

## Information Memorandum

18 June 2024

# Principal Sustainable Conservative Bond Fund

**Manager** : Principal Asset Management Berhad (199401018399 (304078-K))

**Trustee** : HSBC (Malaysia) Trustee Berhad (193701000084 (1281-T))

This Information Memorandum Issue No. 1 for the Principal Sustainable Conservative Bond Fund is dated 18 June 2024.

The Fund was constituted on 14 June 2022.

The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia.

The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Principal Asset Management Berhad who is responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

THE FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.

SOPHISTICATED INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THE FUND IS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEW CLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.

# ABOUT THIS DOCUMENT

This is an information memorandum which introduces you to Principal Malaysia and the Fund. This Information Memorandum outlines in general the information you need to know about the Fund and is intended for the exclusive use of the prospective Sophisticated Investors (as defined herein) who should ensure that all information contained herein remains confidential. The Fund is established as a multi-class fund and currently has one (1) class only.

This Information Memorandum is strictly private and confidential and solely for your own use. It is not to be circulated to any third party. No offer or invitation to purchase the units of the Fund, the subject of this Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

If you have any questions about the Fund, please call our Customer Care Centre during business hour at (03) 7723 7260 or whatsapp at +6016 299 9792 between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Fridays or our Corporate, Institutional & SME Business at (03) 2084 8888 between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m. (Malaysian time) on Fridays.

Unless otherwise indicated, any reference in this Information Memorandum to any rules, regulations, guidelines, standards, directives, notices, legislations or statutes shall be reference to those rules, regulations, guidelines, standards, directives, notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

Any reference to a time, day or date in this Information Memorandum shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to “days” in this Information Memorandum will be taken to mean calendar days unless otherwise stated.

As the base currency of the Fund is MYR, any references to currency amounts and NAV per unit in this Information Memorandum are in MYR unless otherwise indicated.

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN DOUBT, PLEASE CONSULT YOUR PROFESSIONAL ADVISERS.**

**INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF THE FUND WILL BE ERODED WHEN THE FUND DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.**

# DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Information Memorandum:

Application Fee	- Preliminary charge on each investment.
Business Day	- Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
CIMB Group	- CIMB Group Sdn. Bhd.
Class	- Any class of units representing similar interests in the assets of the Fund.
Class MYR	- The Class issued by the Fund denominated in MYR.
CMSA	- Capital Markets and Services Act 2007.
Deed	- The principal and all supplemental deed in respect of the Fund made between us and the Trustee, in which Unit holders agree to be bound by the provisions of the Deed.
Deposit	- As per the definition of “deposit” in the Financial Services Act 2013 and “Islamic deposit” in the Islamic Financial Services Act 2013.
Distributor	- Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Fund including Principal Distributors and IUTA.
Eligible Market	- An exchange, government securities market or an over-the-counter market that is regulated by a regulatory authority of the jurisdiction, that is open to the public or to a substantial number of market participants, and on which financial instruments are regularly traded.
ESG	- Environmental, Social and Governance.
Fund or SCB	- Principal Sustainable Conservative Bond Fund.
GLOLA	- Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC.
HSBC Group	- HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.
Information Memorandum	- Refers to the information memorandum in respect of the Fund and includes any supplemental information memorandum or replacement information memorandum, as the case may be.
IUTA	- Refers to “Institutional Unit Trust Scheme Adviser”, a corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
LPD	- Latest Practicable Date i.e. 31 January 2024, in which all information provided herein, shall remain current and relevant as at such date.
Management Fee	- A percentage of the NAV of the Class that is paid to the Manager for managing the portfolio of the Fund.
MARC	- Malaysian Rating Corporation Berhad.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund’s NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
MYR	- Malaysian Ringgit.
NAV	- Net Asset Value.
NAV of the Class	- The NAV of the Fund attributable to a Class at the same valuation point.
NAV of the Fund	- The value of all the Fund’s assets less the value of all the Fund’s liabilities, at the point of valuation. For the purpose of computing the annual Management Fee and annual Trustee Fee, the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day.
NAV per unit	- The NAV attributable to a Class divided by the number of units in circulation for that Class, at the valuation point.
PFG	- Principal Financial Group, Inc..
Principal Distributors	- Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia, the Manager, we or us	- Principal Asset Management Berhad.
RAM	- RAM Rating Services Berhad.
RSP	- Regular Savings Plan.
SC	- Securities Commission Malaysia.
Sophisticated Investor(s)	- Refers to investors as we determine as qualified or eligible to invest in the Fund and that fulfil any laws, rules, regulations, restrictions or requirements imposed by the respective country’s regulators where the Fund is open for sale. For investors in Malaysia, this refers to any person who:

- (i) is determined to be a sophisticated investor under the SC's Guidelines on Categories of Sophisticated Investors, as amended from time to time; or
  - (ii) acquires any capital market product specified under the GLOLA where the consideration is not less than MYR250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise,
- and/or any other category(ies) of investors as may be permitted by the SC from time to time.

**Note:** For more information, please refer to our website at [www.principal.com.my](http://www.principal.com.my) for the current and/or updated definition and categories of "Sophisticated Investor".

Special Resolution	- A resolution passed by a majority of not less than three-fourth (3/4) of the Unit holders of the Fund or a Class, as the case may be, voting at a meeting of Unit holders duly convened and held in accordance with the provisions of the Deed. For the purpose of terminating or winding up the Fund or a Class, a Special Resolution is passed by a majority in number representing at least three-fourth (3/4) of the value of the units held by Unit holders of the Fund or a Class, as the case may be, voting at the meeting.
Switching Fee	- A charge that may be levied when switching is done from one fund or class to another.
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Trustee	- HSBC (Malaysia) Trustee Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
USA	- United States of America.
USD	- United States Dollar.
Wholesale Fund	- A unit trust scheme established in Malaysia where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to Sophisticated Investor.
Withdrawal Penalty	- A penalty levied upon withdrawal under certain terms and conditions (if applicable).

**Note:** Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa.

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# 1. FUND INFORMATION

## 1.1. PRINCIPAL SUSTAINABLE CONSERVATIVE BOND FUND

<b>Fund Category/Type</b>	: Wholesale Fund (Bond) Income.
<b>Fund Objective</b>	: The Fund aims to achieve regular income through sustainable investments in a diversified portfolio of Malaysian bonds. <i>We will require your approval if there is any material change to the Fund's objective.</i>
<b>Benchmark</b>	: 50% RF BPAM Corporates AAA 1Y-3Y All Bond Index + 50% RF BPAM Corporates AA 1Y-3Y All Bond Index <b>Note:</b> <i>The Fund's benchmark is for performance comparison purpose only. The information on the benchmark can be obtained from <a href="http://www.bpam.com.my">www.bpam.com.my</a>.</i>
<b>Distribution Policy</b>	: The distribution policy of each of the Class may differ, please refer to the Annexure of the respective Class for more information. You may refer to page 12 for more information on the distribution payment.

### Base Currency and Classes

The base currency of the Fund is MYR.

Please note that the Fund is established as a multi-class fund where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. You should note that the Fund is allowed to establish new Class(es) from time to time without your prior consent.

Under the Deed, Unit holders of each Class shall have the same rights and obligations. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features. The Fund currently offers one (1) Class only. Although the Fund may have multiple Classes, Unit holders should note that the assets of the Fund are pooled for investment purpose.

Currently, the Classes below are available for sale. Please refer to the Annexure for further details on the Class(es). You should note that we have the discretion to decide on the offering of other Classes for sale in the future. This information will be communicated to you via our website at [www.principal.com.my](http://www.principal.com.my). You should consult your professional advisers for a better understanding of the multi-class structure before investing in the Fund.

Name of Class	Launch date	Initial Offer Period	Initial Offer Price Per Unit
Class MYR	18 June 2024	1 day which is on the launch date	MYR 1.0000

### Investment policy and strategy

The Fund will be managed with the aim of achieving regular income through sustainable investments in a diversified portfolio of Malaysian bonds. The Fund will invest at least 80% of its NAV in corporate bonds, and up to 20% of its NAV in government bonds and liquid assets including cash and short-term money market instruments.

The Fund's investment in bonds will be restricted to bonds rated at least a minimum credit rating of "AA3" by RAM or its equivalent rating by MARC. For diversification purpose, the Fund intends to invest in a variety of short-term (less than 1 year), short to medium term (1 - 3 years), medium to long term (3 - 5 years) and long term (more than 5 years) bonds, in which the Fund aims to maintain an overall portfolio duration of below 3 years.

The asset allocation strategy for the Fund is as follows:

- At least 80% of the Fund's NAV will be invested in corporate bonds; and
- Up to 20% of the Fund's NAV may be invested in government bonds and liquid assets including cash and short-term money market instruments.

For bond investments, we formulate an interest rate outlook by considering factors such as the inflation rate, monetary policies and economic growth. We will adopt an active trading strategy with frequency that will depend on the market conditions and the market outlook. With an interest rate outlook and yield curve analysis, we identify the weighting of the investment tenure and credit of the bonds for the Fund. In the unlikely event of a credit rating downgrade, we reserve the right to deal with the instrument in the best interest of the Unit holders. As an active fund manager, we have in place tolerance limits to cater to such situations. We can for example, continue to hold the downgraded instrument if the immediate disposal of the instrument would not be in the best interest of the Unit holders.

As part of our risk management strategy, the Fund is constructed and managed within our pre-determined guidelines. Essentially, we employ an active asset allocation strategy depending on the market expectations and at the same time monitor the debt instruments portfolio according to three (3) parameters: tenure, credit ratings and sector. The duration of the debt instruments portfolio (i.e. the sensitivity of the portfolio to interest rate changes) is also monitored and modified according to our interest rate outlook.

The Fund will invest in a diversified portfolio of bonds to foster the transition to a net zero carbon economy in the long run by combining approaches below to mitigate risk of crowding in less-carbon-intensive assets:

- (a) Negative screening : Avoid issuers or companies with high carbon risks, based on the Manager's internal assessment of significant carbon emissions, reliance on thermal coal mining, poor environmental practices or inadequate carbon reduction plans.; and
- (b) Positive screening : Invest in issuers or companies that demonstrates leadership and improvement in carbon reduction and capture green investment opportunities.

As the Fund is a qualified sustainable and responsible investment fund, at least two-thirds (2/3) of the Fund's NAV ("Threshold") will be investments that are subject to the ESG integration\* approach which involves the analysis of material factors in our investment decisions, including fundamental and ESG factors such as the selection, retention, and realisation of the Fund's investments.

As part of ESG integration, we overlay ESG analysis into the fundamental research process, where a wide range of ESG factors are considered, including a company's relationships with each of its stakeholders, such as shareholders, customers, suppliers and their supply chains, their communities, and the environment. Companies are assessed against relevant and material<sup>†</sup> ESG risks that can potentially have a negative impact on a company's financial performance and long-term sustainability due to ESG elements which can significantly affect a company's operations and profitability which may include but are not limited to climate change and corporate governance. The final outcome of the analysis is to assign either a low, medium or high sustainability risk and an improving, stable or deteriorating sustainability trend. The analyst will document the assessment and discussion in the research platform or via email. Companies ranked relatively low in an ESG assessment means that they are determined to have "high" level of sustainability risk, based on our sustainability risk framework. The investment team integrates its own research and data with the research and ratings provided by a third-party provider being MSCI to achieve consistency and comprehensiveness when making evaluations. Within our ESG assessments, we refer to MSCI's ESG assessment as a first point of reference whilst also undertaking our own internal research. Companies without 3rd party data coverage will rely solely on our own internal research. ESG data inputs are gathered via an ESG Questionnaire sent by our analysts to companies across our investment universe. The sections within the ESG Questionnaire addresses concerns in relation to the ESG impacts of the company's operations and mitigation efforts that are being undertaken to address those concerns. Various factors are considered here in relation to environmental assessment among which being environmental policy compliance, environmental impact disclosure (water & energy use, emissions disclosure etc.) and environmental fines incurred on a company. Similarly, social assessments include factors such as policy availability & compliance (anti-bribery policy etc.), labor & employment practices (number of women in workforce & management level), occupational health and safety management (workforce accidents numbers, IT robustness etc.) and product quality management (employee training hours etc.). Governance assessments include factors such as board structure & independence (CEO Duality etc.), diversity & compliance (number of women on board etc.) and management execution & track record (number of controversies or legal proceedings etc.). The ESG factors are not limited to above-mentioned factors only while ESG issues refers to the poor performance in managing such issues. Thereafter, the overall data inputs from MSCI's ESG assessment and the internally prepared ESG Questionnaire are collectively used at arriving to our internal score where a sustainability risk level (low, medium, or high risk) and sustainability risk trend (improving, stable or deteriorating) are assigned. These ESG risk levels and trends are used to reflect the varying levels of ESG concerns for different sectors that we assess. The 3rd party rating changes and assessments (MSCI) are reviewed on a quarterly basis whilst data input collection via the ESG Questionnaire is done on a yearly basis. The credit analyst will regularly review current developments and may make adjustments to the internal score and sustainability risk trend as the prevailing situation warrants. ESG risks are mitigated by monitoring and engagement process carried out by the investment team. The Manager will consider Companies with an overall score of "Low", "Medium", or "high" sustainability risk. We may continue to retain Companies which are ranked high risk in its ESG assessment so long as further engagement with management is conducted. We seek to identify opportunities to enhance and track their ESG practices and ESG risk management through engagements. We will dispose the Companies which are ranked high risk in its ESG assessment if the Companies becomes inconsistent with the sustainability considerations from the Fund's portfolio within 3 months from the date of such assessment subject to the best interest of Unit holders and the Fund.

The Fund's investment in liquid assets comprising of cash and short term money market instruments, will be guided by the issuer's or financial institution's sustainability risk score. This score is determined using the Manager's internal sustainability risk framework, which incorporates the use of MSCI's ESG assessment and the internally prepared ESG Questionnaire and/or ESG Scorecard. The internal sustainability risk framework includes various ESG factors in relation to environmental, social and governance assessment. The factors considered in relation to environmental assessment includes environmental policy compliance, environmental impact disclosure (water & energy use, emissions disclosure etc.) and environmental fines incurred on a company. Similarly, social assessments include factors such as policy availability & compliance (anti-bribery policy etc.), labor & employment practices (number of women in workforce & management level), occupational health and safety management (workforce accidents numbers, IT robustness etc.) and product quality management (employee training hours etc.). Governance assessments include factors such as board structure & independence (CEO Duality etc.), diversity & compliance (number of women on board etc.) and management execution & track record (number of controversies or legal proceedings etc.). The ESG factors are not limited to above-mentioned factors only while ESG issues refers to the poor performance or non-compliance of the ESG factors. Based on the internal sustainability risk framework, the Manager will rate an issuer or financial institutions sustainability risk rating. Upon completion of the sustainability risk rating/screening, a score of either "Low", "Medium" or "High" sustainability risk will be assigned to the issuer or financial institution. A "High" sustainability risk score suggests that the issuer or financial institution bears a higher sustainability risk, with minimal mitigation measures to address sustainability risks. In respect of investments in liquid assets, the Manager will only consider issuers or financial institutions with an overall score of "Low" or "Medium" sustainability risk.

We will review the Fund annually to ensure that the investments of the Fund within the Threshold are in line with the sustainability criteria adopted and the overall impact of the investment of the Fund are not inconsistent with any other sustainability considerations. We will dispose of the investment within 3 months from the date the Fund's investment becomes inconsistent with the investment strategy, sustainability considerations of the Fund and in the event the investments fall below the Threshold,

subject to the best interest of Unit holders and the Fund. However, in the absence of a suitable investment, we may request to extend the timeline subject to trustee approval.

We may take a temporary defensive position when we believe the markets or the economies are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. Under these circumstances, the Fund may be unable to pursue its investment goal. In response to such adverse conditions or as part of risk management strategy, we may reduce holdings in bonds and invest in liquid assets such as Deposits and/or money market instruments to safeguard the investment portfolio of the Fund. During temporary defensive position, the Fund will maintain at least two-thirds (2/3) of the Fund's NAV within the Threshold.

*\*ESG integration refers to the process of incorporating ESG issues which may include but not limited to the ESG factors mentioned above into our investment analysis and decision-making processes and may include practices of engagement and active ownership. ESG integration is not applicable to government issuances.*

*#Materiality refers to the importance and relevance of an issue to a company. An example of a material climate change risk is physical risk for example extreme weather conditions that may affect raw materials important for fast moving consumer goods sector. If adverse weather conditions continue where the supply of the raw materials required is affected, then we would deem this as material. As for corporate governance, the risk is in the failure to adopt good corporate governance practices which may lead to mismanagement. Materiality of such risks may be determined by its likelihood as well as the financial implication.*

## 1.2. PERMITTED INVESTMENTS

The Fund will invest in the following investment:

- Debt instruments traded in or under the rules of an Eligible Market;
- Liquid assets such as Deposits and money market instruments; and
- Any other form of investments as may be determined by us from time to time that is in line with the Fund's objective.

## 1.3. INVESTMENT RESTRICTIONS AND LIMITS

The Fund is subject to the following investment restrictions/limits:

- At least 80% of the Fund's NAV will be invested in corporate bonds; and
- Up to 20% of the Fund's NAV may be invested in government bonds and liquid assets including cash and short-term money market instruments.

The Fund may hold more than 20% of liquid assets on a temporary basis to meet withdrawal requests and to manage expenses of the Fund. We will ensure that the investment of the Fund will comply with the ESG strategy as stated under section 1.1. Investment policy and strategy

## 1.4. APPROVALS AND CONDITIONS

We have obtained an approval from the SC for the Fund to be qualified as a sustainable and responsible investment fund under the Guidelines on Sustainable and Responsible Investment Funds.

## 1.5. FINANCING

The Fund may not obtain cash financing or borrow other assets in connection with its activities. However, the Fund may obtain financing for the purpose of meeting withdrawal requests for units and for short-term bridging requirements.

## 1.6. SECURITIES LENDING AND REPURCHASE TRANSACTIONS

Not applicable for the Fund.

## 1.7. RISK FACTORS

### 1.7.1. GENERAL RISKS OF INVESTING IN A FUND

Before investing, you should consider the following risk factors in addition to the other information set out in this Information Memorandum.

#### Returns and capital not guaranteed

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment which includes your investment capital and returns, nor any assurance that the fund's objective will be achieved. You should also note that the fund is neither a capital guaranteed fund nor a capital protected fund. However, we reduce this risk by ensuring diligent management of the assets of the fund based on a structured investment process.

#### Market risk

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



**Inflation risk**

This is the risk that your investment in the fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.

**Manager risk**

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

**Financing risk**

This risk occurs when you obtain financing to finance your investment. The inherent risk of investing with money obtained from financing includes you being unable to service the financing payments. In the event units are used as collateral and if the prices of units fall below a certain level due to market conditions, you may be required to pay additional amount on top of your existing instalment. If you fail to do so within the time prescribed, your units may be sold at an unfavourable price and the proceeds thereof will be used towards the settlement of your financing.

**Liquidity risk**

Liquidity risk refers to the ease of liquidating an asset without causing market dislocation. This depends on the supply and demand as well as the asset's volume or amount traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.

**1.7.2. SPECIFIC RISK RELATED TO THE FUND**

There are specific risks associated with the investment portfolio of the Fund, which include but are not limited to the following:

**Credit and default risk**

The Fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when the Fund invests in debt securities, money market instruments and/or places in Deposits. Credit risk relates to the creditworthiness of an issuer or counterparty and its expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuers or counterparties may impact the value as well as liquidity of the investments. In the case of rated debt securities and money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer or counterparty either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the Fund. We aim to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of the issuers or counterparties, and impose investment limits on exposures to issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted exposure.

**Interest rate risk**

Interest rate risk refers to the impact of interest rate changes on the valuation of debt instruments and money market instruments. When interest rates rise, debt instruments and money market instruments prices generally decline, and this may lower the market value of the Fund's investment in debt instruments and money market instruments. In managing the debt instruments, we take into account the coupon rate and time to maturity of the debt instruments with an aim to mitigate the interest rate risk. As for money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike debt instrument, any change to interest rate will only have a minor impact to the prices of these instruments.

**Sustainability risk**

The Fund is managed based on the characteristics of sustainability. The Fund may exclude securities of certain companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings that do not align with the sustainability criteria. As such, the Fund may underperform funds that do not consider sustainability criteria in their investment strategy. This risk cannot be mitigated as it is inherent to the investment strategy of the Fund.

The Fund may be exposed to companies which are ranked high risk in its ESG assessment. We will take the opportunity to engage with these companies to advocate adoption of best practices for further improvement. However, the effectiveness of engagement may vary from company to company. If the engagement with such companies is not effective, we will dispose the Companies which are ranked high risk in its ESG assessment if the Companies becomes inconsistent with the sustainability considerations from the Fund's portfolio within 3 months from the date of such assessment subject to the best interest of Unit holders and the Fund as part of the mitigation plan.

We may also rely on third party data to assess sustainability risk. However, the data we use could be inaccurate. Hence, we may not correctly assess the impact of sustainability risk, which may negatively impact the performance and consequently the NAV of the Fund. We mitigate the risk through further analysis of data as part of our sustainability research process.

**The above summary of risks does not purport to be an exhaustive list of all the risk factors relating to investments in the Fund and are not set out in any particular order of priority. You should be aware that investments in the Fund may be exposed to other risks from time to time. Please consult professional advisers for a better understanding of the risks.**

## 2. FEES, CHARGES AND EXPENSES

### 2.1. CHARGES

The following describes the charges that you may **directly** incur when you buy or withdraw units of the Fund.

#### 2.1.1. Application Fee

When applying for units of a Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure of the respective Class for further information.

#### 2.1.2. Withdrawal Penalty

Nil.

#### 2.1.3. Switching Fee

Switching is treated as a withdrawal from a Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class to be switched out and the Application Fee of the other Class or Principal Malaysia's fund (or its class) to be switched into. Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, you may be charged an administrative fee for each switch. Please refer to the Annexure of the respective Class for further information.

#### 2.1.4. Transfer Fee

A Transfer Fee may be charged for each transfer. Please refer to the Annexure of the respective Class for further information.

### 2.2. FEES AND EXPENSES

All fees and expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that are related to the specific Class only, such as, the cost of Unit holders' meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for a better understanding.

The following describes the fees that you may **indirectly** incur when you invest in a Class.

#### 2.2.1. Management Fee

Management Fee is charged to the respective Class at the Class level, based on the NAV of the Class. Please refer to the Annexure of the respective Class for further information. The Management Fee shall be accrued daily and paid monthly.

*Below is an illustration on how the Management Fee is calculated, assuming Management Fee is 0.25% per annum for Class ABC and Class XYZ respectively:-*

	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Management Fee	0.25% per annum	0.25% per annum
NAV of the Class	MYR 150 million	MYR 150 million
Management Fee for the day = NAV of the Class x Management Fee rate for the Class (%) / 365 days	= MYR 150 million x 0.25%/365 = MYR 1027.40	= MYR 150 million x 0.25%/365 = MYR 1027.40

**Note:** In the event of a leap year, the computation will be based on 366 calendar days.

#### 2.2.2. Trustee Fee

Please note that the Trustee Fee (including local custodian fee but excluding foreign sub-custodian fees and charges) charged to the Fund is based on the NAV of the Fund. The Trustee Fee shall be accrued daily and paid monthly.

The Trustee Fee is 0.03% per annum for the Fund.

*Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is MYR 150 million:*

*Trustee Fee for the day = NAV of the Fund x Trustee Fee rate for the Fund (%) / 365 days*

Trustee Fee for the day = MYR 150 million x 0.03% / 365 days  
= MYR 123.29

**Note:** In the event of a leap year, the computation will be based on 366 calendar days.

### 2.2.3. Other expenses

The Deed also provides for payment of other expenses. Other expenses which are directly related and necessary to the operation and administration of the Fund or Class may be charged to the Fund or Class respectively. These would include (but are not limited to) the following:

- commissions or fees paid to brokers or dealers (if any) in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference account;
- taxes and other duties charged on the Fund by the government and other authorities (if any) and bank fees;
- fees and other expenses properly incurred by the auditor and tax agent;
- costs incurred for the modification of the Deed other than those for our benefit and/or the Trustee's;
- costs, fees and expenses incurred for any meeting of the Unit holders other than those convened for our benefit and/or the Trustee's;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of investments of the Fund;
- costs, fees and expenses incurred in engaging any external specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation returns and accounts of the Fund;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs, fees and expenses incurred in the termination of the Fund or a Class or the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or management company;
- costs, fees and expenses incurred in relation to any proceedings, arbitration or other dispute concerning the Fund, Class or any asset of the Fund, including proceedings against the Trustee or the Manager, or commenced by either of them for the benefit of the Fund or that Class (except to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed out of the Fund);
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, if applicable, unless we decide otherwise to bear the same;
- expenses and charges incurred in the printing of and postage of the annual and quarterly (if any) reports, including the purchase of stationery;
- (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges and fees paid to the foreign sub-custodian for taking into custody any foreign assets of the Fund;
- all costs and/or expenses associated with the distributions and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer;
- cost of obtaining experts opinion by the Trustee and/or us for the benefit of the Fund or a Class; and
- costs of printing and dispatching to Unit holders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of Unit holders, newspaper advertisement and such other similar costs as may be approved by the Trustee.

Expenses not authorised by the Deed must be borne by us or the Trustee if incurred for our own benefit.

- 2.2.4. We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate in percentage terms that can be charged. You should consult professional advisers for a better understanding.

Subject always to the provisions of the Deed and the GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/ or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund, Class, payable by you to the Fund or payable by any other investors to the Fund.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/ or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

### 2.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

We may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Fund; and

- (c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

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

**All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund and/or you as disclosed or illustrated in this Information Memorandum.**

**We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and expenses from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.**

# 3. TRANSACTION INFORMATION

## 3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will carry out the valuation of the Fund in a fair manner in accordance with applicable law and guidelines. The valuation bases for the investments permitted by the Fund are as below:

- **Unlisted debt instruments**  
The value of any unlisted MYR-denominated debt instruments shall be calculated on a daily basis using prices quoted by a bond pricing agency (BPA) registered with the SC. Where such prices are not available or where we are of the view that the price quoted by the BPA for a specific debt instrument differs from the market price by more than 20 basis points, we may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and we record our basis for using a non-BPA price, obtain necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield.
- **Money market instruments**  
Investments in money market instruments such as negotiable certificate of deposits are valued each day by reference to the value of such investments and the interests accrued thereon for the relevant period. Instruments such as MYR-denominated commercial papers are valued on a daily basis using the fair value prices quoted by a BPA registered with the SC.
- **Deposits**  
The value of Deposits shall be determined each day by reference to the principal value of such Deposits and the income accrued thereon for the relevant period.

## 3.2. UNIT PRICING

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on forward prices. This means that we will process your transactions request based on the NAV per unit at the next valuation point after we receive the completed relevant transaction forms from you.

If the transactions are made by 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit for that Business Day. For transactions made after 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on the next Business Day.

We will carry out the valuation for the Class(es) for a Business Day at the end of that Business Day (T day). The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 10:00 a.m. on the following Business Day (T+1).

After the initial offer period, the Fund must be valued at least once every Business Day. The method of determining the NAV per unit of the Class is calculated as follows:

$$\text{NAV per unit of the Class} = \frac{\text{NAV of the Class}}{\text{Number of units in issue of the Class}}$$

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund including any provisions that we and the Trustee consider should be made. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

The valuation of the Fund is in the base currency i.e. MYR. As such, all the assets and liabilities of each Class will be translated into MYR for valuation purposes.

### 3.2.1. Multi-class Ratio (MCR)

#### **Multi-class Ratio (MCR)**

MCR is the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in MYR) of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

*Below is an illustration on computation of the NAV of the Fund:*

	Fund (MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before income and expenses	185,942,897.00	173,342,897.00	12,600,000.00
% MCR	100%	<sup>(1)</sup> 93.22%	<sup>(1)</sup> 6.78%
Add: Income	30,000.00	<sup>(2)</sup> 27,967.12	<sup>(2)</sup> 2,032.88
Less: Expenses	(10,000.00)	<sup>(2)</sup> (9,322.37)	<sup>(2)</sup> (677.63)

	Fund (MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Benefits or costs of hedging (if any)	-	-	-
NAV of the Fund before management and trustee fee	185,962,897.00	173,361,541.75	12,601,355.25
Less: Management fee	(1,273.72) 0.03% p.a.	(1,187.41) 0.25% p.a.	(86.31) 0.25% p.a.
Less: Trustee fee	(152.85)	(142.49)	(10.36)
NAV of the Fund	185,961,470.43	173,360,211.85	12,601,258.58
Units in circulation	200,000,000.00 units	170,000,000.00 units	30,000,000.00 units
<b>NAV per unit</b>		<b>1.0197</b>	<b>0.4200</b>
Currency exchange rate		(USD/MYR) 0.2500	N/A
NAV per unit		<b>USD 0.2549</b>	<b>MYR 0.4200</b>

	Fund (MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before creation of units for the day	185,961,470.43	173,360,211.85	12,601,258.58
<sup>(3)</sup> Creation of units	5,000,000.00	4,000,000.00	1,000,000.00
Closing NAV	190,961,470.43	177,360,211.85	13,601,258.58
Units in circulation	206,304,059.48 units	173,923,107.10 units	32,380,952.38 units
NAV per unit		<b>1.0197</b>	<b>0.4200</b>
Currency exchange rate		(USD/MYR) 0.2500	N/A
NAV per unit		<b>USD 0.2549</b>	<b>MYR 0.4200</b>

**Note :**

<sup>(1)</sup> MCR computation

	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
<u>NAV of the Class x 100</u>	<u>173,342,897.00 x 100</u>	<u>12,600,000.00 x 100</u>
NAV of the Fund before income and expenses	185,942,897.00	185,942,897.00
	= 93.22%	= 6.78%

<sup>(2)</sup>Apportionment based on MCR is as follows:

	(MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Add: Income	30,000.00	MCR x Income = Income for Class ABC = 93.22% x MYR 30,000.00 = MYR 27,967.12	MCR x Income = Income for Class XYZ = 6.78% x MYR 30,000.00 = MYR 2,032.88
Less: Expenses	(10,000.00)	MCR x Expenses = Expenses for Class ABC = 93.22% x MYR 10,000.00 = MYR 9,322.37	MCR x Expenses = Expenses for Class XYZ = 6.78% x MYR 10,000.00 = MYR 677.63

<sup>(3)</sup>Creation of units

	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
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Creation of units	USD 1,000,000.00	MYR 1,000,000.00
NAV per unit	USD 0.2549	MYR 0.4200
Number of units	3,923,107.10 units	2,380,952.38 units
Currency exchange rate	(USD/MYR) 0.2500	N/A
Creation of units	MYR 4,000,000.00	MYR 1,000,000.00

**Note:** Please note that the above is for illustration purpose only. NAV per unit is truncated to four (4) decimal places.

### 3.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Class. Where such error has occurred, we shall reimburse the money in the following manner:

- a) in the event of over valuation and/or pricing, we shall reimburse:
  - (i) the Class for any withdrawal of units; and/or
  - (ii) you, if you have purchased units of the Class at a higher price; or
- b) in the event of under valuation and/or pricing, we shall reimburse:
  - (i) the Class for any subscription of units; and/or
  - (ii) you, if you have withdrawn units of the Class at a lower price.

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement only where an incorrect pricing:

- a) is equal to or more than 0.50% of the NAV per unit; and
- b) results in a sum total of MYR10.00 (or in the case of a foreign currency Class, 10.00 denominated in the foreign currency denomination of the Class) or more to be reimbursed to a Unit holder for each sale or withdrawal transaction.

We shall have the right to amend, vary or revise the aforesaid limits or threshold from time to time, subject to any regulatory or governing body's requirements.

### 3.4. INVESTING

#### 3.4.1. Who can invest?

You are eligible to invest in the Fund if you are a Sophisticated Investor who is:

- an individual who is at least eighteen (18) years of age and not an undischarged bankrupt with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account). As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).
- an institution including a company, corporation, co-operative, trust or pension fund with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account).

We reserve the right to accept or reject any application in whole or in part thereof without assigning any reason in respect thereof.

Further, if we become aware of a USA person (i.e. someone who has a USA address (permanent or mailing)) or USA entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the USA or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we will issue a notice to that Unit holder requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-USA person or non-USA entity.

We also have the right to withdraw all units held by you in the event we are of the opinion that such withdrawal is necessary to ensure that we comply with any relevant laws, regulations and guidelines. We will first notify you before making any such compulsory withdrawal of your units.

#### 3.4.2. How to invest?

You may invest through any of our Distributors after completing the relevant application and attaching a copy of your identity card, passport or any other identification document. We may request for additional supporting document(s) or information from you. Your application should indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may make a payment:

- by a crossed cheque (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any;
- directly from your bank account (or foreign currency bank account, as the case may be) held with our Distributors, where applicable;
- by such other mode of payment that we and/or the relevant authorities may approve from time to time. Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

### 3.4.3. Regular Savings Plan

RSP may be made available for certain Class. Please refer to the Annexure of the respective Class for further information. Where available, the RSP allows you to make the regular monthly investments, direct from your account held with a bank approved by us or our Distributors. We will process the monthly investments made via the RSP when we receive your application and/or your monthly contribution. You can also arrange a standing instruction with our Distributors to invest a predetermined amount in the Class each month. You can cancel your RSP at any time by providing written instructions to the relevant Distributors.

### 3.4.4. Can the units be registered in the name of more than one (1) Unit holder?

We may register units in the name of more than one (1) Unit holder but we have the discretion not to allow registration of more than two (2) joint Unit holders. All applicants must be at least eighteen (18) years of age and are Sophisticated Investors.

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognised as the rightful owner. His/her units will be dealt with in accordance with the Deed and applicable laws and regulations.

**You should not make any payment directly or indirectly to any individual agent or employee of the Manager or issue a cheque in the name of an individual agent or employee of the Manager when purchasing this Fund.**

Please take note that if your investments are made through an IUTA via a nominee system of ownership, you would not be deemed as a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

## 3.5. MINIMUM INVESTMENTS

The minimum initial and additional investment in each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information.

### 3.5.1. Processing an application

If we receive a complete application by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive and accepted the complete application after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. We will only process the completed applications, i.e. when we have received all the necessary and required information and/or documentations. The number of units you receive will be rounded to two (2) decimal places.

## 3.6. MINIMUM WITHDRAWALS

The minimum withdrawal for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure of the respective Class for further information. You may withdraw by completing a withdrawal application and submit it to the relevant Distributor or Principal Malaysia's offices. There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to your bank account (or foreign currency bank account, as the case may be) provided by you.

### 3.6.1. Processing a withdrawal

If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the complete withdrawal request after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Penalty (if any). You will be paid in the currency of the Class (e.g. Class USD Unit Holders will be paid in USD) within seven (7) Business Days upon our receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any.

## 3.7. MINIMUM BALANCE

The minimum balance that must be retained in your account for each Class may differ and may be determined by us from time to time. Please refer to Annexure of the respective Class for further information. If the balance (i.e. number of units) of an investment drops below the minimum balance units, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we may withdraw your entire investment and forward the proceeds to you.

## 3.8. COOLING-OFF PERIOD

Individual Sophisticated Investors have six (6) Business Days after your initial investment (i.e. the date the complete application is received and accepted by us or our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased or prevailing NAV per unit at the point of cooling-off (whichever is lower) ("Refund Amount"). We will pay the Refund Amount including the Application Fee (if any) to you in the currency of the respective Class within seven (7) Business Days from the date we receive the complete documentations. Please note that the cooling-off right is only given to first time investor investing with us or our Distributors. However, Principal Malaysia's staff and person(s) registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.



### **3.9. SWITCHING**

Switching is available between the Classes of the Fund or between a Class and other Principal Malaysia's funds (or its classes), which should be denominated in the same currency. You may contact our Customer Care Centre for more information on the availability of switching. Please also refer to the Annexure of the respective Class for further information.

To switch, simply complete a switch application and send to the our Distributors or Principal Malaysia's offices. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the Fund or Class and other Principal Malaysia's funds (or its classes).

#### **3.9.1. Processing a switch**

We process a switch as a withdrawal from one fund or class and an investment into another fund or class within Principal Malaysia's funds. If we receive a complete switch request by 4:00 p.m. on a Business Day, we will process the switch-out using the NAV per unit for that Business Day. If we receive the request after 4:00 p.m. on a Business Day, the switch-out will be processed using the NAV per unit for the next Business Day.

However, you should note that switch-in may be processed at a later Business Day, generally within four (4) Business Days.

### **3.10. TRANSFER FACILITY**

You may transfer your units to another eligible Sophisticated Investor subject to such terms and conditions stipulated in the Deed. You may be charged a Transfer Fee for each transfer. However, we may refuse to register any transfer of unit at our absolute discretion. Please refer to the Annexure of the respective Class for further information.

### **3.11. TEMPORARY SUSPENSION**

We may temporarily suspend the dealing in units of the Classes or Fund, subject to the GLOLA and/or the Deed. Please note that during the suspension period, there will be no NAV per unit available and hence, we will not accept any transactions for the applications, withdrawals, switches and/or transfers of units. If we have earlier accepted your request for withdrawals and switches of units, please note that there may be delay in processing those transactions and you will be notified accordingly. You will also be notified once the suspension is lifted.

### **3.12. DISTRIBUTION PAYMENT**

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Classes according to its distribution policy. Each unit of the Class will receive the same distribution for a distribution period regardless of when those units were purchased. The distribution amount you will receive is in turn calculated by multiplying the total number of units held by you in the Class by the cent per unit distribution amount. On the distribution date, the NAV per unit will adjust accordingly. For more information on the distribution policy of each Class, please see Annexure of the respective Class.

All distributions (if any) will be automatically reinvested into additional units in the Class at the NAV per unit on the distribution date (the number of units will be rounded to two (2) decimal places), unless written instructions to the contrary are communicated to us, in which you should have first furnished us with details of your valid and active bank account in the currency denomination of that Class, that all distribution payment shall be paid into (the cost and expense will be borne by you). No Application Fee is payable for the reinvestment.

If units are issued as a result of the reinvestment of a distribution or other circumstance after you have withdrawn your investment from the Class, those additional units will then be withdrawn and the proceeds will be paid to you. You should note that distribution payments, if any, will be made in the respective currency for the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the base currency of the Fund and the denominated currency of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records (at your cost and expense).

The Fund may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or a combination of any of the above. Distributions are at our discretion and are not guaranteed, and the making of any distribution does not imply that further distributions will be made and we reserve the right to vary the frequency and/or amount of distributions. Distribution out of capital is to allow the Fund the ability to distribute income according with the Fund's defined frequency or to pursue the investment objective of the Fund. The effects of making distribution out of capital has a risk of eroding the capital of the Fund.

After taking into consideration the level of capital and performance of the Fund and subject to healthy cash flow of the Fund, any distribution out of capital we make, we will ensure that proper decisions can be made in reducing cost and to ensure stability and sustainability of distribution of income for the Fund without generating any additional risk to the Fund.

Distribution out of capital represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per unit of the Classes and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained and the value of future returns would be diminished.

**Note:** Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income, realised gains and/or capital, as well as the performance of the Fund.

### **3.13. UNCLAIMED MONEYS**

Any moneys payable to you which remain unclaimed after twelve (12) months as prescribed by Unclaimed Moneys Act 1965 (“UMA”), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.

For income distribution payout to you by bank transfer, if any, which remained unsuccessful and unclaimed for six (6) months, will be reinvested into the Class within thirty (30) Business Days after the six (6) months period based on the prevailing NAV per unit on the day of the reinvestment provided that you still hold units of the Class. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Class, the distribution money would be subject to the same treatment mentioned in the above paragraph as prescribed by the UMA.

**Unit prices and distributions payable, if any, may go down as well as up.**

**We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.**

## 4. ADDITIONAL INFORMATION

### 4.1. FINANCIAL YEAR-END

31 March

### 4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Monthly statement of your account showing details of transactions and distributions (if any); and
- Quarterly report and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the quarterly report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

**The Fund's printed annual report is available upon request.**

You may obtain up-to-date fund information and NAV per unit from our monthly fund fact sheets and our website at [www.principal.com.my](http://www.principal.com.my).

Please take note that if your investments are made through the IUTA via a nominee system of ownership, you would not be deemed as a Unit holder under the Deed. As such, you may obtain the above information from the IUTA.

### 4.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES

Subject to the provision set out below, the Fund and/or any of the Classes may be terminated or wound-up without the need to seek Unit holders' prior approval as proposed by us with the consent of the Trustee (whose consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than one (1) month's notice in writing to the Unit holders as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in our reasonable opinion it is impracticable or inadvisable to continue the Fund and/or Class. A Class may be terminated by Unit holders if a Special Resolution is passed at a Unit holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in the Fund.

### 4.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS

The money you have invested in the Fund will purchase a certain number of units, which represents your interest in the Fund. Each unit held by you in the Fund represents an equal undivided beneficial interest in the assets of the Fund. However, the unit does not give you an interest in any particular part of the Fund or a right to participate in the management or operation of the Fund (other than through Unit holders' meetings).

You will be recognised as a registered Unit holder in the Fund on the Business Day your details are entered onto the register of Unit holders.

Please take note that if your investments are made through the Distributor (i.e. the IUTA via a nominee system of ownership), you would not be deemed to be a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

#### **Rights**

As a Unit holder, you have the right, among others, to:

- inspect the register of Unit holders, free of charge, at any time at our registered office, and obtain such information pertaining to your units as permitted under the Deed and the relevant laws;
- receive the distribution of income and/or capital (if any), participate in any increase in the value of the units and to other rights and privileges as set out in the Deed;
- call for Unit holders' meeting under the following circumstances:
  - (i) to consider the most recent financial statements of the Fund;
  - (ii) to require the retirement or removal of the Manager or the Trustee;
  - (iii) to give to the Trustee such directions as the meeting thinks proper; or
  - (iv) to consider any other matter in relation to the Deed.
- vote for the removal of the Trustee or the Manager through a Special Resolution;
- receive annual and quarterly reports of the Fund; and
- exercise cooling-off right.

Unit holders' rights may be varied by changes to the Deed, the GLOLA or judicial decisions or interpretation.

## **Liabilities**

- Your liability is limited to the purchase price paid or agreed to be paid for a unit. You do not need to indemnify the Trustee or us in the event that the liabilities incurred by us 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.
- Any right of indemnity of us and/or the Trustee shall be limited to recourse to the Fund.

## **Limitations**

You cannot:

- interfere with or question the exercise by the Trustee, or us on the Trustee's behalf, of the rights of the Trustee as the registered owner of the assets of the Fund;
- claim any interest in the asset of the Fund; or
- require the asset of the Fund to be transferred to you.

**Note:** You may refer to the Deed for full details of your rights.

## **4.5. DOCUMENTS AVAILABLE FOR INSPECTION**

You may inspect the following documents or copies thereof in relation to the Fund (upon request) at our principal place of business and/or the business address of the Trustee (where applicable) without charge:

- The Deed, if any;
- This Information Memorandum and supplementary or replacement information memorandum, if any;
- The latest annual and quarterly reports of the Fund, which includes the audited financial statements of the Fund (where available) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of launch of the Fund;
- Material contracts or documents disclosed in this Information Memorandum; and
- The audited financial statements of the Manager for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement.

## **4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS**

We (including our directors) will at all times act in your best interests and will not conduct ourselves in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that we face conflicts in respect of our duties as the manager to the Fund and to other Principal Malaysia's funds that we manage, we are obliged to act in the best interests of all our investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

We shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. We shall not make any investment for the Fund in any securities, properties or assets in which we or our officer has financial interest in or from which we or our officer derives a benefit, unless with the prior approval of the Trustee. We (including our directors) who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

The Fund may maintain Deposits with CIMB Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within the CIMB Group and the PFG provided that the transactions are effected at market prices and are conducted at arm's lengths.

We generally discourage cross trades and prohibit any transactions between client(s) accounts and fund accounts. Any cross trade activity require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the person(s) or members of a committee undertaking the oversight function of the Fund to ensure compliance to the relevant regulatory requirements.

## **Trustee**

As the trustee and service provider for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of monies, structured products, etc);
- (2) where the Fund is being distributed by the related party of the Trustee as IUTA;
- (3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtains financing as permitted under the SC's guidelines, from the related party of the Trustee.

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 owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit holder may enter into any contract or transaction with each other, the Fund or any Unit holder or retain for its own benefit any profit or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

#### **4.7. INTERESTS IN THE FUND**

Subject to any legal requirement, we or any of our related corporation, or any of our officers or directors, may invest in the Fund. Our directors will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Information Memorandum have been paid to any promoter of the Fund, or the Trustee (either to become a trustee or for other services in connection with the Fund), or us for any purpose.

#### **4.8. EMPLOYEES' SECURITIES DEALINGS**

We have in place a policy contained in our Personal Account Dealing Policy, which regulates our employees' securities dealings. All of our employees are required to declare their securities trading annually to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers.

# 5. THE MANAGER

## 5.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD

Principal Malaysia was incorporated on 13 June 1994 and is a joint venture between PFG and CIMB Group. Principal Malaysia has experience operating unit trust funds since 1994.

The primary roles, duties and responsibilities of Principal Malaysia as the manager of the Fund include:

- maintaining a register of Unit holders;
- implementing the appropriate investment strategies to achieve the Fund's objective;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and repurchase of units;
- calculating the amount of income to be distributed to Unit holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by Principal Malaysia nor are there any facts likely to give rise to any proceedings which might materially affect the business/financial position of Principal Malaysia.

### 5.1.1. Designated person responsible for fund management function

<b>Name:</b>	Wong Loke Chin
<b>Designation:</b>	Chief Investment Officer, Fixed Income – Malaysia
<b>Experience:</b>	Wong Loke Chin is a seasoned portfolio manager with more than 29 years of relevant experience in managing domestic fixed income investments for retail, institutional, corporate and insurance clients. He has also gained more than 12 years of experience in managing global fixed income investment for institutional investor. Loke Chin joined Principal Malaysia in January 2005 from CIMB's Debt Markets and Derivatives Department where he managed fixed income portfolios of institutional clients. Prior to joining CIMB in year 2001, he has with him more than 6 years' experience in fixed income investment within the insurance industry. Loke Chin is a member of the Financial Markets Association Malaysia. He obtained his fund manager's representative license in January 2005.
<b>Qualifications:</b>	Bachelor of Commerce from University of New South Wales, Australia

**Note:** For more information and/or updated information, please refer to our website at [www.principal.com.my](http://www.principal.com.my).

# 6. THE TRUSTEE

## 6.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD

**HSBC (Malaysia) Trustee Berhad** is a company incorporated in Malaysia since 1937 and is registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur. Since 1993, the Trustee has acquired experience in the administration of trusts and has been appointed as trustee for unit trust funds, exchange-traded funds, Wholesale Funds and funds under private retirement scheme.

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit holders. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the CMSA and the GLOLA. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, the CMSA and the GLOLA. In respect of monies paid by an investor for the application of units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of withdrawal, the Trustee's responsibility is discharged once it has paid the withdrawal amount to the Manager.

The Trustee has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders for purposes of performing its duties and obligations in accordance to the Deed, the CMSA, the GLOLA and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

### 6.1.1. Trustee's Delegate

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/ or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee for the Fund or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee. The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of any third party depository including central securities depositories, or clearing and/or settlement systems in any circumstances.

### 6.1.2. Trustee's Disclosure of Material Litigation

The Trustee 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 and any of its delegates.

### 6.1.3. Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under the Deed. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

# **ANNEXURE – CLASS MYR**



This section is only a summary of the salient information about Class MYR. You should read and understand the entire Information Memorandum before investing and keep this Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, the CIMB Group and the Trustee do not guarantee the repayment of capital.

## CLASS INFORMATION

	Class MYR	Page
<b>Currency denomination</b>	MYR	
<b>Distribution policy</b>	Depending on the level of income (if any) that this Class generates, this Class aims to distribute part or all of its distributable income on a quarterly basis. <i>Note: The Fund may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.</i>	12

## FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units of the Class.

Charges	Class MYR	Page
<b>Application Fee</b>	Nil.	5
<b>Withdrawal Penalty</b>	Nil.	5
<b>Switching Fee</b>	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	5
<b>Transfer Fee</b>	A maximum of MYR 50.00 may be charged for each transfer.	5
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

This table describes the fees that you may **indirectly** incur when you invest in the Class.

Fees	Class MYR	Page
<b>Management Fee</b>	Up to 0.25% per annum of the NAV of the Class.	5
<b>Trustee Fee</b>	Up to 0.03% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	5
<b>Expenses directly related to Fund or Class</b>	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent's fee.	6
<b>Other fees payable indirectly by you when investing in the Fund</b>	Nil.	

*Note: Subject always to the provisions of the Deed and the GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.*

## TRANSACTION INFORMATION

	Class MYR	Page
<b>Minimum initial investment</b>	MYR 100 or such other amount as we may decide from time to time.	11
<b>Minimum additional investment</b>	MYR 100 or such other amount as we may decide from time to time.	11
<b>Minimum withdrawal</b>	100 units or such other number of units as we may decide from time to time.	11
<b>Minimum balance</b>	100 units or such other number of units as we may decide from time to time.	11

<b>Regular Savings Plan</b>	RSP is available. The RSP allows you to make regular monthly investments of MYR100 or more, directly from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR100 or such other amount as we may decide from time to time.	
<b>Switching</b>	Switching will be conducted based on the value of your investments in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Penalty of the Class (if any).</li> </ul> </li> <li>▪ for switching into a Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the switching fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	11
<b>Transfer</b>	We may, at our absolute discretion, allow/refuse to allow Unit holders to transfer their units to another eligible Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time.	12

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case may be): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/ or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

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

**All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in this Information Memorandum.**

**We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and/or transaction information from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee, communicate to you and/or seek your approval on the amendments to the fees, charges and transaction information.**

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