000	5,000

**Transfer Facility**

Transfer of Units between an individual account and a corporate account is not permitted.

**Switching Facility**

Switching facility is not available for the Fund.

**For the term of this Prospectus, the minimum transaction size as specified above may be reduced by the Manager from time to time at its absolute discretion.**

**8.3 Cooling-off Policy**

If you are an investor investing in any Fund managed by the Manager for the first time, there is a Cooling-Off Period of six (6) Business Days commencing from the date of receipt of the application by the Manager. You will obtain a full refund of your investment amount and the sales charge (if applicable) within ten (10) calendar days from the date the Manager receive your notification to exercise this right.

The cooling-off right is only given to an investor, other than those listed below, who is investing in any Fund managed by the Manager for the first time:

- a corporation or institution;
- a staff of the Manager; and
- a person registered with a body approved by the SC to deal in unit trusts.

This cooling-off right is not applicable for your subsequent investments and not for investors who invest under the EPF Member’s Investment Scheme.

<b>Illustration : Determining The Cooling-off Refund</b>			
	Initial investment amount	RM	100,000.00
Add :	Sales charge (Nil)		NIL
	Total amount paid by investor	RM	100,000.00
The investor exercised the Cooling-off Right and notified the Manager within six (6) Business Days (Cooling-off Period).			
	Net amount payable to investor	RM	100,000.00

**What Are the Important Points to Note Before Making an Investment?**

- For applications received by the Manager before 4.00 p.m., on any Business Day, the Units of the Fund will be issued at the Fund’s NAV per Unit calculated at the end of that particular Business Day.
- The Manager reserves the right to accept or reject any application for Units of the Fund if the information is incomplete or is not accompanied by the required documents, or is not signed by authorised investors or where there are any other reasonable grounds to reject it. Unsuccessful applicants will be notified and are entitled to a full refund.

**Anti-Money Laundering Policy**

Money laundering is a process intended to conceal the benefits derived from unlawful activities which are related, directly or indirectly, to any serious offence so that they appear to have originated from a legitimate source.

The Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLATFPUAA) is the act that provides for the offence of money laundering and also the measures to be

taken for the prevention of money laundering and terrorism financing offences. The Financial Intelligence and Enforcement Department (FIED) of BNM has been established to carry out the functions as the competent authority under the AMLATFPUAA. All market intermediaries under the Act and management companies approved by the Securities Commission under the Act are obliged to comply with the provisions of the AMLATFPUAA.

Under the AMLATFPUAA, any person who:

- (a) engages, directly or indirectly, in a transaction that involves proceeds of an unlawful activity or instrumentalities of an offence;
- (b) acquires, receives, possesses, disguises, transfers, converts, exchanges, carries, disposes of or uses proceeds of an unlawful activity or instrumentalities of an offence;
- (c) removes from or brings into Malaysia, proceeds of an unlawful activity or instrumentalities of an offence; or
- (d) conceals, disguises or impedes the establishment of the true nature, origin, location, movement, disposition, title of, rights with respect to, or ownership of, proceeds of an unlawful activity or instrumentalities of an offence,

commits a money laundering offence and shall on conviction be liable to imprisonment for a term not exceeding fifteen years and shall also be liable to a fine of not less than five times the sum or value of the proceeds of an unlawful activity or instrumentalities of an offence at the time the offence was committed or five million ringgit, whichever is the higher.

When opening new accounts and entering into a transaction with a client, the Manager identifies and verifies the client through documents such as identity card, passport, birth certificate, driver's licence, constituent documents or any other official documents, whether in the possession of a third party or otherwise. Such documents shall be filed by the Manager in accordance with relevant laws. Where the Manager suspects that a particular transaction may not be genuine, a report will be made to the FIED.

## 8.4 Distribution of Payment

### Distribution Policy

Subject to the availability of income, the Fund will distribute income on a monthly basis.

The amount of income to be distributed will vary from period to period, depending on interest rates, market conditions, the performance and the objective of the Fund. Income distribution may be made out of net profit from Islamic deposits.

It is also the Manager's policy to automatically reinvest distribution proceeds into additional Units at the NAV per unit on payment date (at ex-distribution price) with no sales charge imposed.

### Unclaimed Moneys Policy

Under the provision of the Unclaimed Moneys Act 1965, any distribution/money that remains unsettled after more than 12 months as at 31 December each year from its payment date have to be gazetted and surrendered to the Registrar of Unclaimed Moneys, Accountant General's Department by 31 March in the following year. Thereafter, Unit Holders who wish to claim their distribution/money are required to forward their claims directly to the Registrar of Unclaimed Moneys by completing Form UMA7 (Claim form to refund unclaimed moneys from the Consolidated Trust Account) together with supporting documents i.e. identity card, original documents (example: distribution warrant) and copy of bank statement. Form UMA7 can be obtained from the office of Registrar of Unclaimed Moneys or downloaded from the website: <http://www.anm.gov.my/index.php/en/khidmat/wang-tak-dituntut>.

## 9. THE MANAGER: LIBRA INVEST BERHAD

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### Corporate Profile of the Manager

LIB was incorporated on 27 September 1995 and is licensed by the Securities Commission of Malaysia to undertake the regulated activities of fund management and distribution of unit trusts. LIB has been managing Fund for almost 23 years.

### Our Roles, Duties and Responsibilities

LIB is engaged in the business of managing, administering, marketing and distributing unit trust Fund. Our roles, duties and responsibilities are as follows:

- to manage and administer the Fund in a proper and efficient manner in accordance with the respective Deeds of the Fund, the Guidelines and securities laws;
- acceptable and efficacious business practice within the unit trust industry; and
- the internal controls and policies in place at the Manager.

### Material Litigation and Arbitration

As at 31 October 2019, the Manager is not engaged in any material litigation as plaintiff or defendant and the Manager is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

### Roles and Functions of the Board of Directors

The board of directors of the Manager play a part in directing the affairs of the Manager and the Fund under its management. The board of directors meets at least once every quarter to receive recommendations and reports on investment activities from the investment committee of the Fund and the senior representatives of the Manager. There are four (4) directors appointed to the board of directors of LIB.

Name	Designation (Independent / Non-Independent)	Appointment Date
Syed Zafilen Syed Alwee	Chairman & independent director	8 July 2019
Imran Devindran Abdullah	Independent director	1 August 2019
Ismitz Matthew De Alwis	Non-independent director	8 July 2019
Muhammad Helmi Hamzah	Non-independent director	8 July 2019

### Roles and Functions of the Investment Committee

The investment committee is responsible for the Fund's investment policies and guidelines, and shall review and approve the investment strategies undertaken by the fund managers of the Fund. Investment committee meetings are held quarterly or more frequently if required.

## Duties and Responsibilities of the Fund Managers

LIB's fund managers are authorized to manage the Fund in accordance with the Fund' stated investment objective. This authority is subject to the requirements of this Prospectus, the respective Deeds, Guidelines and relevant laws, acceptable and efficacious business practice within the unit trust industry, the policies and internal controls in place of the Manager. The fund managers will report to the investment committee of the Fund and will implement the investment strategies selected by this committee.

## Profile of Key Investment Personnel

<b>Name:</b>	<b>Muhammad Helmi Hamzah</b>
<b>Position:</b>	Executive Director / Senior Fund Manager
<b>Qualification:</b>	Bachelor of Science, Queen Mary University of London, UK
<b>Experience:</b>	<p>He has a total of fifteen (15) years of working experience in the capital market industry. A holder of the Capital Markets Services Representative's Licence, previously, he was an Equity Fund Manager in Kenanga Islamic Investors Berhad. Prior to this, he was employed at Kenanga Investors Berhad as its Senior Vice President, Equities from December 2014 to December 2018.</p> <p>He graduated with a Bachelor of Science in Economics with Honours from Queen Mary, University of London, UK. He obtained his Fund Manager Representative Licence in 2006. He is the designated person responsible for the management of this fund.</p>

**Investors may refer to the Manager's website at [www.librainvest.com](http://www.librainvest.com) for further information on the Manager, investment committee, Shariah Adviser and fund manager (e.g. the qualification of the Shariah Adviser and their respective members, experience of the investment committee members and other corporate information).**

## 10.0 THE SHARIAH ADVISER

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### Corporate Profile of the Shariah Adviser

BIMB Securities Sdn. Bhd. (BIMB Securities) has been appointed as the Shariah Adviser for Libra Shariah Liquidity Fund Series 2. BIMB Securities will provide Shariah advisory services on the mechanism of the operations of the Fund to ensure the operations of the Fund comply with Shariah requirements as stipulated by the SC.

### About BIMB Securities Sdn Bhd

BIMB Securities is a stockbroking subsidiary of BIMB Holdings Bhd. It was incorporated on 21 February 1994. The corporate mission of BIMB Securities is to be an active participant in a modern, innovative and dynamic Islamic capital market in Malaysia, catering for the needs of all investors, Muslims or non-Muslims, looking for Shariah-compliant investment products and services.

### Experience in Advisory and Services

BIMB Securities is registered with the SC to act as a Shariah Adviser for Islamic products and services regulated by the SC, which include Islamic collective investment schemes. BIMB Securities is a corporate Shariah Adviser to 86 Islamic funds including one (1) Islamic real estate investment trust (REIT).

### Roles and Responsibilities of BIMB Securities as the Shariah Adviser

As the Shariah Adviser, the role of BIMB Securities is to ensure that the investment operation and processes of the Fund are in compliance with Shariah requirements. BIMB Securities will review the Fund's investments on a monthly basis to ensure Shariah compliance and it also reviews the interim and annual reports of the Fund.

Notwithstanding the role played by the Shariah Adviser, the ultimate responsibility for ensuring Shariah compliance of the Fund in all aspects of operation and processes rests solely with the Fund Manager.

In line with the SC guidelines, the roles of BIMB Securities as the Shariah Adviser are:

1. to advise on the Shariah aspects of the Fund and fund operation and processes such that they are in accordance with Shariah, and specifically the resolutions issued by the SACSC;
2. to provide Shariah expertise and guidance in all matters related to the Fund, particularly on the Fund's Deed and Prospectus, structure, investments and related operational matters;
3. to ensure that the Fund is managed and operated in accordance with Shariah as determined by the relevant SC regulations and standards, including resolutions issued by the SACSC;
4. to review the Fund's compliance reports as provided by the Manager's compliance officer and investment transaction reports provided or duly approved by the Trustee to ensure that the Fund's investments are in line with Shariah;
5. to issue a report for inclusion in the interim and annual reports of the Fund stating the Shariah Adviser's opinion on the Fund's compliance with Shariah in its investment, operation and processes for the financial period concerned;
6. to consult the SC where there is ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process; and
7. to meet with the Manager beside on a quarterly basis, when urgently required for review of the Fund's operation and processes.

## Profile of the Designated Shariah Person

The designated Shariah person in-charge of Libra Invest Berhad's Islamic Fund is as follows:

<b>Name</b>	<b>Ir. Dr. Muhamad Fuad bin Abdullah</b>
<b>Position:</b>	Designated Shariah Person
<b>Qualification:</b>	Doctor of Philosophy in Muslim Civilization (University of Aberdeen, Scotland).
<b>Experience:</b>	<p>Ir. Dr. Muhamad Fuad bin Abdullah (Dr. Muhamad Fuad), the designated person in-charge of all Shariah matters in BIMB Securities Sdn Bhd (BIMBSEC) is also appointed to the Shariah Advisory Committee of BIMBSEC effective 1st June 2011.</p> <p>He graduated with a Bachelor of Science Degree in Electrical Engineering in 1977 and a Master of Philosophy Degree in Electrical Engineering in 1982, both from the University of Southampton, England. He also obtained a Bachelor of Arts (Jayyid) Degree in Shariah from the University of Jordan in 1994 and a Doctor of Philosophy in Muslim Civilization from the University of Aberdeen, Scotland in 1996.</p> <p>Currently, he serves as the Chairman of the Shariah Committee of MIDF Group of Companies. He is a registered Shariah Adviser with the Securities Commission Malaysia (SC).</p> <p>He sits on the boards of Gagasan Nadi Cergas Berhad, Mesiniaga Berhad, PNB Commercial Sdn Bhd, Universiti Tun Abd Razak Sdn Bhd, Universiti Sains Islam Malaysia (USIM) and its subsidiary USIM Tjjarah Holdings Sdn Bhd.</p> <p>Dr. Muhamad Fuad is a recipient of the National Book Award 2015 for his book published by IKIM entitled "The influence of Islam Upon Classical Arabic Scientific Writings: An examination of the Extent of Their Reference to Quran, Hadith and Related Texts".</p>



## 11.0 THE TRUSTEE: CIMB ISLAMIC TRUSTEE BERHAD

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### Corporate Information

CIMB Islamic Trustee Berhad was incorporated on 19 January 1988 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

### Experience as Trustee to Unit Trust Fund

CIMB Islamic Trustee Berhad has been involved in unit trust industry as trustee since 1990. It acts as Trustee to various unit trust Fund, real estate investment trust fund, wholesale Fund and private retirement schemes.

### Roles, Duties & Responsibilities of the Trustee

The Trustee's functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;
- (b) Ensure that the Manager operates and administers the Fund in accordance with the provisions of the Deed, SC Guidelines and acceptable business practice within the unit trust industry;
- (c) As soon as practicable notify the SC of any irregularity or breach of the provisions of the Deed, SC Guidelines and any other matters which in the Trustee's opinions may indicate that the interests of Unit Holders are not served;
- (d) Exercise reasonable diligence in carrying out its functions and duties, in actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;
- (e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed of the Fund, Prospectus, the SC Guidelines and securities law; and
- (f) Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

### Trustee's Delegate

CIMB Islamic Trustee Berhad has delegated its custodian function to CIMB Islamic Bank Berhad (CIMB Islamic Bank). CIMB Islamic Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Islamic Bank provides full fledged custodial services, typically clearing settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit assets, they are held through its wholly owned nominee subsidiary CIMB Islamic- Nominees (Tempatan) Sdn Bhd. For foreign non-Ringgit assets, CIMB Islamic Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Islamic Bank acts only in accordance with instructions from the Trustee.

### Material Litigation and Arbitration

As at 31 October 2019, CITB is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee or any of its delegates.

## 12.0 SALIENT TERMS OF THE DEED

### 12.1 Recognition of Unit Holders

You shall be recognised as a Unit Holder when you are registered as the holder of units of the Fund.

#### Rights

A Unit Holder has the right:

1. to receive distributions, if any, of the Fund;
2. to participate in any increase in the value of the Units;
3. to call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a Special Resolution;
4. to receive annual and interim reports of the Fund; and
5. to exercise such other rights and privileges as provided for in the Deed.

No Unit Holder shall be entitled to require the transfer to him/her any of the assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on its behalf, of the rights of the Trustee as the registered owner of such assets.

#### Liabilities

1. No Unit Holder shall be by reason of any provision of the Deed and the relationship created between the Manager, the Trustee and the Unit Holders, or in any event whatsoever, be liable for any amount in excess of the purchase price paid for the Units as determined in accordance with the Deed at the time the Units were purchased and any charges payable in relation thereto.
2. A Unit Holder shall not be under any obligation to indemnify the Manager and/or the Trustee if the liabilities incurred by the Manager and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund, and any right of indemnity of the Manager and/or the Trustee shall be limited to recourse to the Fund.

### 12.2 Maximum Fees and Charges Permitted by the Deed

	Annual Management Fee	Annual Trustee Fee	Sales Charges	Redemption Charge
The Fund	0.3% per annum of the Fund's NAV	0.02% per annum of the Fund's NAV	Not Applicable	Not Applicable

### 12.3 Procedures to Increase Fees and Charges

#### Sales Charge

The Manager may not charge a sales charge at a rate higher than that disclosed in this Prospectus unless:

- a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- b) a supplemental / Prospectus stating the higher charge is issued; and
- c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental / Prospectus.

#### Repurchase Charge

The Manager may not charge a repurchase charge at a rate higher than that disclosed in this Prospectus unless:

- a) the Manager has notified the Trustee in writing of and the effective date for the higher charge;
- b) a supplemental / Prospectus in stating the higher charge is issued; and
- c) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental / Prospectus.

**Annual Management Fee**

The Manager may not charge an annual management fee at a rate higher than that disclosed in this Prospectus unless:

- a) the Manager has come to an agreement with the Trustee on the higher rate;
- b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective;
- c) a supplemental / Prospectus stating the higher rate is issued thereafter; and
- d) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental / Prospectus.

**Annual Trustee Fee**

The Trustees may not charge an annual trustee fee at a rate higher than that disclosed in this Prospectus unless:

- a) the Manager has come to an agreement with the Trustee on the higher rate;
- b) the Manager has notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and
- c) a supplemental / Prospectus stating the higher rate is issued thereafter; and
- d) such time as may be prescribed by any relevant law has elapsed since the effective date of the supplemental / Prospectus.

**Procedures to Increase the Maximum Rate of Direct Charges and Indirect Fees in the Deed**

The maximum sales charge, repurchase charge, annual management fee or annual trustee fee set out in the Deed can only be increased if a Unit Holders' meeting has been held in accordance with the Deed. Thereafter, a supplemental deed proposing a modification to the Deed to increase the aforesaid charges and fees is required to be submitted for registration with the SC accompanied by a resolution of not less than two-thirds (2/3) of all Unit Holders presents and voting at the Unit Holders' meeting sanctioning the proposed modification to the Deed.

**12.4 Permitted Expenses Payable by the Fund**

Only the expenses (or part thereof) which is directly related and necessary in operating and administering the Fund may be charged to the Fund. These would include (but are not limited) to the following:

- a) commissions paid to dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- b) taxes and other duties charged on the Fund by the government and/or other authorities;
- c) costs, fees and expenses properly incurred by the auditor;
- d) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- e) costs, fees and expenses incurred for any modification of this Deed save the where such modification is for the benefit of the Manager and/or the Trustee;
- f) costs, fees and expenses incurred for any meeting of Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- g) costs, commissions, fees and expenses of the sale, purchase, takaful and any other dealing of any asset of the Fund;
- h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or Manager;
- l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);

- m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the Manager decides otherwise;
- n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority;
- o) costs and expenses incurred in relation to the distribution of income (if any);
- p) (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund; and
- q) cost and fees for the printing and posting of the interim reports and annual reports for the Fund.

## 12.5 Removal, Replacement and Retirement of the Manager and Trustee

### **Removal or Replacement of the Manager**

The Trustee shall take all reasonable steps to remove the Manager if the Manager:

- a) has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution; or
- b) is in breach of any of its obligations or duties under the Deed or the relevant laws; or
- c) has ceased to be eligible to be a Manager under the relevant laws; or
- d) has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose; or
- e) has had a receiver appointed; or
- f) has ceased to carry on business.

### **Retirement of the Manager**

The Manager shall have the power to retire in favour of some other corporation by giving to the Trustee three (3) months' (or such other period as the Manager and the Trustee may agree upon) notice in writing of its desire so to do, provided such retirement is in accordance with the conditions under the Deed.

### **Removal or Replacement of the Trustee**

The Trustee may be removed and such corporation may be appointed as Trustee of the Fund by Special Resolution of the Unit Holders at a duly convened meeting.

The Manager shall take all reasonable steps to replace the Trustee as soon as practicable after becoming aware that:

- a) the Trustee has ceased to exist; or
- b) the Trustee has not been validly appointed; or
- c) the Trustee was not eligible to be appointed or to act as trustee under any relevant law; or
- d) the Trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the Deed or any relevant law; or
- e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Trustee and has not ceased to act under that appointment; or
- f) a petition has been presented for the winding up of the Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Trustee becomes or is declared insolvent); or
- g) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any relevant law.

**Retirement of the Trustee**

The Trustee may retire upon giving three (3) months' (or such other period as the Manager and the Trustee may agree upon) notice in writing to the Manager of its desire so to do, provided such retirement is in accordance with the conditions under the Deed.

**Termination of the Fund**

The Fund may be terminated or wound up upon the occurrence of any of the following events:

- a) The SC has withdrawn the authorization of the Fund pursuant to section 256E of the CMSA;
- b) A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund, following occurrence of events stipulated under section 30(1) of the CMSA and the court has confirmed the resolution, as required under section 301(2) of the CMSA; and
- c) A Special Resolution is passed at a Unit Holders' meeting to terminate or wind up the Fund.

## 12.6 Unit Holders' Meeting

**Provisions governing Unit Holders' Meetings**

The quorum required for a meeting of Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided that if the Fund has five (5) or less Unit Holders, the quorum required for a meeting of Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy; if the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty five per centum (25%) of the Units in circulation at the time of the meeting.

**Meetings directed by Unit Holders**

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all Unit Holders, summon a meeting of Unit Holders by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities; and
- (c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) requiring the retirement or removal of the Trustee;
- (c) considering the most recent financial statements of the Fund;
- (d) giving to the Trustee such directions as the meeting thinks proper; or
- (e) considering any matter in relation to the Deed,

provided always that the Manager shall not be obliged to summon such a meeting unless direction has been received from not less than fifty (50) or one-tenth (1/10) of all the Unit Holders.

**Unit Holders meeting convened by the Manager**

We may convene a Unit Holders' meeting by giving Unit Holders' at least fourteen (14) days written notice specifying the place, time and terms of the resolutions to be proposed.

**Unit Holders meeting convened by the Trustee**

The Trustee may convene a Unit Holders' meeting by giving Unit Holders' at least fourteen (14) days written notice specifying the place, time and terms of the resolution to be proposed for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Manager;
- (b) giving instructions to the Trustee or the Manager if the Trustee considers that the investment management policies of the Manager are not in the interests of Unit Holders;
- (c) securing the agreement of the Unit Holders to release the Trustee from any liability;
- (d) deciding on the next course of action after the Trustee has suspended the sale and repurchase of Units;  
and
- (e) deciding on the reasonableness of the annual management fee charged to the Fund.

In the circumstances where:

- (a) the Manager is in liquidation;
- (b) in the opinion of the Trustee, the Manager has ceased to carry on business, or
- (c) in the opinion of the Trustee, the Manager has, to the prejudice of Unit Holders, failed to comply with the Deed or contravened any of the provisions of the Act.

The Trustee shall summon a Unit Holders' meeting by sending by post a notice of the proposed meeting to the Unit Holders at least twenty-one (21) days before the date of the proposed meeting; and publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper permitted by the relevant authorities.

## 13.0 RELATED – PARTY TRANSACTIONS and CONFLICT OF INTEREST

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### Related-Party Transactions

The Fund's Islamic deposits with related parties are executed on terms that are best available to the Fund and which are no less favourable than arm's length transactions between independent parties.

As at 31 October 2019, three (3) of LIB's directors is also a member of KIB's Board of Directors where KIB is the parent company of LIB.

### Policy on Conflict of Interest

In the course of managing the Fund, the Manager may face conflicts of interest in respect of its respective duties to the Fund and duties to other unit trust Fund under its management. In such an event, the Manager is obliged to act in the best interest of all the investors and will seek to resolve any conflict of interest in accordance with the Deed. LIB has formulated a code of conduct for the investment committee member in the following areas:

- to avoid any actual or potential conflict of interest;
- to avoid misuse of position of trust;
- to prevent misuse of inside information; and
- to ensure fair treatment of Unit Holders of the Fund.

The code of conduct aims to prevent any conflicts of interest arising from an investment committee member's or LIB's private fund management practice and the Fund's investment activities.

### CIMB Islamic Trustee Berhad

#### Related-Party Transactions/ Conflict of Interest

CIMB Islamic Trustee Berhad is the Trustee of the Fund, where applicable there may be proposed related party transactions and/or conflict of interest involving or in connection with the Fund in the following events:

- (a) where the Fund invest in instrument(s) offered by CIMB Group;
- (b) where the Fund being distributed by CIMB Group as IUTA; and
- (c) where the assets of the Fund are being custodised by the CIMB Group both as custodian of the Fund (i.e.Trustee's delegate).

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the legal registered owner of the Fund's assets to gain, directly or indirectly, and advantage or cause detriment to the interest of the Unit Holders.

## 14.0 TAXATION ADVISER'S LETTER ON TAXATION OF THE FUND AND UNIT HOLDERS

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### TAXATION ADVISER'S LETTER ON TAXATION OF THE FUND AND UNIT HOLDERS (Prepared for inclusion in this Prospectus dated 30 November 2019)

#### **PricewaterhouseCoopers Taxation Services Sdn Bhd**

Level 10, 1 Sentral, Jalan Rakyat  
Kuala Lumpur Sentral  
P.O.Box 10192  
50706 Kuala Lumpur

#### **The Board of Directors**

Libra Invest Berhad  
Ground Floor  
Bangunan ECM Libra  
8 Jalan Damansara Endah  
Damansara Heights  
50490 Kuala Lumpur

20 November 2019

### TAXATION OF THE FUND OFFERED UNDER THE PROSPECTUS AND UNIT HOLDERS

Dear Sirs,

This letter has been prepared for inclusion in the Prospectus dated 30 November 2019 in connection with the offer of Units in Libra Shariah Liquidity Fund Series 2 ("the Fund").

The taxation of income for both the Fund and the Unit Holders are subject to the provisions of the Malaysian Income Tax Act 1967 ("the Act"). The applicable provisions are contained in Section 61 of the Act, which deals specifically with the taxation of trust bodies in Malaysia.

### TAXATION OF THE FUND

The Fund will be regarded as resident for Malaysian tax purposes since the Trustee of the Fund is resident in Malaysia.

#### **(1) Domestic Investments**

##### **(i) General Taxation**

Subject to certain exemptions, the income of the Fund consisting of dividends, interest or profit<sup>1</sup> (other than interest and profit<sup>1</sup> which is exempt from tax) and other investment income derived from or accruing in Malaysia, after deducting tax allowable expenses, is liable to Malaysian income tax at the rate of 24 per cent.

Gains on disposal of investments in Malaysia by the Fund will not be subject to Malaysian income tax.

##### **(ii) Dividends and Other Exempt Income**

Effective 1 January 2014, all companies would adopt the single-tier system. Hence, dividends received would be exempted from tax and the deductibility of expenses incurred against such dividend income would be disregarded. There will no longer be any tax refunds available for single-tier dividends received. Dividends received from companies under the single-tier system would be exempted.



The Fund may receive Malaysian dividends which are tax exempt. The exempt dividends may be received from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Fund will not be taxable on such exempt income.

Interest or profit<sup>1</sup> or discount income derived from the following investments are exempt from tax:

- (a) Securities or bonds issued or guaranteed by the government of Malaysia;
- (b) Debentures<sup>2</sup> or sukuk, other than convertible loan stocks, approved or authorized by, or lodged with, the Securities Commission Malaysia; and
- (c) Bon Simpanan Malaysia issued by Bank Negara Malaysia.

Interest or profit<sup>1</sup> derived from the following investments are exempt from tax:

- (a) Interest or profit<sup>1</sup> paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 and Islamic Financial Services Act 2013;
- (b) Interest or profit<sup>1</sup> paid or credited by any development financial institution regulated under the Development Financial Institutions Act 2002;
- (c) Bonds, other than convertible loan stocks, paid or credited by any company listed in Bursa Malaysia Securities Berhad ACE Market; and
- (d) Interest or profit<sup>1</sup> paid or credited by Malaysia Building Society Berhad<sup>3</sup>.

However, with effect from 1 January 2019, the exemption shall not apply to interest income paid or credited to a unit trust that is a wholesale fund which is a money market fund.

The interest or profit<sup>1</sup> or discount income exempted from tax at the Fund's level will also be exempted from tax upon distribution to the Unit Holders.

## **(2) Foreign Investments**

Income of the Fund in respect of income received from overseas investment is exempt from Malaysian tax by virtue of Paragraph 28 of Schedule 6 of the Act and distributions from such income will be tax exempt in the hands of the Unit Holders. Such income from foreign investments may be subject to foreign taxes or withholding taxes. Any foreign tax suffered on the income in respect of overseas investment is not tax refundable to the Fund.

The foreign income exempted from Malaysian tax at the Fund's level will also be exempted from tax upon distribution to the Unit Holders.

## **(3) Hedging Instruments**

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into.

Generally, any gain / loss relating to the principal portion will be treated as capital gain / loss. Gains / losses relating to the income portion would normally be treated as revenue gains / losses. The gain / loss on revaluation will only be taxed or claimed upon realisation. Any gain / loss on foreign exchange is treated as capital gain / loss if it arises from the revaluation of the principal portion of the investment.

## **(4) Other Income**

The Fund may be receiving income such as exit fee which will be subject to tax at the rate of 24 per cent.

## **(5) Tax Deductible Expenses**

Expenses wholly and exclusively incurred in the production of gross income are allowable as deductions under Section 33(1) of the Act. In addition, Section 63B of the Act provides for tax deduction in respect of managers' remuneration, expenses on maintenance of the register of Unit Holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postages based on a formula subject to a minimum of 10 per cent and a maximum of 25 per cent of the expenses.

**(6) Real Property Gains Tax (“RPGT”)**

With effect from 1 January 2019, any gains on disposal of real properties (“chargeable asset”) or shares in real property companies<sup>4</sup> (“chargeable asset”) would be subject to RPGT as follows:-

Disposal time frame	RPGT rates
Within 3 years	30%
In the 4 <sup>th</sup> year	20%
In the 5 <sup>th</sup> year	15%
In the 6 <sup>th</sup> year and subsequent years	10%

**(7) Sales and Service Tax (“SST”)**

Effective from 1 September 2018, SST has been reintroduced to replace the Goods and Services Tax (“GST”). Both the Sales Tax Act 2018 and Services Tax Act 2018 have been gazetted on 28 August 2018. The rates for sales tax are nil, 5 per cent, 10 per cent or a specific rate whereas the rate for service tax is at 6 per cent.

Sales tax will be chargeable on taxable goods manufactured in or imported into Malaysia, unless specifically exempted by the Minister. Whereas, only specific taxable services provided by specific taxable persons will be subject to service tax. Sales tax and service tax are single stage taxes. SST incurred would generally form an irrecoverable costs to the business.

Generally, the Fund, being a collective investment vehicle, should not be caught under the service tax regime.

Certain brokerage, professional, consultancy or management services paid by the Fund may be subject to service tax at 6 per cent. However, fund management services and trust services are excluded from service tax. With effect from 1 January 2019, service tax will apply to any taxable service that is acquired by any business in Malaysia from a non-Malaysian service provider. In this connection, the Fund, being non-taxable person who acquire imported taxable services (if any) will need to declare its imported taxable services through the submission of prescribed declaration, i.e. Form SST-02A to the Royal Malaysian Customs Department (“RMCD”).

**TAXATION OF UNIT HOLDERS**

Unit Holders will be taxed on an amount equivalent to their share of the total taxable income of the Fund to the extent of the distributions received from the Fund. The income distribution from the Fund will carry a tax credit in respect of the tax paid by the Fund. Unit Holders will be entitled to utilise the tax credit against the tax payable on the income distribution received by them. No additional withholding tax will be imposed on the income distribution from the Fund.

Corporate Unit Holders, resident<sup>5</sup> and non-resident, will generally be liable to income tax at 24 per cent on distribution of income received from the Fund. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these Unit Holders.

Individuals and other non-corporate Unit Holders who are tax resident in Malaysia will be subject to income tax at graduated rates ranging from 1 per cent to 28 per cent<sup>6</sup>. Individuals and other non-corporate Unit Holders who are not resident in Malaysia will be subject to income tax at 28 per cent<sup>6</sup>. The tax credits attributable to the distribution of income will be utilised against the tax liabilities of these Unit Holders.

Non-resident Unit Holders may also be subject to tax in their respective jurisdictions and depending on the provisions of the relevant tax legislation and any double tax treaty with Malaysia, the Malaysian tax suffered may be creditable in the foreign tax jurisdictions.

The distribution of exempt income and gains arising from the disposal of investments by the Fund will be exempted from tax in the hands of the Unit Holders.

Any gains realised by Unit Holders (other than those in the business of dealing in securities, insurance companies or financial institutions) on the sale or redemption of the Units are treated as capital gains and will not be subject to income tax. This tax treatment will include in the form of cash or residual distribution in the event of the winding up of the Fund.

Unit Holders electing to receive their income distribution by way of investment in the form of new Units will be regarded as having purchased the new Units out of their income distribution after tax.

Unit splits issued by the Fund are not taxable in the hands of Unit Holders.

We hereby confirm that the statements made in this report correctly reflect our understanding of the tax position under current Malaysian tax legislation. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Fund.

Yours faithfully,

for and on behalf of  
**PRICEWATERHOUSECOOPERS TAXATION SERVICES SDN BHD**

Lim Phaik Hoon  
Partner

PricewaterhouseCoopers Taxation Services Sdn Bhd have given their written consent to the inclusion of their report as taxation adviser in the form and context in which they appear in this Prospectus and have not, before the date of issue of the Prospectus, withdrawn such consent.

<sup>1</sup>Under section 2(7) of the Income Tax Act 1967, any reference to interest shall apply, *mutatis mutandis*, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Syariah.

The effect of this is that any gains or profits received and expense incurred in lieu of interest in transactions conducted in accordance with the principles of Syariah will be accorded the same tax treatment as if they were interest.

<sup>2</sup> Structured products approved by the Securities Commission Malaysia are deemed to be “debenture” under the Capital Markets and Services Act, 2007 and fall within the scope of exemption.

<sup>3</sup> Pursuant to the letters from Ministry of Finance Malaysia dated 11 June 2015 and 16 June 2015 with effect from year of assessment (“YA”) 2015.

<sup>4</sup> A real property company is a controlled company which owns or acquires real property or shares in real property companies with a market value of not less than 75 per cent of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

<sup>5</sup> Resident companies with paid up capital in respect of ordinary shares of RM2.5 million and below will pay tax at 17 per cent for the first RM500,000 of chargeable income with the balance taxed at 24 per cent with effect from YA 2019.

Pursuant to the Finance Bill 2019, resident companies with paid up capital in respect of ordinary shares of RM2.5 million and below and having an annual sales of not more than RM50 million will pay tax at 17 per cent for the first RM600,000 of chargeable income with the balance taxed at 24 per cent with effect from the year of assessment 2020.

With effect from YA 2009, the above shall not apply if more than –

- (a) 50 per cent of the paid up capital in respect of ordinary shares of the company is directly or indirectly owned by a related company;
- (b) 50 per cent of the paid up capital in respect of ordinary shares of the related company is directly or indirectly owned by the first mentioned company;
- (c) 50 per cent of the paid up capital in respect of ordinary shares of the first mentioned company and the related company is directly or indirectly owned by another company.

“Related company” means a company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of the basis period for a year of assessment.

<sup>6</sup> Pursuant to the Finance Bill 2019, it is proposed that a new band for chargeable income in excess of RM2 million taxable at a rate of 30 per cent be introduced. The non-resident individual tax rate is similarly increased by 2 per cent, from 28 per cent to 30 per cent.

## 15.0 ADDITIONAL INFORMATION

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### Investors Services

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#### FOR MORE INFORMATION ON:

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- The Fund's NAV per Unit
- Investment details
- Liquidation details

▪ **Call us during our office hours at:**

- 03-2089 1883 (Head Office)
- 07-332 2148 (Johor Bahru)

**Monday to Friday: 8.30 a.m. to 5.30 p.m.**  
**(4.00 p.m cut-off time for unit trust transactions)**

▪ **Or visit our website or send an e-mail to us at:**

- Website : [www.librainvest.com](http://www.librainvest.com)
- E-mail : [libra.invest@kenanga.com.my](mailto:libra.invest@kenanga.com.my)

▪ **In addition, the NAV per Unit is also available at:**

- Manager's website

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#### EVERY INVESTOR WILL BE PROVIDED WITH:

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- |  |  |
|--|--|
| • Investment confirmation              | e.g. Unit holdings, NAV, payment details   |
| • Details of income distribution       | e.g. Income distribution(if any) quarterly/ monthly/ half yearly/ annually/ incidental |
| • Unaudited half-yearly interim report | e.g. Market review & outlook, Fund performance   |
| • Audited annual report                | e.g. Market review & outlook, Fund performance   |

#### Avenue for advice available to prospective investors.

Avenue for Advice
You may contact us should you have any doubts about the information in this Prospectus or would like to know more about investing in the Fund, please call Libra Investor Care at (603) 2089 1883 or you may e-mail us at <a href="mailto:libra.invest@kenanga.com.my">libra.invest@kenanga.com.my</a>

**List of Current Deed and Supplemental Deed(s)**

The **Deed** constituting the Fund was entered into between the Manager and the Trustee.

Deed(s) Date	Trustee for the Fund
Deed: 8 September 2014 First Supplemental Deed: 15 January 2016	CIMB Islamic Trustee Berhad

**Financial Year End of the Fund**

The latest annual and interim reports of the Fund will be made available (without charge) to the unit holders within two (2) months after the end of financial period of the Fund.

Financial Year End
30 September

**The Fund’s annual report is available upon request.**

## 16.0 DOCUMENTS AVAILABLE FOR INSPECTION

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The following documents or copies thereof or other documents as may be required by the SC will be available for inspection (without charge) from the date of this Prospectus during normal business hours at the registered office of the Manager, where applicable:

- The Deed of the Fund;
- The current prospectus and supplementary or Prospectus, if any;
- Latest annual and interim reports of the Fund;
- Each material contract disclosed in this Prospectus and, in the case of a contract not reduced into writing, a memorandum which gives full particulars of the contract;
- The audited financial statements of the Manager and the Fund for the current financial year (where applicable) and the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- Any report, letter or other document, valuation and statement by an expert, any part of which is extracted or referred to in this Prospectus. Where a summary expert's report is included in this Prospectus, the corresponding full expert's report should be made available for inspection;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; and
- Consent given by an expert disclosed in this Prospectus.

## 17.0 CONSENTS

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The Trustee, Shariah Adviser and banker have granted their written consent to the use of their names in this Prospectus. Prior to the issue of this Prospectus, the tax advisers have given their written approval to inclusion of their names and the taxation adviser's letter. None of the aforesaid consents have been withdrawn.

## 18.0 COMPANY DIRECTORY

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### HEAD OFFICE

Ground Floor  
Bangunan ECM Libra  
8 Jalan Damansara Endah  
Damansara Heights  
50490 Kuala Lumpur  
General Line: 603-2089 1888  
Investor Care Line: 603-2089 1883  
Fax: 603-2096 1020 / 603-2096 1662

### JOHOR – JOHOR BAHRU

No. 105 Jalan Meranti Merah  
Taman Melodies  
80250 Johor Bahru, Johor  
Tel: 607-332 2148  
Fax: 607-335 0426

### AUTHORISED DISTRIBUTORS:

- **Kenanga Investment Bank Berhad**

Level 17, Kenanga Tower  
237 Jalan Tun Razak  
50400 Kuala Lumpur  
Tel: 603-2172 2888  
Fax: 603-2172 2999

- **Phillip Mutual Berhad**

B-2-7, Megan Avenue II  
No. 12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Tel: 603-2783 0300  
Fax: 603-2711 3036

- **iFAST Capital Sdn Bhd**

Level 28, Menara Standard Chartered  
No. 30 Jalan Sultan Ismail  
50250 Kuala Lumpur  
Tel: 603-2149 0660  
Fax: 603-2143 1218

- **Magnisave Group Sdn Bhd**

B-2-16, PJU1/43  
Aman Suria Damansara  
47301 Petaling Jaya  
Selangor.  
Tel: 603-2712 3233  
Fax: 603-2712 3233

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**Libra Invest Berhad 199501032001 (361207-D)**  
(A member of Kenanga Investors Berhad)

Ground Floor  
Bangunan ECM Libra  
8 Jalan Damansara Endah  
Damansara Heights  
50490 Kuala Lumpur

General line: 03-2089 1888  
Investor care line: 03-2089 1883  
Fax: 03-2096 1020 & 03-2096 1662

E-mail: [libra.invest@kenanga.com.my](mailto:libra.invest@kenanga.com.my)  
Website: [www.librainvest.com.my](http://www.librainvest.com.my)

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First Time Investors must complete the **Account Opening Form** and **Client Due Diligence & Suitability Assessment Form**. In accordance with the requirements of the Capital Market and Services Act 2007, this Form should not be circulated unless accompanied by the Prospectus(es) with the Product Highlight Sheet (PHS)/ Information Memorandum(s) and Supplemental(s) (if any) (Collectively known as "Offering Document"). Investors are required to read and understand the contents of the Offering Document before completing this Form. Tick (✓) where applicable and delete where not applicable. Any alteration made must be countersigned.

## APPLICANT PARTICULARS

Principal Applicant/ Holder:

Holder Account No:

Joint Applicant/ Holder:

Contact No:

## TYPE OF INVESTMENT AND FUND ALLOCATION

<input type="checkbox"/> Initial Investment	<input type="checkbox"/> Additional Investment	<input type="checkbox"/> Regular Savings Plan
Fund	Gross Value (RM)	OFFICE USE Forward Price
Gross Investment		Entry Fee ( )%
(Sales charge will be deducted from the amount paid)		

## PAYMENT MODE

<input type="checkbox"/> Deposit/ Transfer to	<input type="checkbox"/> By Cheque	<input type="checkbox"/> Others
<input type="checkbox"/> Maybank:	Drawee Bank:	
<input type="checkbox"/> Standard Chartered Bank:	Cheque No.:	

## REGULAR SAVINGS PLAN *(Please enclose Direct Debit Form)*

Fund	Amount (RM):
Effective Date:	Remarks:
Deduction date: 10 <sup>th</sup> (Monthly)	

## CLIENT DUE DILIGENCE & SUITABILITY ASSESSMENT (CDD & SA)

- I have completed my CDD&SA.
- I acknowledge that there is no material change in the information provided in my existing CDD&SA

## PRE-QUALIFICATION DECLARATION *(Application for Wholesale Funds only)*

I/We hereby confirm that I am/We are sophisticated investors(s)\*

Yes  No

\* Only a "Sophisticated Investor" may invest in a Wholesale Fund. Please see overleaf for the definition of "Sophisticated Investor" (Item 6)

## SIGNATURE

I/We have received, read and fully understood the fund's Product Highlight Sheet (PHS) as well as the terms and conditions in this Form, the Fund(s) Prospectus, Information Memorandum, Deed(s) and any Supplemental Prospectus/Information Memorandum/ Deed(s) issued thereafter. I/We are aware of the fees and charges that I/we will incur directly or indirectly when investing in the fund(s). I/We also agree to be bound by the terms and conditions as specified in this form and the provisions of the Deed. I/We acknowledge that I/we have read the Unit Trust Loan Financing Risk Disclosure Statement as specified overleaf and understood its contents.

Signature of Principal Applicant/ Authorised Signatory  
 Name : \_\_\_\_\_  
 NRIC/ Passport : \_\_\_\_\_  
 Date : \_\_\_\_\_

Signature of Joint Applicant/ Authorised Signatory  
 Name : \_\_\_\_\_  
 NRIC/ Passport : \_\_\_\_\_  
 Date : \_\_\_\_\_

Please affix Company Stamp  
(For Corporate Applicant Only)

FOR SERVICE PERSONNEL		OFFICE USE		AUTHORISED OFFICERS	
Date:		Processed by :		Transaction Date:	
Branch & UTC Code:		Checked by:		Transaction No:	
Attended/Received by :		Notes:			
Notes:					

# LOAN FINANCING RISK DISCLOSURE STATEMENT

## Investing in a Unit Trust Fund with Borrowed Money is More Risky than Investing with Your Own Savings.

You should assess if loan financing is suitable for you in light of your objectives, attitude to risk and financial circumstances. You should be aware of the risks, which would include the following:

1. The higher the margin of financing (that is, the amount of money you borrow for every ringgit of your own money which you put in as deposit or down payment), the greater the loss or gain in your investment.
2. You should assess whether you have the ability to service the repayments on the proposed loan. If your loan is a variable rate loan, and if interest rates rise, your total repayment amount will be increased.
3. If unit prices fall beyond a certain level, you may be asked to provide additional acceptable collateral (where units are used as collateral) or pay additional amounts on top of your normal installments. If you fail to comply within the time prescribed, your units may be sold towards the settlement of your loan.
4. Returns on unit trusts are not guaranteed and may not be earned evenly over time. This means that there may be some years where returns are high and other years where losses are experienced. Whether you eventually realise a gain or loss may be affected by the timing of the sale of your units. The value of units may fall just when you want your money back even though the investment may have done well in the past.

This brief statement cannot disclose all the risks and other aspects of loan financing. You should therefore carefully study the terms and conditions before you decide to take a loan. If you are in doubt about any aspect of this risk disclosure statement or the terms of the loan financing, you should consult the institution offering the loan. Shariah-compliance unit trust fund's investor is advised to seek for Islamic financing to finance their acquisition.

### Acknowledgement of Receipt of Risk Disclosure Statement

I acknowledge that I have received a copy of this Unit Trust Loan Financing Risk Disclosure Statement and understand its contents.

Signature : \_\_\_\_\_  
Full name : \_\_\_\_\_  
Date : \_\_\_\_\_

### TERMS AND CONDITIONS

#### 1. Application and Remittance

- ◆ Payment may be made by telegraphic transfer, cheques or cashier's order.
- ◆ All cheques / cashier's order must be made payable to Libra Invest Berhad and crossed 'Account Payee Only'. Please ensure that the applicant's name, holder no. (if known) and contact no. are written on the reverse side of the cheque or cashier's order.
- ◆ A copy of the bank-in slip / banking evidence must be sent together with the Investment Form directly to the Management Company. Please ensure that the applicant's name, holder no. (if known) and contact no. are written on the reverse side of the bank-in slip / banking evidence.
- ◆ Units will be priced at NAV based on the date of receipt of the duly completed Investment Form by the Management Company. Units will be credited upon clearance of payment.

#### 2. Right of the Management Company

- ◆ The Management Company reserves the right to reject any application in whole or in part without assigning any reason. Rejected applicants will be notified and the Management Company will refund their money within 14 days from the date of receipt of the Investment Form. Payment will be made to the Applicant's/ Holder's name by a crossed cheque.
- ◆ All future terms and conditions, amendments are deemed to be valid.

#### 3. Issuance of Official Receipt and Statement of Accounts

- ◆ A confirmation note will be issued to Holders within 14 business days from the date of investment.
- ◆ Statement of Accounts detailing all active accounts will be issued to Holders periodically.
- ◆ All correspondence will be directed to the Principal Holder at the last known address.
- ◆ All items and balances shown in the confirmation notes and Statement of Accounts will be considered correct unless the Management Company is notified in writing of any discrepancy within 14 days from the date of the confirmation notes and Statement of Accounts.

#### 4. Future Transactions and Payments

- ◆ The Management Company upon evidence of receipt of money will process all investments without verifying the source of remittance. To protect your interest as a Holder, you must fill up an Investment Form when making investments and attach it with your payment.
- ◆ All investments and transactions will be carried out according to the instructions of authorised signatory specified in the Holder Account Opening Form or any subsequent written notice duly received by the Management Company. Transactions are subject to the availability of units of the Fund.
- ◆ Should there be any additional investment not accompanied by an instruction for allocation into the appropriate Funds, the Management Company shall have the right to allocate the said investment according to the manner specified in the Investment Form for the initial investment or any subsequent written notice duly received by the Management Company. For any allocation of investment into a particular fund below the minimum investment required, the Management Company reserves the right to reject or rectify the said investment allocation in order to comply with the minimum requirement.
- ◆ For lump sum investment with deferred entry fee, the deduction of chargeable entry fee from the account in the form of units will be done automatically every calendar quarter. No advice will be issued. The chargeable entry fee will be deducted from units of a fixed income fund or from units of the larger fund in terms of market value at Management Company's discretion.

#### 5. Liquidation of Units and Cooling-Off

- ◆ Holders may liquidate their units by filling up the Liquidation Form and forwarding the duly signed original form to the business address of the Management Company or its appointed distributors.
- ◆ Units shall be liquidated based on the NAV calculated at the end of the business day upon receipt of a duly completed Liquidation Form by the Management Company.
- ◆ To protect the interests of the Holders, the Management Company is unable to make payments to third parties. Unless otherwise specified, all payments will be made to the Principal Holder only.
- ◆ Liquidation proceeds may be credited directly to the Holder's Maybank account. If other modes of payment are selected, kindly allow sufficient time for the cheques to reach the Holders and/or for the funds to clear.
- ◆ A Cooling-Off period of 6 business days from the date of application for units is provided for the Holder to confirm the initial investment. This right is not applicable for subsequent investments of the Holder and is not extended to corporate/institutional investors, investors who are staff/distributors of the Management Company or investors who invest under the EPF Members' Investment Scheme.

#### 6. Pre-Qualification Declaration

- ◆ an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed three million ringgit or its equivalent in foreign currencies, excluding the value of the individual's primary residence; an individual who has a gross annual income exceeding three hundred thousand ringgit or its equivalent in foreign currencies per annum in the preceding twelve months; an individual who, jointly with his or her spouse, has a gross annual income exceeding four hundred thousand ringgit or its equivalent in foreign currencies in the preceding twelve months; a corporation with total net assets exceeding ten million ringgit or its equivalent in foreign currencies based on the last audited accounts; a partnership with total net assets exceeding ten million ringgit or its equivalent in foreign currencies; a unit trust scheme or prescribed investment scheme; a private retirement scheme; a closed-end fund approved by the SC; a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding ten million ringgit or its equivalent in foreign currencies; a corporation that is a public company under the Companies Act 1965 which is approved by the SC to be a trustee under the Act and has assets under management exceeding ten million ringgit or its equivalent in foreign currencies; a statutory body established by an Act of Parliament or an enactment of any state; a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967; a holder of a capital markets services license or an executive director or a chief executive officer of a holder of a capital markets services license; a licensed institution as defined in the Financial Services Act 2013; an Islamic bank as defined in the Islamic Financial Services Act 2013; an insurance company registered under the Financial Services Act 2013; a takaful operator registered under the Islamic Financial Services Act 2013; a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010; and an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010.

Please note that this Declaration is not the only term relating to investments into a Wholesale Fund. Investors are advised to read and understand the Information Memorandum and Supplemental Information Memorandum(s) (if any) for additional terms including but not limited to, minimum initial and subsequent investment amount.