

This is a Private Retirement Scheme (“PRs”) **Product Highlights Sheet** dated 1 April 2019.

**Manulife Shariah PRS NESTEGG Series** consisting of:

- **Manulife Shariah PRS-Growth Fund**
- **Manulife Shariah PRS-Moderate Fund**
- **Manulife Shariah PRS-Conservative Fund**

**Responsibility Statement**

This Product Highlights Sheet (“PHS”) has been reviewed and approved by the directors and/or persons approved by the Board of Manulife Asset Management Services Berhad (the “Provider”) and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in the PHS false or misleading.

**Statement of Disclaimer**

The Securities Commission Malaysia has approved *Manulife Shariah PRS NESTEGG Series* (the “Scheme”) and authorized *Manulife Shariah PRS-Growth Fund*, *Manulife Shariah PRS-Moderate Fund* and *Manulife Shariah PRS-Conservative Fund* (referred to as the “Fund” individually or “Funds” collectively), and a copy of this PHS has been lodged with the Securities Commission Malaysia.

The approval and authorisation, as well as the lodgement of this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the Scheme or the Funds of the Scheme, or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of the Provider, who is responsible for the Scheme and the Funds of the Scheme, and takes no responsibility for the contents of this PHS. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

**This PHS only highlights the key features and risks of the Scheme and the Funds of the Scheme. Members are advised to request, read and understand the Replacement Disclosure Documents and its Supplemental Disclosure Documents before deciding to contribute into the Scheme/ Fund.**

**Brief Information on the Product**

**1. What is the Scheme and what are the Funds under the Scheme?**

Manulife Shariah PRS NESTEGG Series (the “Scheme”) is a private retirement scheme (“PRs”) which is a voluntary investment scheme designed to facilitate accumulation of retirement savings. There are three (3) core funds under the Scheme, each catered for individuals with different risk profiles, namely:

- Manulife Shariah PRS-Growth Fund;
- Manulife Shariah PRS-Moderate Fund; and
- Manulife Shariah PRS-Conservative Fund.

Manulife Asset Management Services Berhad (the “Provider”) is the PRS Provider of the Scheme and the Funds of the Scheme. The Funds have been certified as being Shariah-compliant by the Shariah Adviser.

**Product Suitability**

**2. Who are these Funds suitable for?**

Generally, these Funds are suitable for members who:

- seek an additional retirement savings scheme other than a mandatory retirement scheme;
- are not statutorily obliged to contribute to a mandatory retirement scheme;
- seek to invest in a Shariah-compliant investment; and
- are employers who wish to contribute on behalf of their employees having the characteristics mentioned below:

Manulife Shariah PRS-Growth Fund	Manulife Shariah PRS-Moderate Fund	Manulife Shariah PRS-Conservative Fund
This Fund is suitable for members who have a moderate to high risk appetite and seek capital appreciation on their contributions.	This Fund is suitable for members who have a moderate risk appetite, seek capital appreciation on, and distribution of units from their contributions.	This Fund is suitable for members who have a low risk appetite and seek regular distribution of units from their contributions.

## Key Product Features

### 3. What am I contributing in?

Fund name	Manulife Shariah PRS-Growth Fund	Manulife Shariah PRS-Moderate Fund	Manulife Shariah PRS-Conservative Fund
Fund category	Core (Growth)	Core (Moderate)	Core (Conservative)
Investment objective	<p>The Fund aims to facilitate accumulation of retirement savings* by providing capital growth over the long-term.</p> <p>*Please note that these Funds are neither capital guaranteed nor capital protected, therefore, a member's capital is neither guaranteed nor protected. #Income declared will be reinvested in the form of additional units issued to members.</p>	<p>The Fund aims to facilitate accumulation of retirement savings* through a combination of income# and capital growth over the long-term.</p>	<p>The Fund aims to provide steady returns whilst preserving* capital.</p>
Investment policy and strategy	<p>To achieve the objective of the Fund, the Provider will at all times invest a minimum of 30% up to a maximum of 70% of the Fund's net asset value ("NAV") in Shariah-compliant equities and/or equity-related securities which would include the following:</p> <ul style="list-style-type: none"> <li>▪ Shariah-compliant securities of companies listed on Bursa Malaysia and/or any other exchanges of countries regulated by an authority which is a member of the International Organization of Securities Commissions ("IOSCO");</li> <li>▪ Shariah-compliant derivatives; and</li> <li>▪ Shariah-compliant collective investment schemes ("CIS") which invest in Shariah-compliant equities and/or equity-related securities.</li> </ul> <p>That part of the Fund's NAV not invested in Shariah-compliant equities and/or equity-related securities will be invested in the following:</p> <ul style="list-style-type: none"> <li>▪ sukuk and Islamic commercial papers carrying at least A3/ P2 rating by RAM Rating Services Berhad ("RAM") (or equivalent rating by Malaysian Rating Corporation Berhad ("MARC"));</li> <li>▪ government sukuk, Islamic treasury bills and other government approved or guaranteed sukuk;</li> <li>▪ Islamic deposits with financial institutions;</li> <li>▪ Islamic money market instruments such as Islamic negotiable instruments and Islamic accepted bills; and</li> <li>▪ Shariah-compliant CISs* which invest in sukuk and/or Islamic money market instruments.</li> </ul> <p>Further, the Fund may invest up to 30% of the Fund's NAV at any time in foreign markets such as the Asia Pacific region whenever opportunities arise. The Asia Pacific region would include but are not limited to Australia, Hong Kong, India, Indonesia, the Philippines, Singapore, South</p>	<p>To achieve the objective of the Fund, the Provider will at all times invest a minimum of 40% up to a maximum of 60% of the Fund's NAV in Shariah-compliant equities and/or equity-related securities which would include the following:</p> <ul style="list-style-type: none"> <li>▪ Shariah-compliant securities of companies listed on Bursa Malaysia and/or any other exchanges of countries regulated by an authority which is a member of the IOSCO;</li> <li>▪ Shariah-compliant derivatives; and</li> <li>▪ Shariah-compliant CISs which invest in equities and/or equity-related securities.</li> </ul> <p>That part of the Fund's NAV not invested in Shariah-compliant equities and/or equity-related securities will be invested in the following:</p> <ul style="list-style-type: none"> <li>▪ sukuk and Islamic commercial papers carrying at least A3/ P2 rating by RAM (or equivalent rating by MARC);</li> <li>▪ government sukuk, Islamic treasury bills and other government approved or guaranteed sukuk;</li> <li>▪ Islamic deposit with financial institutions;</li> <li>▪ Islamic money market instruments such as Islamic negotiable certificates of deposits and Islamic accepted bills; and</li> <li>▪ Shariah-compliant CISs* which invest in sukuk and/or Islamic money market instruments.</li> </ul> <p>Further, the Fund may invest up to 30% of the Fund's NAV at any time in foreign markets such as the Asia Pacific region whenever opportunities arise. The Asia Pacific region would include but are not limited to Australia, Hong Kong, India, Indonesia, the Philippines, Singapore, South Korea, Taiwan and Thailand. As the Fund will be investing in foreign markets, the Provider</p>	<p>To achieve the objective of the Fund, the Provider will at all times invest a minimum of 80% of the Fund's NAV in Malaysian sukuk of which a minimum of 20% will be invested in Islamic money market instruments, and a maximum of 20% of the Fund's NAV in Malaysian Shariah-compliant equities and/or equity-related securities.</p> <p>The sukuk portfolio of the Fund would include the following:</p> <ul style="list-style-type: none"> <li>▪ Malaysian sukuk and Islamic commercial papers carrying at least A3/ P2 rating by RAM (or equivalent rating by MARC);</li> <li>▪ Malaysian government Shariah-compliant securities, Islamic treasury bills, Bank Negara Malaysia ("BNM") monetary notes-i, Malaysian government Islamic negotiable instruments and Cagamas sukuk;</li> <li>▪ other obligations issued or guaranteed by the Malaysian government, BNM, Malaysian state governments and Malaysian government-related agencies;</li> <li>▪ Islamic deposit with Malaysian financial institutions;</li> <li>▪ Islamic money market instruments such as Islamic negotiable instruments and Islamic accepted bills issued by Malaysian financial institutions; and</li> <li>▪ Shariah-compliant CISs* which invest in Malaysian sukuk and/or Islamic money market instruments.</li> </ul> <p>The Fund may also invest up to 5% of the Fund's NAV at any time in sukuk and/or Islamic money market instruments which are rated below A3/ P2 by RAM (or equivalent rating by MARC) and/or are unrated.</p> <p>Shariah-compliant equities and/or equity-related securities would include the following:</p> <ul style="list-style-type: none"> <li>▪ Shariah-compliant securities of companies listed on Bursa Malaysia;</li> <li>▪ Shariah-compliant warrants arising from corporate exercises; and</li> </ul>

Fund name	Manulife Shariah PRS-Growth Fund	Manulife Shariah PRS-Moderate Fund	Manulife Shariah PRS-Conservative Fund
	<p>Korea, Taiwan and Thailand. As the Fund will be investing in foreign markets, the Provider intends to enter into Islamic derivative trades solely for hedging purposes to reduce the Fund's exposure to foreign exchange fluctuations; the Islamic derivative trades would not be considered as investments of the Fund but rather a risk-management device.</p> <p>*For allocation in sukuk, up to 70% of the Fund's NAV may be invested in a single Shariah-compliant sukuk CIS, for a period of 5 years from 23 July 2018 or until the fund reaches RM25 million, whichever earlier.</p>	<p>intends to enter into Islamic derivative trades solely for hedging purposes to reduce the Fund's exposure to foreign exchange fluctuations; the Islamic derivative trades would not be considered as investments of the Fund but rather a risk-management device.</p> <p>*For allocation in sukuk, up to 60% of the Fund's NAV may be invested in a single Shariah-compliant sukuk CIS, for a period of 5 years from 23 July 2018 or until the fund reaches RM25 million, whichever earlier.</p>	<ul style="list-style-type: none"> <li>Shariah-compliant CISs which invest in Malaysian Shariah-compliant equities and/or equity-related securities.</li> </ul> <p>*For allocation in sukuk, up to 80% of the Fund's NAV may be invested in a single Shariah-compliant sukuk CIS, for a period of 5 years from 23 July 2018 or until the fund reaches RM25 million, whichever is earlier.</p>
<b>Asset allocation</b>	<ul style="list-style-type: none"> <li>30% to 70% of the Fund's NAV in Shariah-compliant equities and/or equity-related securities; and</li> <li>the remainder in sukuk, Islamic money market instruments and Islamic deposits with financial institutions.</li> </ul> <p>Note: The Provider will ensure that there is sufficient liquidity for the Funds to meet redemption requests.</p>	<ul style="list-style-type: none"> <li>40% to 60% of the Fund's NAV in Shariah-compliant equities and/or equity-related securities; and</li> <li>the remainder in sukuk, Islamic money market instruments and Islamic deposits with financial institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum 80% of the Fund's NAV in Malaysian sukuk, Islamic money market instruments and Islamic deposits with financial institutions of which a minimum of 20% of the Fund's NAV will be invested in Islamic money market instruments; and</li> <li>Maximum 20% of the Fund's NAV in Malaysia Shariah-compliant equities and/or equity-related securities.</li> </ul>
<b>Benchmark</b>	<p>60% FTSE Bursa Malaysia EMAS Shariah Index + 40% Maybank 12-month Islamic fixed deposit-i rate.</p> <p>Note: Members should be aware that the risk profile of the Funds is not the same as the risk profile of its benchmark.</p>	<p>50% FTSE Bursa Malaysia EMAS Shariah Index + 50% Maybank 12-month Islamic fixed deposit-i rate.</p>	<p>Maybank 12-month Islamic fixed deposit-i rate.</p>
<b>Base currency</b>	Malaysian Ringgit ("RM")		
<b>Class(es)</b>	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>
<b>Launch date</b>	24 July 2013	24 July 2013	28 April 2016
<b>Initial offer price</b>	RM0.5000	RM0.5000	RM0.5000
<b>Financial year end</b>	31 August		
<b>Distribution policy</b>	Income distribution is incidental and if any, will be automatically reinvested and distributed as additional units of the Fund.	Income will be distributed once a year, if any, and will be automatically reinvested and distributed as additional units of the Fund.	

#### 4. Who am I investing with?

<b>Provider/ Fund Manager</b>	Manulife Asset Management Services Berhad
<b>Trustee</b>	CIMB Islamic Trustee Berhad
<b>Shariah Adviser</b>	ZICO Shariah Advisory Services Sdn Bhd effective 1 April 2019.

#### 5. How does the Scheme work?

You can choose the Fund(s) you would like to contribute in according to your risk profile. However, if you have not selected a Fund of your choice, your contributions will be automatically allocated for the purchase of units in a core fund depending on your age at the time of contribution (i.e. "Default Option") as shown in the following table:

Name of Fund	Age at time of contribution
Manulife Shariah PRS-Growth Fund	Below 40 years of age
Manulife Shariah PRS-Moderate Fund	40 to below 50 years of age
Manulife Shariah PRS-Conservative Fund	50 years of age and above

In addition to the aforementioned table, and provided no written notification to the contrary has been given to us, the first contribution made by or for you:

- if made within 30 days before you attain the age of 40 years, shall be allocated for the purchase of units in Manulife Shariah PRS-Moderate Fund; and
- if made within 30 days before you attain the age of 50 years, shall be allocated for the purchase of units in Manulife Shariah PRS-Conservative Fund.

When units are to be purchased with a contribution by an employer on your behalf as its employee, and regardless of whether those units are to be vested units or conditionally vested units, you shall have the right to choose the Funds to be purchased if you do not wish the units to be purchased under the Default Option.

#### **Sub-accounts A and B**

As the Scheme is designed for you to accumulate savings for your retirement needs, all contributions made by you will be channelled into two (2) sub-accounts:

- 70% of the units of each Fund in Sub-account A; and
- 30% of the units of each Fund in Sub-account B.

A contribution made by an employer on your behalf will be maintained in Sub-account A only, and:

- if not made subject to a vesting schedule, shall vest in you immediately upon receipt by us; and
- if made subject to a vesting schedule, shall vest in you according to the vesting schedule.

Please refer to pages 7-8 for more details on **Retirement & Pre-Retirement Withdrawal**.

#### **Multiple classes of units**

Each Fund has three classes of units (Class A, Class B and Class C) which are distinguished by the amount of sales charge, redemption charge, switching fee, transfer fee and amount of management fee imposed by the Provider on each of those classes of units.

On the 10th anniversary of the date the first contribution was made by or on behalf of a member holding Class A units of a Fund, the Class A units of such Fund held by a member will automatically be converted into Class B units of such Fund at no cost to the member. Accordingly, any subsequent contributions by or on behalf of the member after the said 10th anniversary will be utilised towards the purchase of Class B units of the Funds. For the avoidance of doubt, the date the first contribution was made shall be the earliest date the first contribution was made to the Scheme or to any other PRS operated by the Provider.

The details and differences of the classes of units of the Funds are explained in the Replacement Disclosure Document and Supplemental Disclosure Documents.

#### **Transfer your Fund(s) to another private retirement scheme operated by another PRS provider**

You may request for redemption of units of the Fund held by you and then transfer the proceeds of such redemption to another PRS operated by another PRS provider one (1) year after the date of the your first contribution to the Scheme. Thereafter, you are allowed to perform one (1) transfer every calendar year on a per PRS provider basis. You may also consolidate all your contributions from the Funds managed by the Provider to be transferred to another fund managed by another PRS provider. For avoidance of doubt, the redemption proceeds from a Fund cannot be split into two (2) or more funds:

- If the redemption proceeds are realised from redemption of units in Sub-account A, such redemption proceeds will be used to create units in your Sub-account A of the other PRS fund operated by another PRS provider; and
- If the redemption proceeds are realised from redemption of units in Sub-account B, such redemption proceeds will be used to create units in the member's Sub-account B of the other PRS fund operated by another PRS provider.

Please note that transfer to another PRS operated by another PRS provider is not permitted for conditionally vested units. For the avoidance of doubt, transfer of units of the Fund to another individual or member is not allowed.

#### **Switching**

Switching of vested units and/or conditionally vested units in a Fund may only be done with the units of any other Funds within the Scheme or funds in another PRS operated by the Provider.

For Class C units, however, switching of units can only be done within the same class of units. You are not allowed to switch your vested units and/or conditionally vested units from Class C units to Class A or Class B units.

#### **Cooling-off right**

You may exercise your cooling-off right within six (6) Business Days from the date of receipt of your application to contribute into a PRS for the first time. However, once you have exercised your cooling-off right, the cooling-off right will no longer be available for contributions made in other PRS.

Note: Cooling-off right is not applicable to the staff of a PRS provider, persons registered with a body approved by the Securities Commission Malaysia to deal in PRS, and an employer contributing on behalf of the employee.

## **Key Risks**

### **6. What are the key risks associated with these Funds?**

#### **Company specific risks**

This is the risk of investing in a specific company. Any changes to the business performance of the company, consumer tastes and demand, lawsuits, competitive operating environment, and management practices in a specific company in which the Funds invest in may cause fluctuations in the share price of that company, thus affecting the value of the Funds' investments.

### **Credit/ default risk**

Investments in sukuk and Islamic money market instruments are subject to the risk of non-payment and/or untimely payment of the principal amount as well as the profit when they fall due. Credit/ default risk is assessed based on the issuer's overall ability to meet its obligations when they fall due. An issuer suffering an adverse change in its financial condition could have the credit rating of the sukuk and Islamic money market instruments lowered, leading to greater price volatility of the sukuk and Islamic money market instruments. A downgrade of the credit rating of a sukuk and Islamic money market instruments may also impact the sukuk and Islamic money market instruments' liquidity, making it more difficult to sell and greater volatility on the Fund's valuation.

### **Shariah-compliant CISs risk**

As the Funds may invest in other Shariah-compliant CIS, the Funds are exposed to the risk faced by the Shariah-compliant CIS that the Funds invest in. Any adverse effect suffered by the Shariah-compliant CIS such as an event of default in its underlying investments may cause the NAV of the Shariah-compliant CIS to drop and as a result of which may also affect the performance of the Funds.

*Risks applicable to **Manulife Shariah PRS-Growth Fund** and **Manulife Shariah PRS-Moderate Fund***

### **Country risk**

As the Funds may invest in foreign markets, the Funds will be exposed to risks applicable to the countries that it invests in. The Provider will give due consideration to the risk factors such as currency stability, political, regulatory, legal and economic environment before any investments are made in the foreign country.

### **Currency risk**

This risk is associated with investments denominated in currencies different from the base currency of the Funds. As the Funds are denominated in RM, investments in foreign markets will cause the Funds to be exposed to currency risks. When foreign currencies move unfavourably against the RM, these investments may face currency loss in addition to any capital gains or losses, which may affect the NAV of the Funds and consequently, the unit price of the Funds. Such movements in the foreign currency rates will also impact the amount of income that the Funds may be able to declare. The Provider may manage this risk by hedging the foreign currency exposure.

### **Risk considerations for investing in Derivatives, Structured Products and Warrants (*not applicable to Manulife Shariah PRS – Conservative Fund*)**

The Provider may use Shariah-compliant financial derivatives such as Islamic swap, Islamic forward and Islamic futures to hedge against adverse movements in interest rates and currency exchange rates. This involves special risks, including but not limited to:

- the risk of derivative transactions having the effect of increasing the volatility of the Funds' NAV;
- the risk of loss from default by the counterparty, typically as a consequence of insolvency or failed settlement;
- the risk of the supply and demand factors in the derivatives market and in other related markets impacting the liquidity of the derivatives market adversely, which in turn would adversely affect the Shariah-compliant derivatives pricing and the Funds;
- the Fund may not enter into a collateral support agreement (an agreement related to derivative agreements such as IDMA) with the counterparty for various reasons such as but not limited to the fact that there may not be suitable or available collateral on either side that may be utilized. The Funds will not be entering into any collateral support agreements as the Deed prohibits the assets of the Funds to be used as collateral. The absence of such agreement would mean that in the event of any default, there will be no collateral against such losses.

The Provider may also use Islamic structured products linked to the performance of certain securities, indices, interest rates or currency exchange rates. Islamic structured products are subject to risks associated with the underlying market or security, and may be subject to greater volatility than direct investments in the underlying market or securities. Islamic structured products may entail the loss of principal and/or profit payments as a result of movements in the underlying market or security.

The Provider will only purchase Shariah-compliant derivatives and Islamic structured products issued by financial institutions with a minimum long-term credit rating by any domestic or global rating agency which indicates strong capacity for timely payment of financial obligations. In the event where the counterparty or issuer's rating falls below the minimum required or it ceases to be rated, the Provider will liquidate its holdings within six months or sooner, unless the Scheme Trustee considers it to be in the best interest of the members to do otherwise.

Shariah-compliant equity-related securities may comprise of warrants, which confer the investor the right but not obligation to subscribe to an underlying security of the issuing company at a pre-determined price (exercise price), quantity and expiry period. Warrants will expire and its value will diminish if it is not exercised by its expiration date of it is out-of-the-money (cost of converting the warrants to underlying securities is more than the current market price of the underlying securities). Prices of warrants are extremely volatile and it may not always be possible to dispose the warrants in short period of time.

**It is important to note that investments of the Funds carry risks and that the above list of risks may not be exhaustive. While every care will be taken by the Provider to mitigate the risk from becoming a reality, you are advised that it is not always possible to protect investments against all risks. Further, different asset classes generally exhibit different levels of risk. If in doubt, you are advised to read the Replacement Disclosure Document and Supplemental Disclosure Documents, or consult a professional adviser.**

## **Fees, Charges and Transaction Information**

### **7. What are the fees and charges involved?**

There are fees and charges involved and you are advised to consider it before contributing to the Scheme.

### Fees directly incurred and payable to the PPA

PPA account opening fee	RM10.00 (one-off)
PPA annual fee	RM8.00 per annum. No annual fee will be charged during the 1st year of the opening of a private pension account; there will also be no annual fee payable if no contributions are made during a calendar year.
PPA pre-retirement withdrawal fee	RM25.00 for each withdrawal*. This withdrawal fee is applicable if you want to withdraw from your Sub-account B.
PPA transfer fee (to another PRS provider)	RM25.00 for each transfer*. This transfer fee is applicable if you want to transfer to a PRS operated by another PRS provider.

\*Subject to any other circumstances as may be specified by the PPA.

### Fees and charges directly incurred and payable to the Provider

Fund class	Class A	Class B	Class C
Sales charge	<ul style="list-style-type: none"> <li>A sales charge of up to 2.00% of NAV per unit will be imposed on walk-in contributors.</li> <li>If contributions are made through our authorised Institutional PRS Advisers or PRS consultants, the sales charge will be waived.</li> </ul> <p>The sales charge is negotiable.</p>		A sales charge of up to 3.00% of NAV per unit will be imposed.
Redemption charge	<p>A redemption charge will be imposed at the following rates:</p> <ul style="list-style-type: none"> <li>3.00% of NAV per unit for withdrawal in the 2nd year after the first contribution to the Scheme;</li> <li>2.00% of NAV per unit for withdrawal in the 3rd year after the first contribution to the Scheme;</li> <li>1.00% of NAV per unit for withdrawal in the 4th year after the first contribution to the Scheme; and</li> <li>no redemption charge will be imposed from the 5th year after the first contribution to the Scheme.</li> </ul> <p>The redemption charge will be retained by the Provider. The Provider has the discretion to waive the redemption charge.</p> <p>Note: Redemption charge is applicable upon any withdrawal from the Scheme (except for circumstances where a member reaches retirement age, passes away, permanently departs from Malaysia or has permanent total disablement, serious disease or mental disability) or upon any transfer to another PRS operated by another PRS provider.</p>		No redemption charge will be imposed on the redemption of Class C units.
Switching fee (between Funds of the Scheme or between a Fund of the Scheme and any other fund in another PRS operated by the Provider)	<p>Members may switch:</p> <ul style="list-style-type: none"> <li>between Funds of the Scheme;</li> <li>between a Fund of the Scheme and any other fund in another scheme operated by the Provider; and</li> <li>from Class A or Class B units to Class C units.</li> </ul> <p>However, <u>switching from Class C units to Class A or Class B units is not allowed.</u></p> <p>No switching fee will be imposed on the first 12 switching transactions made during a calendar year. For each subsequent switching transaction made during the same calendar year, the Provider will impose the following fee on the member:</p> <ul style="list-style-type: none"> <li>RM25.00 per switch between Funds of the Scheme or between a Fund of the Scheme and any other fund in another scheme operated by the Provider.</li> <li>3% of the amount switched out from Class A or Class B units to Class C units.</li> </ul> <p>The Provider may at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time.</p>		For each subsequent switching transaction made within the same class of units during the same calendar year, a switching fee of RM25.00 will be imposed by the Provider on the member.
Transfer fee	<ul style="list-style-type: none"> <li>No transfer fee will be imposed on a request to transfer to another PRS operated by another PRS provider.</li> <li>However, a redemption charge will be imposed on a member which rate will depend on the number of years the member has contributed to the Scheme.</li> </ul>		A transfer fee of RM25.00 will be imposed on a request to transfer to another PRS operated by another PRS provider.

### Fees indirectly incurred and paid by the Funds

Fund class	Class A	Class B	Class C
Annual management fee	2.25% per annum of the NAV attributable to this Class of units of the Fund.	1.50% per annum of the NAV attributable to this Class of units of the Fund.	Up to 1.50% per annum of the NAV attributable to this Class of units of the Fund.
Annual trustee fee	0.025% per annum of the NAV of the Fund. The annual trustee fee does not include any foreign sub-custodian fees and charges (if any).		
PPA administration fee	0.04% per annum of the NAV of the Fund. The PPA administration fee will be charged by the Administrator to the Fund.		

You can also compare the fees and charges of other private retirement schemes by visiting the PPA's website, [www.ppa.my](http://www.ppa.my). All fees and charges payable to the Provider, Trustee and PPA are subject to goods and services tax as may be imposed by the Government of Malaysia from time to time, at the prevailing rate.

#### Increase in fees and charges

Fees and charges payable to us	Fees and charges payable to the Fund
You will be notified of any increase in the fees and charges payable to us, such as the sales charge, redemption charge, switching fee and transfer fee, by way of a replacement/ supplemental disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 30 days after the date of issuance of the replacement/ supplemental disclosure document.	You will be notified of any increase in the management fee and trustee fee, which are charged to the Fund, by way of a letter and a replacement/ supplemental disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 90 days after the date of issuance of the replacement/ supplemental disclosure document.

#### Transaction details

Cut-off time	12.30 p.m. on a business day.
Minimum initial contribution	RM100 or such amount as the Provider may decide from time to time.
Minimum additional contribution	RM100 or such amount as the Provider may decide from time to time.
Minimum switching amount	200 units or such other amount as the Provider may decide from time to time.
Minimum holding balance	100 units or such other amount as the Provider may decide from time to time. Please note that the minimum holding refers to the total number of units of each Fund in your Sub-account A.
Minimum withdrawal	200 units or such other amount as the Provider may decide from time to time.
Minimum transfer amount	200 units or such other amount as the Provider may decide from time to time.

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

#### 8. How often are valuations available?

The valuation of the Funds are carried out daily at the end of the business day. The Funds' NAV per unit will be available on the Provider's website: [www.manulifeinvestment.com.my](http://www.manulifeinvestment.com.my).

### Retirement and Pre-Retirement Withdrawal

#### 9. Retirement withdrawal

You may fully or partially withdraw from both Sub-accounts A and B without incurring any tax penalty after reaching the retirement age of fifty five (55) years or any other age as may be specified by the Securities Commission Malaysia.

#### 10. Pre-retirement withdrawal

Pre-retirement withdrawal from Sub-account A is not allowed. You may fully or partially withdraw from Sub-account B under the following circumstances:

- the first request for withdrawal from one or more PRS (including the Scheme) may only be made after one year has elapsed from the date the first contribution to the Scheme by or for you (vested units);
- subsequent requests for partial withdrawals from one or more PRS (including the Scheme) may only be made once in each following calendar year; and
- the withdrawal amount will be subject to a tax penalty of 8% by the Inland Revenue Board of Malaysia, which will be deducted by the Provider from the withdrawal amount prior to paying out the withdrawal proceeds from the Scheme.

#### 11. Withdrawal due to permanent departure from Malaysia

Aside from (9) and (10) above, in the event of your permanent departure from Malaysia, you can only perform a full withdrawal and the tax penalty will not be applicable.

#### 12. Withdrawal due to permanent total disablement, serious disease and/or mental disability

Aside from (9) and (10) above, in the event of you being certified by a medical practitioner as having permanent total disablement, serious disease or mental disability, you can only perform a full withdrawal and the tax penalty will not be applicable.

#### 13. Withdrawal due to death

Aside from (9) and (10) above, in the event of your death, full or partial withdrawals may be requested by your nominee, executor or the trustee or administrator of your estate and the tax penalty will not be applicable.

#### 14. Payment of withdrawal proceeds

Upon receiving a complete withdrawal request from you or authorization from PPA, we will pay the withdrawal proceeds (after deducting any applicable redemption charge and/or tax penalty) to you within 10 calendar days. We will only accept withdrawal requests submitted by you or the PPA (for withdrawals due to death, permanent total disablement, serious disease and/or mental disability). We will only pay the withdrawal proceeds directly to you or in the event of death, proceeds will be paid either to your nominee, executor, trustee or administrator of your estate.

## 15. What taxes apply?

As an individual, you will be entitled to a tax relief of up to RM3,000 in respect of contribution made to the Scheme. This is effective from year assessment 2012 until year assessment 2021. You will not be entitled for any deduction on the contributions made by your employer, if any, on your behalf.

Employers are given a tax deduction of up to 19% of the employees' remuneration under Section 34(4) of the MITA for contributions made by the employers to an approved scheme. The tax deduction on contributions made by employers on behalf of employees to a PRS is effective from year assessment 2012.

Pre-retirement withdrawals from Sub-account B will be subject to a tax penalty of 8% by the Inland Revenue Board of Malaysia, which will be deducted by the Provider from the withdrawal amount prior to paying out the withdrawal proceeds from the Scheme. However, withdrawals upon reaching the retirement age, or due to death, permanent departure from Malaysia, permanent total disablement, serious disease or mental disability will not be subject to any tax.

## Fund Performance

### 16. Average Total Return for Financial Year Ended 31 August 2018

Basis of calculation

$$\text{Average Total Return} = \frac{\text{Annualised Total Return}}{[(1 + \text{Total return for the period})^{(\frac{\text{Actual no. of days in a year}}{\text{No. of days during the period}}) - 1}] \times 100\%}$$

Returns in RM (%)		1-Year	3-Year	5-Year
Manulife Shariah PRS-Growth Fund	Class A	(3.11)	3.51	3.90
	Class C	(2.35)	N/A	N/A
	Benchmark	1.71	3.69	2.14
Manulife Shariah PRS-Moderate Fund	Class A	(1.99)	3.26	3.33
	Class C	(1.23)	N/A	N/A
	Benchmark	2.00	3.64	2.35
Manulife Shariah PRS-Conservative Fund	Class A	1.19	1.83	1.54
	Class C	1.97	N/A	N/A
	Benchmark	3.25	3.26	3.27

### 17. Annual Total Return for Financial Year Ended 31 August 2018

Basis of calculation

$$\text{Annual Total Return} = \frac{(\text{NAV}_t - \text{NAV}_{t-1})}{\text{NAV}_{t-1}}$$

NAV<sub>t</sub> denotes NAV at the end of the period.  
NAV<sub>t-1</sub> denotes NAV at the beginning of the period.

Returns in RM (%)		2014	2015	2016	2017	2018
Manulife Shariah PRS-Growth Fund	Class A	10.76*	(4.14)	8.08	5.92	(3.11)
	Benchmark	4.61*	(6.91)	6.58	2.84	1.71
	Class C	N/A	N/A	1.55**	6.78	(2.35)
	Benchmark	N/A	N/A	1.51**	2.84	1.71
For the financial year ended 31 August 2018, the Fund's Class A return decreased by 3.11% while Class C return increased by 1.71%, compared to its benchmark return which increased by 1.71%.						
Manulife Shariah PRS-Moderate Fund	Class A	7.98*	(3.02)	7.40	4.60	(1.99)
	Benchmark	4.41*	(5.24)	6.06	2.90	2.00
	Class C	N/A	N/A	1.79**	5.45	(1.23)
	Benchmark	N/A	N/A	1.45**	2.90	2.00
For the financial year ended 31 August 2018, the Fund's Class A return decreased by 1.99% while Class C return decreased by 1.23%, compared to its benchmark return which increased by 2.00%.						
Manulife Shariah PRS-Conservative Fund	Class A	0.68*	1.31	4.60	(0.23)	1.19
	Benchmark	3.34*	3.39	3.38	3.15	3.25
	Class C	N/A	N/A	1.95**	0.50	1.97
	Benchmark	N/A	N/A	1.13**	3.15	3.25
For the financial year ended 31 August 2018, the Fund's Class A return increased by 1.19% while Class C return increased by 1.97%, compared with its benchmark return which increased 3.25%.						

\*For the financial period from 14 August 2013 (commencement date) to 31 August 2014.

\*\*For the financial period from 28 April 2016 (commencement date) to 31 August 2016.

**PAST PERFORMANCE OF THE FUNDS ARE NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**



## 18. Portfolio Turnover Ratio (“PTR”)

Financial Year End (FYE)	2016	2017	2018
Manulife Shariah PRS-Growth Fund	0.90	1.10	0.72
The PTR for FYE2018 was 0.72 times and was lower than FYE2017 mainly due to the increase in average NAV.			
Manulife Shariah PRS-Moderate Fund	0.84	1.42	0.57
The PTR for FYE2018 was 0.57 times and was lower than FYE2017 mainly due to the decrease in trading activities.			
Manulife Shariah PRS-Conservative Fund	1.12	2.32	0.93
The PTR for FYE2018 was 0.93 times and was lower than FYE2017 mainly due to the increase in average NAV.			

## 19. Income Distribution per unit

Financial Year End (FYE)	2016		2017		2018	
	Class A	Class C	Class A	Class C	Class A	Class C
<b>Gross distribution per unit (sen)</b>						
Manulife Shariah PRS-Growth Fund	1.15	-	1.30	-	1.55	1.60
Manulife Shariah PRS-Moderate Fund	0.85	-	1.30	-	1.16	1.20
Manulife Shariah PRS-Conservative Fund	1.50	-	0.85	-	0.60	0.61
<b>Net distribution per unit (sen)</b>						
Manulife Shariah PRS-Growth Fund	1.15	-	1.30	-	1.55	1.60
Manulife Shariah PRS-Moderate Fund	0.85	-	1.30	-	1.16	1.20
Manulife Shariah PRS-Conservative Fund	1.50	-	0.85	-	0.60	0.61
Distribution was reinvested into additional units in the respective Funds at the NAV per unit on the distribution date.						

## Contact Information

### 20. Who should I contact for further information or to lodge a complaint?

- i) For internal dispute resolution, you may contact us:

**Manulife Asset Management Services Berhad**

13th Floor, Menara Manulife  
No. 6, Jalan Gelenggang  
Damansara Heights  
50490 Kuala Lumpur.

Tel : 03-2719 9228  
Fax : 03-2094 7654  
Email : [MY\\_CustomerService@manulife.com](mailto:MY_CustomerService@manulife.com)  
Website : [www.manulifeinvestment.com.my](http://www.manulifeinvestment.com.my)

- ii) If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industries Dispute Resolution Center (SIDREC):

**Securities Industries Dispute Resolution Center (SIDREC)**

Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No. 5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur.

Phone : 03-2282 2280  
Fax : 03-2282 3855  
Email : [info@sidrec.com.my](mailto:info@sidrec.com.my)

- iii) Even if you have initiated a dispute resolution process with SIDREC, you may also direct your complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

**Consumer & Investor Office**

**Securities Commission Malaysia**

No. 3, Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur.

Phone : 03-6204 8999 (Aduan Hotline)  
Fax : 03-6204 8991  
Email : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)  
Online complaint form available at [www.sc.com.my](http://www.sc.com.my)

- iv) Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

**Legal, Secretariat & Regulatory Affairs**

**Federation of Investment Managers Malaysia**

19-06-1, 6th Floor, Wisma Tune  
No. 19, Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur.

Phone : 03-2092 3800  
Fax : 03-2093 2700  
Email : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)  
Online complaint form available at [www.fimm.com.my](http://www.fimm.com.my)