

## PRODUCT HIGHLIGHTS SHEET

# AmanahRaya Syariah Income Fund (ARSIF)

**Date of Issuance : 5 May 2022**

### **Responsibility Statement**

This Product Highlights Sheet has been reviewed and approved by the Directors of AmanahRaya Investment Management Sdn Bhd and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omissions of other facts which would make any statement in the Product Highlights Sheet false or misleading.

### **Statement of Disclaimer**

The Securities Commission Malaysia has authorised the issuance of AmanahRaya Syariah Income Fund ("the Fund") and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund, and lodgement of this Product Highlights Sheet, should not be taken as a recommendation by the Securities Commission Malaysia to invest in the said fund nor do they assume responsibility for the correctness of any statement made, opinion expressed or report contained in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of AmanahRaya Investment Management Sdn Bhd who is responsible for the said fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

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

### **Additional Statement**

AmanahRaya Syariah Income Fund has been certified as Shariah-compliant by the Shariah Adviser appointed for the Fund.

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This Product Highlights Sheet only highlights the key features and risks of this Fund. Investors are advised to request, read and understand the Prospectus of the Fund before deciding to invest.

## PRODUCT HIGHLIGHTS SHEET

# AMANAHRAYA SYARIAH INCOME FUND (ARSIF)

### Brief Information on the Product

#### 1. What is this product about ?

AmanahRaya Syariah Income Fund (ARSIF) is a Sukuk fund issued by AmanahRaya Investment Management Sdn Bhd that aims to provide regular stream of monthly income\* by investing in Islamic money market instruments and sukuk.

*\*The income could be in the form of units or cash.*

This is neither a capital protected nor capital guaranteed fund.

**ANY MATERIAL CHANGES TO THE FUND OBJECTIVES WOULD REQUIRE UNIT HOLDERS' APPROVAL.**

### Product Suitability

#### 2. Who is this product suitable for ?

The Fund is suitable for investors who are seeking for a low to moderate risk investment that has exposure in sukuk, Islamic negotiable instruments of deposit and Islamic money market instruments and/or prefer a regular income stream.

**Investors should consult their financial advisers if in doubt whether this product is suitable for them.**

### Key Product Features

#### 3. What am I investing in ?

<b>Fund Category/Type</b>	Sukuk/Income
<b>Benchmark</b>	Malayan Banking Berhad Al-Mudharabah (GIA) 1-Month Rate
<b>Investment strategy</b>	<p>ARSIF will invest in Islamic money market instruments and RM-denominated short to medium-term sukuk (with maturity of no longer than five (5) years) with a following minimum credit rating:</p> <ul style="list-style-type: none"><li>i. Short-term credit rating of P1 by RAM or MARC-1 by MARC; or</li><li>ii. Long-term credit rating of A1 by RAM or A+ by MARC.</li></ul> <p>If the credit rating of the instruments falls below the minimum rating, the Fund may dispose of the investment. However, the Fund reserves the right to maintain the investment if the downgrade is a temporary event.</p> <p>The Fund may also invest up to 30% of the Fund's NAV in Islamic negotiable instruments of deposit with tenure up to five (5) years. The issuers of the Islamic negotiable instruments of deposit must have a minimum credit rating of A3 by RAM or A- by MARC.</p> <p>In the event of a credit downgrade of the issuer below the minimum rating requirement or where the Manager at its discretion view that there is a likelihood of credit default, the Manager may decide to partially or fully unwind the particular instruments. A credit downgrade means that credit risk has increased but it does not mean that there will be a default. A credit downgrade will generally have no impact</p>

	<p>on the value of the Islamic negotiable instruments of deposit upon its maturity if a credit default did not occur. However, if the Manager chooses to unwind the instrument prior to its maturity, it may result in capital losses and these losses will be borne by the Fund and reflected in its NAV.</p> <p>The Fund may also invest in Islamic CIS provided that such Islamic CIS is consistent with the investment objective of the Fund.</p> <p>Although the Fund is actively managed, the frequency of its trading strategy will very much depend on market opportunities.</p> <p>The Fund shall hold a minimum of 2% of the Fund's NAV (or such other amount as may be agreed by the Manager and Trustee from time to time) in Islamic liquid assets such as cash and Islamic deposits.</p> <p>Note: "Short-term credit rating" refers to the credit rating of an instrument for a period of less than twelve (12) months issued by credit rating agency whereas "long-term credit rating" refers to a credit rating for a period of at least five (5) years.</p>
<b>Launch date</b>	5 <sup>th</sup> May 2022
<b>Financial year-end</b>	31 <sup>st</sup> March
<b>Distribution policy</b>	Subject to availability of income, the Fund will distribute income on a monthly basis by way of reinvestment in the form of additional units depending on the performance of the Fund.

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

<b>Manager &amp; Investment Manager</b>	<p>AmanahRaya Investment Management Sdn Bhd ("ARIM") is a licensed asset management company under the Capital Markets and Services Act and a wholly-owned subsidiary of Amanah Raya Berhad.</p> <p>With effect from 21 January 2010, ARIM has taken over the role of the Manager for the Fund from AmanahRaya Unit Trust Management Sdn Bhd ("ARUTM"). Over the years, ARIM has invested vast resources in building up its infrastructure to provide a top notch fund management service.</p> <p>ARIM also has wealth of experience and competency in managing multiple asset classes, for both Ringgit and non-Ringgit based investments, which include but not limited to equity, fixed income, unit trust, property, structured products and private equity.</p>
<b>Trustee</b>	Maybank Trustees Berhad
<b>Shariah Advisor</b>	BIMB Securities Sdn Bhd

### Key Risks

#### 5. What are the key risks associated with this product ?

##### General Risks

Market Risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.
Liquidity Risk	Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume 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.
Inflation Risk	This is the risk that investors' investment in the unit trust fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.

Manager's 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 law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.
Credit and Default Risk	Credit risk relates to the creditworthiness of the issuers of the sukuk and Islamic money market instruments and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the sukuk and Islamic money market instruments. In the case of rated sukuk and Islamic money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a sukuk and Islamic money market instruments either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the sukuk and Islamic money market instruments. This could adversely affect the value of the fund.
Loan Financing Risk	This risk occurs when investors take a financing to finance their investment. The inherent risk of investing with financing includes investors being unable to service the financing payments. In the event units are used as collateral, an investor may be required to top-up the investors' existing instalment if the prices of units fall below a certain level due to market conditions, failing which, the units may be sold at a lower net asset value per unit as compared to the net asset value per unit at the point of purchase towards settling the financing taken. Investors who intend to finance an investment in Islamic unit trust fund, or for that matter any Shariah-compliant investment, are advised to seek for Islamic financing to finance their investment.
Non-Compliance Risk	This is the risk of the manager or the trustee not complying with their respective internal policies, the deed and its supplemental deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the fund when the manager or the trustee takes action to rectify the non-compliance. For example, non-compliance could occur due to factors such as human error or shortfalls in operational and administrative processes, or external factors such as market movements. This risk may be mitigated by having sufficient internal controls in place to ensure compliance with all applicable requirements at all times.

### Specific Risks

Sukuk Issuer Risk	This risk refers to the individual risk of the respective companies issuing the securities. Sukuk issuer risk includes, but is not limited to, changes in consumer taste and demand, legal suits, competitive operating environments, changing industry conditions and mistakes made by the management. If the performance of a company (invested by the Fund) deteriorates, the company's sukuk will decline in value and this in turn may suppress the NAV of the Fund. The deterioration of the performance may also affect the liquidity of a sukuk. This risk can be minimised through diversification and by careful selection of sukuk.
Interest Rate Risk	<p>Sukuk prices generally fall when interest rates rise and vice versa. The Fund's NAV may fall when interest rates rise or are expected to rise. This will also have an effect on the valuation of sukuk. This risk could cause the decline of the valuation for the sukuk, and vice versa. To mitigate this risk the Manager will manage the duration of investment in sukuk. In times of rising interest rates, the duration will be shortened and vice versa.</p> <p>The change in interest rate environment may also have implication on the profit rates offered by Islamic deposits and Islamic money market instruments. When profit rates rise, Islamic money market instruments' prices generally decline and this may lower the market value of the Fund's investment in Islamic money market instruments. Profit rates fluctuation also affect the Islamic deposits' returns of the Fund. Profit rates offered by the Financial Institutions will fluctuate according to the overnight rate policy determined by BNM and this has direct correlation with the Fund's investment in Islamic deposits. The Fund's future reinvestment in Islamic deposits will benefit from the higher profit rate and in the event of falling profit rates, the Fund's future investment in Islamic deposits will be reinvested at lower profit rates which in turn will reduce the Fund's potential returns.</p>

	The above interest rate is a general indicator that will have an impact on the management of the fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that an Islamic unit trust fund will invest in conventional financial instruments.
Income and Distribution Risk	It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, insufficient realized returns to enable income distribution. As per the SC Guidelines, distribution of income should only be made from realized gains or realized income.
Shariah Status Reclassification Risk	This risk refers to the risk of a possibility that the currently held sukuk or Islamic money market instruments or Islamic deposits invested by the Fund may be declared as Shariah non-compliant by the relevant authority or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of or withdraw such sukuk or money market instruments or deposits.  Note: Please refer to cleansing process for the Fund for details.
Islamic CIS Risk	This risk refers to any adverse effect on the Islamic CIS in which the Fund is investing that will impact the NAV of the Fund. For example, the Islamic CIS may underperform its benchmark due to poor market conditions and as a result, the NAV of the Fund will be adversely affected since the performance of the Fund is dependent on the performance of the Islamic CIS. While the Manager will exercise due skill and care in selecting the Islamic CIS, it does not have control over the management of the Islamic CIS and there is no guarantee that the investment objective of the Islamic CIS will be met.

**Notes: Different types of unit trust funds carry different levels of risk. Some are higher in risk than others. Ask about the risks before investing in a fund. Make sure you know what your fund is investing in.**

### Fees and Charges

#### 6. What are the fees and charges involved ?

<b>Sales Charge</b>	Up to 0.5% of the NAV of the Fund per unit  Investors may negotiate and at the Manager discretion to charge lower sales charge subject to qualifying criterion
<b>Annual Management Fee</b>	Maximum fee of up to 1.00% per annum of the NAV of the Fund
<b>Trustee Fee</b>	Maximum fee of up to 0.04% per annum of the NAV of the Fund, subject to a minimum fee of RM18,000.
<b>Redemption Charge</b>	Nil
<b>Switching Charges</b>	Switching from ARSIF to other fund managed by the Manager may or may not incur switching charge.  Generally, no fee will be charged on switching between funds that charges the same amount of fees unless the fund being switched to have different Sales charges from the fund to be switched to.  The minimum unit for a switch is 500 units.
<b>Transfer Charges</b>	A maximum of RM50.00 may be charged for each transfer. The minimum transfer amount is 500 units. The Manager may refuse to register any transfer of units at its absolute discretion.

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

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## Transaction Information

### 7. What are the transaction details ?

<b>Minimum Initial Investment</b>	RM1,000 or such other lower amounts as the Manager may from time to time decide.
<b>Minimum Additional Investment</b>	RM500 or such other lower amounts as the Manager may from time to time decide.
<b>Minimum Redemption Unit</b>	500 units or such other lower amounts as the Manager may from time to time decide.
<b>Cooling-off Right</b>	The right of the Unit Holders to obtain a refund of his investment in the Fund within six (6) Business Days commencing from the date of receipt of application by the Manager.
<b>Redemption Period</b>	The Manager will pay the redemption proceeds within seven (7) Business Days upon receipt of the redemption request.
<b>Switching Facility</b>	The minimum switching amount is 500 units. You need to keep a minimum balance of 500 units at all times or such a lower amount as the Manager may decide from time to time.
<b>Transfer Facility</b>	You are allowed to transfer your unit holdings, subject to conditions stipulated in the Fund's Deed. The minimum transfer amount is 500 units. The Manager may refuse to register any transfer of units at its absolute discretion.
<b>Redemption of Units</b>	Unit-holders may redeem units on any Business Day and receive payment of redemption proceeds within 7 Business Days. There is no restriction on the frequency of redemption.
<b>Minimum Holding/ Balance</b>	500 Units.  In the case of partial redemption, the Manager may elect to redemption the entire account if the effect thereof would be that the unit-holders hold less than 500 units in his account with the Fund.
<b>Switching Between Funds</b>	Unit-holders may switch their investments between funds on any Business Day. The minimum transaction per switch is 500 units. (Switching from an Islamic unit trust fund to a conventional fund is discouraged especially for Muslim Unit Holders).

**Notes: You can buy unit trusts either through a Unit Trust Consultant (UTC), Institutional Unit Trust Advisers (IUTA) or directly from Unit Trust Management Company (UTMC) or online, but each has different sales charge and level of service. Choose the one that best suits your needs. Only registered UTCs are allowed to sell unit trust funds. ARIM's UTC should show you a valid authorisation card confirming that he/she is registered with the Federation of Investment Managers Malaysia (FIMM). ARIM's UTC may represent other UTMC that uses a nominee system and your rights as a unit holder may be limited if you invest in unit trust funds through it. If the UTMC uses a nominee system, ask if your rights as a unit holder will be limited in any way.**

## Valuations and Exiting from Investment

### 8. How often are valuations available ?

The Fund will be valued on every Business Day and you may obtain NAV and prices of the Fund from the major daily newspaper, our website at [www.arim.com.my](http://www.arim.com.my), calling our customer service at 03-26875200 or e-mail to us at [sales@arim.com.my](mailto:sales@arim.com.my).

### 9. How can I exit from this investment and what are the risks and costs involved ?

To exit from this investment, you may withdraw from the Fund, switch out of the Fund or transfer your unit holdings to other investors. Please refer to the "Fees and Charges" and "Transaction Information" sections of the Prospectus for details on switching and transfer facility.

Withdrawals can be made from the Fund by completing a transaction form and sending it to our Approved Distributors or sending it directly to us. There is no restriction on the frequency of withdrawals. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. That amount will be paid in RM within seven (7) business days. Any applicable bank charges and other bank fees incurred as a result of a withdrawal by way of telegraphic transfer, bank cheque or other special payment method will be charged to you.

## Contact Information

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

For internal dispute resolution, you may contact our customer service personnel :-

- (a) via phone to : 03 - 2687 5200
- (b) via fax to : 03 - 2687 5300
- (c) via email to : [smd@arim.com.my](mailto:smd@arim.com.my)
- (d) via letter to : AmanahRaya Investment Management Sdn Bhd  
Level 7 & 8, Wisma Amanah Raya  
No 2 Jalan Ampang  
50508 Kuala Lumpur

If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the following bodies, details of which are as follows:

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

- (a) via phone to : 03 - 2092 3800
- (b) via fax to : 03 - 2093 2700
- (c) via e-mail to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
- (d) via online complaint form available at : [www.fimm.com.my](http://www.fimm.com.my)
- (e) via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6th Floor Wisma Tune  
No. 19 Lorong Dungun  
Damansara Heights  
50490 Kuala Lumpur

OR

Securities Industries Dispute Resolution Center (SIDREC)

- (a) via phone to : 03 - 2282 2280
- (b) via fax to : 03 - 2282 3855
- (c) via email to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
- (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar  
No.5, Jalan Bangsar Utama 1  
59000 Kuala Lumpur

You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:

- (a) via phone to Aduan Hotline at : 03 - 6204 8999
- (b) via fax to : 03 - 6204 8991
- (c) via email to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
- (d) via online complaint form available at : [www.sc.com.my](http://www.sc.com.my)
- (e) via letter to : Investor Affairs & Complaints  
Department  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur

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## Appendix : Glossary

<b>AmanahRaya Investment Management or ARIM or the Manager</b>	AmanahRaya Investment Management Sdn Bhd (199401023965 (309646-H))
<b>ARB</b>	Amanah Raya Berhad (199501015784 (344986-V))
<b>ARB Branch Offices</b>	Act as the Collecting Points
<b>Assets</b>	All property, rights and income of the Fund and includes all amounts due to the Fund
<b>baitulmal</b>	Refers to the treasury of a State Islamic Religious Council.
<b>BIMB Securities Sdn Bhd</b>	Refers to the Shariah Adviser for ARSIF.
<b>BNM</b>	Bank Negara Malaysia
<b>Business Day(s)</b>	Mondays to Fridays when Bursa Malaysia is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
<b>Bursa Malaysia</b>	Bursa Malaysia Securities Berhad (635998-W).
<b>Bursa Securities</b>	Bursa Malaysia Securities Berhad
<b>CIS</b>	Collective Investment Schemes
<b>CMSA 2007 or the Act</b>	Capital Markets and Services Act 2007
<b>Collecting Points</b>	Any branch, outlet or any premise only as a conduit used to facilitate purchase and redemption of unit trust fund. Collection Points are not distribution points for marketing and distribution of unit trusts in accordance to the Guidelines on Marketing And Distribution of Unit Trusts issued by SC.
<b>FIMM</b>	Federation of Investment Managers Malaysia
<b>Financial Institutions</b>	Means, if the institution is in Malaysia licensed bank; licensed investment bank; or licensed Islamic bank; or if the institution is outside Malaysia, any institution that is licensed, registered, approved, or authorised by the relevant banking regulator to provide financial services.
<b>Individual</b>	As defined under the Financial Services Act 2013.
<b>Initial offer period</b>	The dates on or the period during which the initial subscription to units of the Fund can be made.
<b>IUTA</b>	A corporation registered with FIMM and authorised to market and distribute unit trust schemes of ARIM.
<b>MARC</b>	Malaysian Rating Corporation Berhad (364803-V).
<b>MTB or Trustee</b>	Maybank Trustees Berhad 196301000109 (5004-P)
<b>NAV or Net Asset Value</b>	Means the value of all the Fund's assets less the value of all the Fund's liabilities at the Valuation Point.
<b>NAV per Unit</b>	The Net Asset Value of the Fund divided by the number of units in circulation, at the Valuation Point.
<b>PDUT</b>	Persons Dealing in Unit Trust as defined in the guidelines of FIMM.
<b>Person</b>	For the purpose of Unit Holders it includes but not limited to a firm, a body corporate, an unincorporated association, an authority, an Individual and non-Individual.
<b>RAM</b>	Rating Agency of Malaysia Berhad (208095-U)
<b>RM and sen</b>	Ringgit Malaysia and sen respectively
<b>SAC</b>	Shariah Advisory Council



<b>Sales Charge</b>	Means a fee imposed pursuant to a purchase request.
<b>SC</b>	Securities Commission Malaysia
<b>SC Guidelines or Guidelines</b>	The Guidelines on Unit Trust Funds issued by the SC and includes any schedules, appendices and guidelines contained therein and any amendments or modification made thereto, from time to time.
<b>Selling Price of a unit</b>	The price payable by an investor or a Unit Holders of the Fund for the purchase of a Unit of the Fund. The Selling Price of a Unit shall be equal to the Net Asset Value per Unit as at the next valuation point of the Fund's relevant Business Day ("forward pricing") after the application for Units is received by the Manager. A Sales charge may be computed separately based on the net investment amount/purchase amount.
<b>Shariah</b>	Islamic law comprising the whole body of rulings pertaining to human conducts derived from sources of the Shariah namely the Qur'an (the holy book of Islam) and Sunnah (practices and explanations rendered by the Prophet Muhammad (pbuh)) and other sources of Shariah such as Ijtihad (exertion of individual efforts to determine the true ruling of the divine law on matters whose revelations are not explicit) of Shariah scholars.
<b>Shariah Requirements</b>	The rulings, guidelines and resolutions made by the SAC of the SC or the advice given by the Shariah Adviser.
<b>Shariah Supervisory Boards</b>	Refers to independent supervisory or advisory bodies of specialised jurists in Fiqh al-mua'malat (Islamic commercial jurisprudence).
<b>Short tenure assets</b>	Means Islamic money market instruments with maturities less than 365 days, which includes but not limited to Negotiable Instrument of Deposit, Bankers Acceptances, BNM Bills, Treasury Bills, Islamic commercial papers, and money market Islamic deposit placement.
<b>Special Resolution</b>	A resolution passed by a majority of not less than $\frac{3}{4}$ of Unit Holders voting at a meeting of Unit Holders. For the purpose of terminating the Fund, a special resolution is passed by a majority in number representing at least $\frac{3}{4}$ of the value of the units held by Unit Holders voting at the meeting.
<b>Sukuk</b>	Means certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts endorsed by the SAC of the SC.
<b>The Deed</b>	The principal and any supplemental deed in respect of the Fund made between the Manager, the Trustee and the Unit Holders of the Fund, agreeing to be bound by the provisions of the Deed.
<b>The Shariah Adviser</b>	Refers to BIMB Securities Sdn Bhd 199401004484 (290163-X) which includes its permitted assigns and successors in title.
<b>Unit Holders</b>	Refers to the person registered as the holder of a unit or units including persons jointly registered.
<b>Valuation point</b>	Valuation point refers to such a time(s) on a Business Day as may be decided by the Manager wherein the Net Asset Value of the Fund is calculated.

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