

## **UNITED CASH FUND (the “Fund”)**

### **PRODUCT HIGHLIGHTS SHEET**

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

#### **RESPONSIBILITY STATEMENT**

This Product Highlights Sheet has been reviewed and approved by the directors and/or authorised committee and/or persons approved by the Board of **UOB Asset Management (Malaysia) Berhad** and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or 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/recognised the issuance of **UNITED CASH FUND** and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the **UNITED CASH FUND** and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the **UNITED CASH FUND** or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

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This Product Highlights Sheet is an important document:

- It is a summary of the **salient information about the Fund**.
- You **MUST NOT invest in the Fund based on this Product Highlights Sheet alone**. Please read the Replacement Information Memorandum before deciding to make an investment. If you do not have a copy, please contact us to ask for one.
- You should not invest in the Fund if you do not understand it or are not comfortable with the accompanying risks.

## BRIEF INFORMATION ON THE PRODUCT

- **UNITED CASH FUND** (“Fund”) is a wholesale fund which aims to provide investors with capital preservation, liquidity and reasonable returns by investing its assets in Malaysian Ringgit deposits with a remaining maturity of not more than 366 days with United Overseas Bank (Malaysia) Berhad (“UOBM”).
- The Fund is not a capital guaranteed fund nor a capital protected fund.
- The Fund is managed by **UOB Asset Management (Malaysia) Berhad** (“Fund Manager”).

## PRODUCT SUITABILITY

- This Fund is suitable for Sophisticated Investors :
  - (i) who are conservative / have a low risk appetite;
  - (ii) whose objectives are capital preservation, liquidity and returns.
- Subscription for units in the Fund is open to Sophisticated Investors as defined below or such other category of investor as may be prescribed by the relevant laws to be a Sophisticated Investor from time to time :
  - (a) an individual whose total net personal assets, or total net joint assets with his or her spouse, exceed RM3million or its equivalent in foreign currencies, excluding the value of the individual’s primary residence;
  - (b) an individual who has a gross annual income exceeding RM300,000 or its equivalent in foreign currencies per annum in the preceding 12 months;
  - (c) an individual who, jointly with his or her spouse, has a gross annual income exceeding RM400,000 or its equivalent in foreign currencies in the preceding 12 months;
  - (d) a corporation with total net assets exceeding RM10 million or its equivalent in foreign currencies based on the last audited accounts;
  - (e) a partnership with total net assets exceeding RM10 million or its equivalent in foreign currencies;
  - (f) a unit trust scheme or prescribed investment scheme;
  - (g) a private retirement scheme;
  - (h) a closed-end fund approved by the Securities Commission Malaysia;
  - (i) a company that is registered as a trust company under the Trust Companies Act 1949 which has assets under management exceeding RM10 million or its equivalent in foreign currencies;
  - (j) a corporation that is a public company under the Companies Act 1965 which is approved by the Securities Commission Malaysia to be a trustee under the Capital Markets and Services Act 2007 and has assets under management exceeding RM10 million or its equivalent in foreign currencies;
  - (k) a statutory body established by an Act of Parliament or an enactment of any state in Malaysia;
  - (l) a pension fund approved by the Director General of Inland Revenue under section 150 of the Income Tax Act 1967;
  - (m) Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009;
  - (n) a holder of a capital markets services licence or an executive director or a chief executive officer of a holder of a capital markets services licence;
  - (o) a licensed institution as defined in the Financial Services Act 2013;
  - (p) an Islamic bank as defined in the Islamic Financial Services Act 2013;

- (q) an insurance company registered under the Financial Services Act 2013;
- (r) a takaful operator registered under the Islamic Financial Services Act 2013;
- (s) a bank licensee or insurance licensee as defined under the Labuan Financial Services and Securities Act 2010;
- (t) an Islamic bank licensee or takaful licensee as defined under the Labuan Islamic Financial Services and Securities Act 2010; and
- (u) any other investor as may be defined by the Securities Commission Malaysia from time to time.

In the event that the Fund Manager becomes aware that a person is not eligible to apply for units is in fact holding units, the Fund Manager shall be deemed to have received a redemption request in respect of such units on the Business Day following the day the Fund Manager first became aware of the unit holder's ineligibility.

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or U.S. Person(s). Accordingly, investors may be required to certify that they are not U.S. Person(s) before making an investment in the Fund.

## **KEY PRODUCT FEATURES**

- The key features of the Fund are :

- (i) **capital preservation**

- Note: While the Fund Manager seeks to preserve capital, the Fund is not a capital guaranteed fund nor a capital protected fund.

- (ii) **liquidity**

- Liquidity refers to payment of repurchase proceeds on a T+1 basis, whereby T is the Business Day where a request/application to repurchase is received by the Fund Manager before the cut-off time of 4.00 pm.

- (iii) **returns**

- Returns of the Fund may be distributed. Distribution, if any, will be made monthly on best effort basis. However, the Fund Manager may make distributions at such other frequency at its sole discretion.

- Distribution will be automatically reinvested into the unit holder(s)' accounts in the form of units. Such reinvestment will be made on the first Business Day immediately following the distribution date. The number of units will be computed based on the Net Asset Value ("NAV") per unit on the distribution date.

- **Strategy**

- A portfolio of money market deposits and fixed deposits with different maturity profiles will be constructed to meet the Fund's liquidity requirement while maximizing portfolio returns. The Fund Manager will place short dated deposits with UOBM for liquidity management purposes while extending the tenor of the Fund's investment in bank deposits for better yield pick-up.

- **Possible Outcomes**

Investors are to take note that the value of an investment in the Fund and its distributions payable (if any) may go down as well as up and are not guaranteed. Factors which may affect the value of your investment include but are not limited to a change in interest rates, and inability of UOBM to pay the interest and/or principal due to the Fund.

For instance, in a scenario where UOBM cannot pay all or part of the interest and/or principal amount due to the Fund, investors may experience loss of income and/or capital. On the positive side, in a scenario where interest rates are rising, the returns of the Fund will rise.

*For more information on risks associated with an investment in the Fund, please refer to the following section and the Replacement Information Memorandum of the Fund.*

## **KEY RISKS ASSOCIATED WITH THE FUND**

Please be advised that if the Sophisticated Investor invests in units through an institutional unit trust adviser (“IUTA”) which adopts the nominee system of ownership, the Sophisticated Investor would not be considered to be a unit holder under the Fund’s Deed as the Sophisticated Investor’s name will not appear in the register of unit holders. The Sophisticated Investor may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders’ meeting and to vote thereat).

- **Concentration Risk**

Concentration risk is associated with the number of underlying investments/financial institutions which the Fund invests in/places deposits with. For example, a fund which invests its assets in a single underlying instrument, or with a single issuer/institution is more risky compared to a fund with 2 or more underlying investments. This is because if the single issuer/financial institution defaults, it would have a significant impact to that fund.

As this Fund’s objective is to provide capital preservation, reasonable returns, and liquidity by investing its assets in Malaysian Ringgit deposits with UOBM, if UOBM defaults, there will be a significant impact on the Fund.

- **Credit/Default Risk**

This refers to the creditworthiness of UOBM and its ability to make timely payment of interest and principal. Default happens when UOBM is not able to make timely payment of interest and principal.

The credit rating of UOBM as at 24 June 2014 is AAA by the RAM Rating Services Berhad (“RAM”).

The Fund Manager will monitor the credit worthiness of UOBM. If the credit rating of UOBM falls below AA3, the Fund Manager will have the sole discretion to terminate the Fund.

- **Liquidity Risk**

This is the risk that where there is insufficient cash available to meet repurchase requirements, the Fund Manager may be required to unwind positions in longer term placements at a penalty resulting in foregone interest.

*Note: As the Fund adopts the accrual accounting approach for its valuation of deposits placed with UOBM, there will not be any mark-to-market gain/loss due to interest rate movements. Based on the accrual valuation approach, all deposits placed with UOBM will be valued each day by reference to the principal value of such investments and the interest receivable will be accrued daily based on the rate of interest attached to the deposits for the relevant period.*

**Note: The abovementioned risks which investors should consider before investing into the Fund should not be considered to be an exhaustive list. Sophisticated Investors should be aware that investments in the Fund may be exposed to other unforeseeable risks from time to time. Sophisticated Investors are advised to consult their professional adviser before investing. Please refer to the Replacement Information Memorandum under “Principal Risk Factors” for further details on risks.**

## **FEES & CHARGES**

- Annual management fee: Up to 0.60%\* per annum of the NAV of the Fund.
- Annual trustee fee: Up to 0.045%\* per annum of the NAV of the Fund subject to a minimum of RM18,000\* per annum.

*The annual trustee fee and annual management fee shall be accrued daily and paid monthly.*

- There is no sales or repurchase charge.
- Switching fee will not be charged for this Fund.
- Other expenses include auditor’s fee, tax agent’s fee, costs of preparing and printing monthly statements, quarterly and annual reports of the Fund, and any direct fees and costs permitted by the Deed will be paid out of the Fund.

*Note:*

*\* The above fees and charges are exclusive of Goods and Services Tax (“GST”).*

### **How will I be notified of any increase in fees and charges?**

- A written communication will be sent to unit holders to notify them of the higher rate and its effective date;
- A supplementary or replacement information memorandum will be issued; and
- A notice period of:
  - (a) 90 days for management fee and trustee fee; and/or
  - (b) 30 days for fees and charges other than management fee and trustee feewill be given to the unit holders prior to the effective date of the new fees and charges.

## **VALUATIONS AND EXITING FROM INVESTMENT**

- The Fund will be valued daily.
- Deposits placed with UOBM will be valued daily by reference to the principal value of such deposits and the interests/profits accrued thereon for the relevant period.
- The daily price of United Cash Fund is available on :
  - **UOBAM(M) website**  
<http://www.uobam.com.my>
  - **Morningstar**  
<http://my.morningstar.com>
  - **The Star Online**  
<http://www.thestar.com.my/Business/Marketwatch/Unit-Trust/>
  - **Bloomberg**  
Ticker : UNITCSH MK Equity
- The repurchase price is the NAV per unit as at the next valuation point of the Fund's relevant Business Day ("forward pricing") after a repurchase request is received and accepted by the Fund Manager.
- There are no repurchase charges.
- The Fund Manager accepts repurchase requests on each Business Day.
- Repurchase requests received on or before 4.00 pm on a Business Day (T) will be processed based on the NAV per unit on that day, and the repurchase proceeds will be paid on the next Business Day (T+1).
- Repurchase requests received after 4.00pm on a Business Day (T) will be processed based on the NAV per unit on the next Business Day and the repurchase proceeds will be paid on the 2<sup>nd</sup> Business Day following the receipt of the repurchase requests. (T+2)
- Transaction costs such as charges for telegraphic transfers ("TT"), if any, will be borne by the investor and offset against the repurchase proceeds.
- Switching facility is available for this Fund subject to the Fund Manager's discretion. The minimum switching amount is 1,000 Units.

***Note: Investments made via IUTA are subject to the terms and conditions of the respective IUTA.***

**APPENDIX: GLOSSARY**

Business Day	means a day on which Bursa Malaysia Securities Berhad is open for trading.
Deed	means the deed entered into between the Manager and the Trustee dated 10 August 2010 including any supplementary deed(s) in relation to the Fund.
Replacement Information Memorandum	means the disclosure document of the Fund dated 13 December 2016, and includes any supplementary or replacement information memorandum.
U.S. (United States) Person(s)	means: a) a U.S. citizen (including dual citizen); b) a U.S. resident alien for tax purposes; c) a U.S. partnership; d) a U.S. corporation; e) any estate other than a non-U.S. estate; f) any trust if: i) a court within the U.S. is able to exercise primary supervision over the administration of the trust; and ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and g) any other person that is not a non-U.S. person.

**FOR FURTHER INFORMATION OR TO LODGE A COMPLAINT:**

For enquiries / further information, please contact:

**Marketing Department**

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Fax : 03 2164 8188

Email address : UOBAMCustomerCareMY@UOBgroup.com

Website : www.uobam.com.my

- 1) For internal dispute resolution or for lodging a complaint, please contact the **Compliance Officer** at the same address/telephone/fax number above or via email to UOBAMFeedbackMY@UOBgroup.com.
- 2) If you are dissatisfied with the outcome of the dispute resolution process with the Manager, please refer your dispute to the Securities Industry 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
  - (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
- 3) You can also direct your complaint to the Securities Commission Malaysia ("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 the Aduan Hotline at : 03-6204 8999
  - (b) via fax to : 03-6204 8991
  - (c) via e-mail to : aduan@seccom.com.my
  - (d) via online complaint form available at www.sc.com.my
  - (e) via letter to : Investor Affairs & Complaints Department  
Securities Commission Malaysia  
3 Persiaran Bukit Kiara  
Bukit Kiara  
50490 Kuala Lumpur
- 4) 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 email to : complaints@fimm.com.my
  - (d) via online complaint form available at www.fimm.com.my
  - (e) via letter to : Legal, Secretarial & Regulatory Affairs  
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