

# PROSPECTUS

BSN DANA AL-JADID

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**MANAGER:**  
**PERMODALAN BSN BERHAD (319744-W)**  
**Incorporated in Malaysia under the Companies Act 1965**

**Trustee:**  
**HSBC (MALAYSIA) TRUSTEE BERHAD**  
**(1281-T)**

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

**FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 19**

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**(This prospectus is dated 18 June 2011 and will expire on 17 June 2012. No units will be issued or sold on the basis of this prospectus after 17 June 2012)**

**Date of constitution of the fund: 11 March 2008**

## **RESPONSIBILITY STATEMENT**

This prospectus has been reviewed and approved by the directors of Permodalan BSN Berhad ("PBSNB"), 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 prospectus false or misleading.

## **STATEMENTS OF DISCLAIMER**

The Securities Commission Malaysia has approved the issue of, offer for subscription or purchase, or issue an invitation to subscribe for or purchase units of the unit trust fund and a copy of this prospectus has been registered with the Securities Commission Malaysia.

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

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

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.**

No units will be issued or sold on the basis of this prospectus later than one year after the date of this prospectus.

Investors are advised to note that recourse for false or misleading statements or acts made in connection with the prospectus is directly available through sections 248, 249 and 357 of the Capital Markets and Services Act 2007.

BSN Dana Al-Jadid has been certified as being Shariah compliant by the Shariah Adviser appointed for the fund.

## LETTER FROM THE CHIEF EXECUTIVE OFFICER

**Dear Investor,**

The management of Permodalan BSN Berhad takes great pleasure in introducing BSN Dana Al-Jadid to you. "Al-Jadid" denotes a new beginning in Arabic and as the name suggests, BSN Dana Al-Jadid marks a new phase for our company in providing quality investment management services to the Rakyat. This will be our second fund after Amanah Saham BSN (ASBSN) and is in line with the BSN Group mission of encouraging savings and prudent financial investment management amongst the Rakyat so as to enhance economic prosperity. It is also our goal to provide unit trust funds which would be easily accessible and affordable to the general public.

Essentially, through BSN Dana Al-Jadid we would seek to provide you with capital appreciation and income distribution with a strategy of investing in a portfolio of Shariah-compliant equity and equity related securities. To safeguard your investments against unfavourable market swings, we may invest in a mix of Shariah-compliant equities, Islamic debentures and Islamic money market instruments. As with all forms of investments, we would advise you that there are risks associated with the underlying investments of Dana Al-Jadid. These would include market risk, individual stock risk or issuer risk, liquidity risk, interest rate risk and reclassification of Shariah status risk. However, as an essential part of prudent fund management practice, we would use risk management measures including diversification techniques employed on stock, sector and maturity (in the case of sukuk) and the measured selection of Shariah-compliant stock and sukuk.

This fund would be appropriate for you if you are seeking capital appreciation as well as income distribution and if you can accept moderate to high risk over a period of 3 to 5 years. We have also made it very affordable by allowing a minimum initial investment of RM500 and subsequent additional investments of RM100 each. A sales charge of 3% of the NAV per unit of the Fund may be imposed at all distribution channels which may be negotiable at the manager's discretion. For redemptions, a charge of 3% of the NAV per unit of the Fund may also be imposed for administrative costs. An annual management fee of 1.5% per annum and annual trustee fee of 0.08% per annum will also be imposed on the NAV of the Fund calculated on daily basis and payable monthly.

Furthermore, as an alternative investment if you are an existing ASBSN unit holder, you would be allowed to switch.

To make BSN Dana Al-Jadid easily accessible to you, collection centers are available at all BSN Branches throughout Malaysia (we have listed this on Page 12 for your convenience).

We hope that through BSN Dana Al-Jadid, we would be able to provide you with a new investment experience that would be as fulfilling to you as it is to us in offering our services to you.

Thank you.

**JALALUDDIN MOHD ARIF**  
Executive Director/Chief Executive Officer

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## 1. DEFINITIONS

In this Prospectus, except expressly stated otherwise and/or except where the context requires otherwise, the following abbreviations, words and expressions shall have the following meanings:

ASBSN	:	Amanah Saham Bank Simpanan Nasional
BSN	:	refers to Bank Simpanan Nasional
Business Day	:	means a day on which Bursa Malaysia is open for trading;
Bursa Malaysia	:	refers to Bursa Malaysia Securities Berhad (635998-W);
the Deed	:	means the Deed dated 11 March 2008 establishing the Fund and relating to BSN Dana Al-Jadid entered between us on one part and the Trustee on the other part;
EPF	:	means the Employee Provident Fund;
FBMSHA	:	FTSE-Bursa Malaysia Emas Shariah Index
the Fund	:	means the unit trust scheme known as the BSN Dana Al-Jadid;
Financial Period	:	means a 12-month period ending on the last day of December of each financial year;
General Investment Account (GIA)	:	Investment account based on either Mudharabah or Murabahah that works on profit sharing basis and fixed profit income basis respectively.
the Guidelines	:	means the Guidelines on Unit Trust Funds issued by the Securities Commission as may be amended from time to time;
Investment	:	means purchase of Units by investors;
Joint Holder	:	means persons holding units or fractions of units under the provisions of the Deed together with another person;
Manager/We/Us/PBSNB	:	Permodalan BSN Berhad (319744-W)
MER	:	refers to management expense ratio;
NAV	:	refers to the Net Asset Value;
NAV of the Fund	:	means the value of all the assets of the Fund after deducting all of the Fund's liabilities at the valuation point, except that for the purpose of computing the Annual Management Fee and the Annual Trustee Fee, the NAV of the Fund should be inclusive (that is, before any deduction) of the Management Fee and the Trustee Fee for the relevant day;

NAV per Unit	:	means the NAV of the Fund at a particular point, divided by the number of Units in circulation, at the same valuation point;
PTR	:	refers to portfolio turnover ratio;
Repurchase Price per Unit	:	means the NAV per Unit of the Fund as at the next valuation point (forward pricing) after the repurchase request is received by the Manager;
RM	:	refers to Ringgit Malaysia;
SACSC	:	refers to the Shariah Advisory Council of the Securities Commission;
Selling Price per Unit	:	means the NAV per Unit of the Fund as at the next valuation point (forward pricing) after the request for investment is received by the Manager;
Shariah	:	means Islamic Law comprising the whole body of rulings pertaining to human conducts derived from the primary and secondary sources of the Shariah. The primary sources are the Quran, the Sunnah, Ijma' and Qiyas while the secondary ones are those established sources such as Maslahah, Istihsan, Istishab, 'Uruf and Sadd Zara'ie;
Shariah requirements	:	refers to a phrase or expression which generally means making sure that any human conduct must not involve any prohibition and that in performing that conduct all the essential elements that make up the conduct must be present and each essential element must meet all the necessary conditions required by the Shariah for that element;
Sukuk	:	means a document or certificate, documenting the undivided pro-rated ownership of underlying assets. The sak (singular of sukuk) is freely traded at par, premium or discount. In Malaysia, the term sukuk is used for fixed income securities which comply with Shariah requirements. However, it is normally used together with Shariah contracts applied in the structure, such as bai' bithaman ajil, murabahah and istisna' for underlying transactions based on indebtedness, or musyarakah and mudharabah for underlying transactions based on partnership.
The Act	:	means the Capital Markets and Services Act 2007 as may be amended from time to time;
the SC	:	refers to the Securities Commission established under the Securities Commission Act 1993;
the Shariah Adviser/IBFIM	:	refers to Islamic Banking and Finance Institute Malaysia Sdn. Bhd. (340040-M);

- the Trustee : refers to HSBC (Malaysia) Trustee Berhad (001281-T)
- Unit : means a Unit of the Fund and includes a fraction of a Unit;
- Unit Holder : means a person for the time being who is registered pursuant to the Deed as a holder of Units, including Jointholders;

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## 2. CORPORATE DIRECTORY

### THE MANAGER

NAME : PERMODALAN BSN BERHAD  
 COMPANY NO. : 319744-W  
 REGISTERED & BUSINESS ADDRESS : 18<sup>th</sup> Floor, Wisma BSN,  
 No. 117, Jalan Ampang,  
 50450 Kuala Lumpur  
 TELEPHONE NO. : 03 – 2164 5545  
 FAX NO. : 03 – 2143 1910

### THE TRUSTEE

NAME : HSBC (Malaysia) TRUSTEE BERHAD  
 COMPANY NO. : 1281-T  
 REGISTERED & BUSINESS ADDRESS : Suite 901, 9<sup>th</sup> Floor  
 Wisma Hamzah-Kwong Hing  
 No. 1, Leboh Ampang  
 50100 Kuala Lumpur  
 TELEPHONE NO. : 03 – 2074 3200  
 FAX NO. : 03 – 2078 0145

TRUSTEE'S DELEGATE : The Hongkong And Shanghai Banking Corporation Limited (As  
 (Local) Custodian) and assets held through :  
 Name : HSBC Nominees (Tempatan) Sdn Bhd  
 Company No. : (Co. No. 258854-D)  
 Address : No.2 Leboh Ampang  
 50100 Kuala Lumpur  
 Telephone No. : 03-2070 0744  
 Fax No. : 03-2072 9787

TRUSTEE'S DELEGATE :  
 (Foreign)  
 Name : HSBC Institutional Trust Services (Asia) Limited  
 Address : 6th Floor, Tower One  
 HSBC Centre  
 No 1 Sham Mong Road  
 Kowloon, Hong Kong  
 Telephone No. : (852)25336333  
 Fax No. : (852)28696120

### THE SHARIAH ADVISER

NAME : ISLAMIC BANKING AND FINANCE INSTITUTE MALAYSIA  
 SDN BHD  
 COMPANY NO. : 340040-M  
 REGISTERED ADDRESS : No: 149A, 149B, 151B  
 Persiaran Raja Muda Musa  
 42000 Port Klang  
 Selangor Darul Ehsan  
 BUSINESS ADDRESS : 3<sup>rd</sup> Floor, Dataran Kewangan Darul Takaful  
 Jalan Sultan Sulaiman  
 50000 Kuala Lumpur  
 TELEPHONE NO : 03-2031 1010  
 FAX NO. : 03-2078 5250  
 WEBSITE : [www.ibfim.com](http://www.ibfim.com)

**BOARD OF DIRECTORS**

Datuk Adinan bin Maning (Non-Independent)  
 Dato' Dr Gan Miew Chee @ Gan Khuan Poh (Independent)  
 Roslani bin Hashim (Independent)  
 Hasan bin Mohamed (Non-Independent)  
 Jalaluddin Mohd Arif (Non-Independent)

**INVESTMENT COMMITTEE MEMBERS**

Dato' Dr Gan Miew Chee @ Gan Khuan Poh (Chairman / Independent)  
 Professor Dato' Dr. Mohd Azmi Omar (Independent)  
 Gan Min Soo (Independent)  
 Hasan Mohamed (Non-Independent)

**AUDIT & COMPLIANCE COMMITTEE**

Roslani bin Hashim (Independent)  
 Datuk Adinan Maning (Non-Independent)

**COMPANY SECRETARIES**

NAMES : Nor Eliza binti Musa @ Ayob (MAICSA 1035207)  
 32A, Jalan Sepah Puteri 5/11  
 Kota Damansara  
 47810 Petaling Jaya  
 Selangor Darul Ehsan

**AUDITORS FOR THE MANAGER**

NAME : KPMG  
 REGISTERED & : Level 11, KPMG Tower  
 BUSINESS ADDRESS : 8, First Avenue, Bandar Utama  
 47800 Petaling Jaya  
 Selangor Darul Ehsan  
 TELEPHONE NO. : 03-77213388  
 FAX NO. : 03-77217288

**AUDITORS FOR THE FUND**

NAME : CROWE HORWATH Kuala Lumpur Office  
 COMPANY NO : AF 1018  
 REGISTERED & : Level 16, Tower C  
 BUSINESS ADDRESS : Megan Avenue II  
 No. 12, Jalan Yap Kwan Seng  
 50450 Kuala Lumpur  
 TELEPHONE NO. : 03 - 2166 0000  
 FAX NO. : 03 - 2166 1000

**TAXATION ADVISER FOR THE FUND**

NAME : HORWATH KL TAX SDN BHD  
 COMPANY NO : AF 1018  
 REGISTERED & : C15-5, Level 15, Tower C  
 BUSINESS ADDRESS : Megan Avenue II  
 No. 12, Jalan Yap Kwan Seng  
 50450 Kuala Lumpur  
 TELEPHONE NO. : 03 - 2166 9100  
 FAX NO. : 03 - 2166 3100

**SOLICITORS**

NAME : RAJA, DARRYL & LOH  
 REGISTERED & BUSINESS ADDRESS : 18<sup>th</sup> Floor, Wisma Sime Darby,  
 Jalan Raja Laut,  
 50350 Kuala Lumpur.  
 TELEPHONE NO. : 03 – 2694 9999  
 FAX NO : 03 – 2698 4759

**PRINCIPAL BANKERS**

NAME : MALAYAN BANKING BERHAD  
 COMPANY NO : 3813-K  
 REGISTERED ADDRESS : 14<sup>th</sup> floor, Menara Maybank  
 100, Jalan Tun Perak  
 50050, Kuala Lumpur  
 BUSINESS ADDRESS : Concourse Level  
 Petronas Twin Tower  
 Kuala Lumpur City Centre  
 50088 Kuala Lumpur  
 TELEPHONE NO. : 03 – 2026 7952  
 FAX NO : 03 - 2026 9329

**FEDERATION OF INVESTMENT MANAGERS MALAYSIA**

(formerly known as Federation of Malaysia Unit Trust Managers)

COMPANY NO : 272577-P  
 REGISTERED ADDRESS : 19-07-3, 7<sup>th</sup> floor  
 PNB Damansara  
 19, Lorong Dungun  
 Damansara Heights  
 50490, Kuala Lumpur  
 TELEPHONE NO : 03-2093 2600  
 FAX NO : 03-2093 2700

**INDEPENDENT CONSULTANT**

NAME : MERCER (Malaysia) SDN BHD  
 COMPANY NO : 35090-H  
 REGISTERED & BUSINESS ADDRESS : Suite 17-02 Kenanga International  
 Jalan Sultan Ismail  
 50250 Kuala Lumpur  
 TELEPHONE NO : 03-2161 0433  
 FAX NO : 03-2161 3595

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**DISTRIBUTION OUTLETS****WHERE DANA AL-JADID MAY BE BOUGHT AND SOLD****BANK SIMPANAN NASIONAL MAIN BRANCHES****KUALA LUMPUR**

Tingkat Bawah  
 Wisma BSN  
 117, Jalan Ampang  
 50450, Kuala Lumpur  
 TELEPHONE NO. : 03 – 2162 3300  
 FAX NO : 03 – 2143 1912

**NEGERI SEMBILAN**

Lot 894  
 Jalan Dato Bandar Tunggal  
 70000 Seremban  
 TELEPHONE NO. : 06 – 7612266  
 FAX NO : 06 – 7633078

**MELAKA**

Lot 779, Jalan Munshi Abdullah  
 75100 Melaka  
 TELEPHONE NO. : 06 – 2836001  
 FAX NO. : 06 – 2836110

**JOHOR**

Suites 01.08 – 01.10  
 Wisma Maria  
 Peti Surat 207  
 80720 Johor Bahru  
 TELEPHONE NO. : 07 – 2230133  
 FAX NO. : 07 – 2235541

**SELANGOR**

Wisma PKNS Shah Alam  
 Tingkat Bawah  
 Beg Berkunci No. 25  
 40990 Shah Alam  
 TELEPHONE NO. : 05 – 5519 8333  
 FAX NO. : 05 – 5510 8650

**PERAK**

Jalan Panglima  
 Bukit Gantang Wahab  
 30000 Ipoh  
 TELEPHONE NO. : 05 – 2414400  
 FAX NO. : 05 – 2555864

**TERENGGANU**

No. 11D & 11E  
 Jalan Kota Lama  
 20930 Kuala Terengganu  
 TELEPHONE NO. : 09 – 6227622  
 FAX NO. : 09 – 6222334

**PULAU PINANG**

No. 13, Jalan Macalister

10400 Pulau Pinang

TELEPHONE NO. : 04 – 2263211

FAX NO. : 04 – 2260544

**PAHANG**

Lot 46, Jalan Bank

250505 Kuantan, Pahang

TELEPHONE NO. : 09 – 5156500 / 5157563

FAX NO. : 09 – 5156751

**KEDAH/PERLIS**

1258, Bangunan 4 Tingkat

Jalan Sultan Badlishah

05700 Alor Setar, Kedah

TELEPHONE NO. : 04 – 7335554 / 7335562

FAX NO. : 04 – 7336330

**KELANTAN**

Lot 61 – 63 &amp; 80 – 82

Jalan Pintu Pong

15710 Kota Bharu, Kelantan

TELEPHONE NO. : 09 – 7484466

FAX NO. : 09 – 7448186

**SABAH**

Wisman BSN Sabah

Jalan Kemajuan

Karamuning

88000 Kota Kinabalu

TELEPHONE NO. : 088 – 215600

FAX NO. : 088 – 218797

**SARAWAK**

Bangunan Haji Abdul Rasit

Lot 173, 174, 175

Jalan Muda Hashim

93400 Kuching, Sarawak

TELEPHONE NO. : 082 – 244749

FAX NO. : 082 – 246312

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### 3. KEY DATA OF THE FUND

**This section is only a summary of the salient information about the fund, investors should read and understand the whole prospectus before making any investment decisions.**

<b>FUND INFORMATION</b>	
Name of Fund	BSN Dana Al-Jadid  <i>Note: "Al-Jadid" means a new beginning</i>
Base Currency	Ringgit Malaysia
Fund Type / Category	Islamic Malaysian Equity (Dynamic) / Growth & Income
Fund Objective	The Fund seeks to achieve capital appreciation and income distribution by investing in a portfolio of equity, equity-related securities, debentures, money market instruments and any such other securities and/or instruments as may be determined by the Manager that comply with Shariah requirements.
Launch Date	18 June 2008
Risk Profile of Fund	Moderate to high (for assets invested in Shariah-compliant equities).  Low to moderate (for assets invested in Islamic debentures and Islamic money market instrument.)
Specific Risks (Please refer to page 20)	Specific risks consist of the following:  Market Risk Investors are exposed to market uncertainties, no matter how many different investments are held, fluctuations in the market caused by uncertainties in the political and social environment will affect the market price of the unit trust funds.  Stock Risk or Issuer Risk This risk refers to the individual risk of the respective companies issuing the Shariah-compliant securities. The risk includes but is not limited to changes in consumer tastes and demand, legal suits, competitive operating environments, changing industry conditions and management omissions and errors. However, this risk is minimised through investing in a wide range of companies in different sectors and thus function independently from one another.  Credit/Default Risk Credit risk arises when there is a possibility that the issuer is unable to pay profit due and/or principal amount on time.

	<p><b>Interest Rate Risk</b> This risk is crucial in a sukuk fund since sukuk portfolio management depends on forecasting interest rate movements. Demand for sukuk move inversely to interest rate movements, therefore as interest rates rise, demand for sukuk decrease and vice versa.</p> <p><b>Inflation Risk</b> A unit trust is subject to the risk of an investor's investment not growing proportionately with the inflation rate making the investor's purchasing power net of inflation fall over time.</p> <p><b>Liquidity Risk</b> This is a risk that the investments of the Fund cannot be easily sold at or near its actual value without suffering a significant discount.</p> <p><b>Non-compliance Risk</b> This refers to the risk that the Manager and other associated with the Fund fail to adhere the rules set out in the Fund's constitution or the law governing the Fund or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures.</p> <p><b>Reclassification of Shariah Status Risk</b> The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-based funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory council of the Securities Commission performed twice yearly.</p>
Investment Policies and Strategies	The Fund will invest in a diversified portfolio of Shariah compliant equity and equity-related securities. For defensive considerations, the Fund may invest in a mix of Shariah-compliant equities, Islamic debentures and Islamic money market instruments depending on the short-term and long-term market outlook. For further details please refer page 22
Investor Profile	For investors with moderate to high-risk tolerance who prefer higher capital growth investments acceptable under the Shariah-principles with a medium to long-term investment horizon. For further details please refer page 27
Asset Allocation	Dynamic asset allocation strategies with 0% - 100% in Shariah-compliant securities, sukuk and Islamic money market instruments.

Performance Benchmark	<p>a) If 100% invested in Shariah-compliant equities – FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA), based on percentage change of FBMSHA for the period under review.</p> <p>b) If 100% invested in sukuk and Islamic money market instruments – 12-month Maybank (GIA) Tier II rate, based on the yield of 12-month Maybank (GIA) Tier II rate.</p> <p>c) If invested in a mix of Shariah-compliant equities, sukuk and Islamic money market instruments – 50% FBMSHA + 50% 12-month Maybank GIA Tier II rate. 50% of the benchmark performance is calculated based on the percentage change of the FBMSHA while the other half is based on the yield of 12-month Maybank GIA Tier II rate for the period under review. For more details please refer page 25</p>
Approved Fund Size	800 million Units
Financial Year End of the Fund	31 <sup>st</sup> December
<b>FEES AND CHARGES</b>	
<b>THIS TABLE DESCRIBES THE CHARGES THAT YOU MAY DIRECTLY INCUR WHEN YOU BUY OR REDEEM UNITS OF THE FUND.</b>	
Sales Charge	<p>Manager: Up to 3.00% of the NAV per Unit of the Fund</p> <p>BSN branches Up to 3.00% of the NAV per Unit of the Fund</p> <p>Unit Trust Consultants Up to 3.00% of the NAV per Unit of the Fund</p> <p>Note : Investors may negotiate for a lower sales charge For further details please refer page 40.</p>
Repurchase Charge	<p>Manager: Up to 3.00% of the NAV per Unit of the Fund</p> <p>BSN branches Up to 3.00% of the NAV per Unit of the Fund</p> <p>Unit Trust Consultant: Up to 3.00% of the NAV per Unit of the Fund</p> <p>Note: Investors may negotiate for a lower repurchase charge. For further details please refer page 40.</p>
Switching Fee	No Switching fees imposed for investors of ASBSN.
Transfer Fee	An administration fee of RM10.00 will be charged for each transaction.



<b>THIS TABLE DESCRIBES THE CHARGES THAT YOU MAY INDIRECTLY INCUR WHEN YOU BUY OR REDEEM UNITS OF THE FUND.</b>	
Annual Management Fee	1.50% of the NAV For further details. Please refer page 41
Annual Trustee Fee	0.08% of the NAV subject to a minimum fee of RM18,000 per annum (excluding foreign custody fees and charges, if any)
Other Charges and Expenses	There may be other charges to be borne by investors when transactions are executed on their behalf; these include postage, bank, telegraphic and courier charges. There are expenses incurred which will be paid out directly by the Fund; these include fees, charges and commissions paid to and in connection with brokers, auditors, tax advisers, valuers, tax authorities, custodians, investment committee members, foreign exchange, Fund unwinding and closure fees, and the preparation of tax vouchers and annual and interim reports
<b>TRANSACTION DETAILS</b>	
Minimum Initial Investment	RM500.00
Minimum Additional Investment	RM100.00
Cooling-off Period	The period of 6 Business Days from the date of receipt of an application for Units. A cooling-off right is only available to the qualified investors described on page 49
Minimum Repurchase Amount	No minimum imposed
Repurchase Frequency	No Restrictions
Minimum Holdings	2,000 units
Switching Policy	There is no limit as to the frequency of switching transactions.
Minimum Transfer Amount	No Restrictions
Transfer Frequency	No Restrictions
Maximum Holdings	No Restrictions
<b>DISTRIBUTION</b>	
Income Distribution Policy	It is our intention to distribute income once a year for <i>the Fund (if any)</i> . All distribution of income will be reinvested into the unit holder's account as additional units of the Fund based on the NAV per Unit on income payment date which is on the third day after declaration of income distribution.

<b>UNIT PRICE</b>		
Price per unit as at 30 April 2011	Selling – RM0.2599 Buying – RM0.2599 Net Asset Value – RM40,359,579.17	
<b>OTHER INFORMATION</b>		
Deed or BSN Dana Al-Jadid's Deed	Dated 11 March 2008	Deed of Trust

**NOTE :**

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

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

**For information concerning certain risk factors which should be considered by prospective investors, see "Risk Factors" commencing on page 19**

**This section is only a summary of the salient information about the Fund, investors should read and understand the whole prospectus before making any investment decisions.**

**The past performance of the fund is not an indication of its future performance.**

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## 4. RISK FACTORS

Investing in a unit trust fund enables the investors to enjoy the benefit and advantage of diversifying their investments and assets. As with all investments, however, there are related risks.

Risks, though, are not necessarily bad or negative. They are something to be aware of and to be managed. Proper risk management accommodates investment volatility. This part of the Prospectus describes risks typical to the unit trust funds and how those risks are managed.

### GENERAL RISKS OF THE FUND

The following is a description of the general risk factors affecting the Fund:

#### Management Company Risk

There is the risk that the management company may not adhere to the investment mandate of the Fund. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk.. Poor management of the Fund may also jeopardise the investment of unit holders through the loss of their capital invested in the fund.

#### Loan Financing Risk

This risk occurs when the investor takes a financing provided by any financial institution to finance his/her purchase of unit trusts funds. In the event that the investment falls below a certain level, the bank may require additional collateral, which the investor is unable to afford. In addition, the investor may not be able to fulfil the instalment obligations due to unforeseen circumstances.

Other factors to consider, for instance: -

the higher the margin of financing, the greater the potential for losses as well as gains;

if a financing taken is a variable rate financing, and if the rate rises, the total payment amount will thus increase; and if unit prices were to fall beyond a certain level, the investor will need to top up additional amounts either in cash or collateral. If the topping-up is not made within the prescribed time, his/her units may be sold to settle the financing. Investors are advised to seek Islamic financing to finance their acquisition.

#### Fund Management Risk

The performance of any unit trust fund depends on the experience and expertise of the investment managers. Poor management of the unit trust fund may jeopardize its performance.

#### Country Risk

This risk relates to the likelihood that changes in the business environment will occur that reduce the profitability of doing business in a country. These changes can adversely affect operating profit as well as the value of the assets. The prices of Shariah-compliant securities may also be affected by the political and economic conditions of the country in which the Shariah-compliant securities are issued.

## **Futures Contracts Risk**

There are risks associated with the participation of the funds in Islamic futures contracts. As trading of Islamic futures is conducted on an initial margin basis, a relatively small price movement in an Islamic futures contract may result in an immediate and substantial loss or gain for the funds. This may result in high volatility in the NAV of the fund.

## **SPECIFIC RISKS OF THE FUND**

The following is a description of the specific risk factors affecting the Fund:

### **Market Risk**

This risk refers to changes and developments in regulations, politics and the economy of the country. The very nature of a unit trust fund, however, helps mitigate this risk because a fund would generally hold a well-diversified portfolio of Shariah-compliant securities from different market sectors that even with the collapse of any one Shariah-compliant security or any one market sector would not impact too greatly on the value of the fund.

Despite the diversification of the investments held by the Fund, systemic market risk cannot be eliminated by diversification. This stems from the fact that there are other economy-wide perils which threaten all businesses. That is why investors are exposed to market uncertainties; no matter how many different investments are held, fluctuations in the market caused by uncertainties in the economy, political and social environment will affect the market price of unit trust funds. The degree and manner in which the relevant market factors are affected by such uncertainties may not necessarily be constant or predictable at all times, and may be influenced by sentiment and supply and demand factors in the underlying markets.

### **Stock Risk or Issuer Risk**

This risk refers to the individual risk of the respective companies issuing the Shariah-compliant securities. The risk includes but is not limited to changes in consumer tastes and demand, legal suits, competitive operating environments, changing industry conditions and management omissions and errors. However, this risk is minimised through investing in a wide range of companies in different sectors and thus function independently from one another.

### **Credit / Default Risk**

Credit risk arises when there is a possibility that the issuer is unable to pay profit due and/or principal amount on time. Sukuk/money market instrument/deposit placements are subject to credit/default risk in the event that the issuer of such instruments is faced with financial difficulties, which may decrease their credit worthiness. This in turn may lead to default in the payment of principal and profit. To minimise this risk, the Fund will invest in high quality securities.

### **Interest Rate Risk**

Interest rate risk is a general economic indicator that will have an impact on the management of funds regardless of whether it is a Shariah-based fund or otherwise. It does not in any way suggest that the Fund will invest conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements. The reason for this is because the high level of interest rates will inevitably affect corporate profits and this will have an impact on the value of Shariah-compliant equity and the demand for sukuk.

The risk is crucial in a sukuk fund since sukuk portfolio management depends on forecasting interest rate movements. Demand for sukuk move inversely to interest rate movement, therefore as interest rates rise, the demand for sukuk decrease and vice versa. Furthermore, sukuk with longer maturity and lower profit rates are more susceptible to interest rate movements.

The Fund is not exposed to interest rate risk as the Fund's investment in financial instruments carry fixed profit rate and are measured at amortised cost. As such, sensitivity analysis is not disclosed.

The sukuk and Islamic money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rises in interest rates which may impair the ability of the issuers to make payments of profits and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer. To address this risk, the Fund's portfolio in sukuk and Islamic money market instruments will be diversified into securities with varying maturity periods.

### **Inflation Risk**

A unit trust fund is subject to the risk of an investor's investment not growing proportionately with the inflation rate making the investor's purchasing power net of inflation fall over time.

### **Liquidity Risk**

Liquidity refers to the ease of converting an investment into cash without incurring an overly significant loss in value. If a unit trust fund has a large portfolio of Shariah-compliant stocks issued by smaller companies, the relatively less liquid nature of those Shariah-compliant stocks can cause the value of the fund to drop; this is because there are generally less ready buyers of such Shariah-compliant stocks as compared with the Shariah-compliant stocks of larger and more established companies. This risk is managed by taking greater care in Shariah-compliant stock selection and diversification.

### **Non-compliance Risk**

This refers to the risk that the Manager and others associated with the Fund do not follow the rules set out in the Fund's constitution, or the law that governs the Fund, or will act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures. The non-compliance may expose the Fund to higher risks that may result a fall in the value of the Fund.

Such risk is mitigated by the compliance unit of the management company which oversees the entire compliance matters of the management company.

### **Reclassification of Shariah Status Risk**

The risk that the currently held Shariah-compliant securities in the portfolio of Shariah-based funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory council of the Securities Commission performed twice yearly. If this occurs, the value of the fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities.

## **5. HOW THE FUND INVESTS**

### **OBJECTIVES**

The investment objective of BSN Dana Al-Jadid is aims to achieve capital appreciation and income distribution by investing in equity and equity-related securities that comply with Shariah requirements.

Any material change to the investment objective of the fund would require unit holder's approval.

### **INVESTMENT POLICIES AND STRATEGIES OF THE FUND**

During the term of this Prospectus, the Fund's asset allocation strategies will be dynamic such that the Fund may invest up to 100% of its NAV in Shariah-compliant equity and equity-related securities. For defensive considerations, the Fund may lower the Shariah-compliant equity exposure and invest in a mix of Islamic debentures and Islamic money market instruments if the outlook for the equity markets is deemed to be unfavourable. Whilst the Fund is actively managed, at any one point in time, the Fund may hold 100% of its NAV in cash and other forms of Shariah-based liquid assets, depending on market conditions.

The Fund employs a combination of top-down and bottom-up style of management. Key macro factors are determined at the onset of the portfolio construction before asset allocation and bottom-up Shariah compliant equity and sukuk selections are made. Asset allocation is dynamic, with observations made monthly or when necessary.

The Shariah-compliant equity investment of the Fund will primarily focus on a dynamic mix of small- to large-cap Value (PER) and Growth (EPS Growth) Shariah-compliant stocks in the sectors with strong conviction. Generally, companies with established reputation, market leader, earnings growth and visibility as well as financial strengths over the medium to long-term are selected. Additionally, laggards and undervalued Shariah compliant stocks with low PER and high EPS growth relative to sector, peers and market will also be identified for inclusion in the portfolio. In identifying such companies, the Fund relies on fundamental analysis, looking at Shariah-compliant stocks with the characteristics such as a comprehensive business model, sound management, strong cash generation / cash position, strong market positioning / growing market share, strong earnings growth / turnaround story, good financial track record, attractive valuations and catalyst for re-rating

The Shariah-compliant non-equity portion of the Fund is invested in Islamic money market instruments and domestic sukuk such as sovereign sukuk and corporate sukuk. The Fund will primarily focus on good quality investment-grade sukuk, relying, amongst others, on fundamental macroeconomic analysis, valuation analysis and credit analysis in identifying the Shariah-compliant securities. The investment process is one driven by the appreciation of fundamental value with focus on inflation-adjusted sukuk yields.

The Fund's investment may also include equity warrants traded in the local stock market which are Shariah-compliant. The strategy employed is similar to that of Shariah-compliant equity investment as described above.

The fund's property may consist of derivatives that are traded on an exchange or traded over-the-counter whose underlying instruments consist of permissible investments under the Guidelines and may also include indices, interest rates and foreign exchange rates.

The investment of the Fund may consist of unlisted Shariah-compliant securities and must be consistent with the objective of the Fund.

The exposure of the Fund to Shariah-compliant equities may result in the Fund experiencing significant volatility in times of adverse market movements. Temporary defensive positions may be undertaken to respond to the adverse market movements, which may affect the Fund's respective investment strategies.

### **Permitted Investments**

The Manager has absolute discretion, subject to the Deed, the investment policy of the Fund and the requirements of the SC and other regulatory body, as to how the assets of the Fund are invested.

The Fund may invest in the following investments subject to the SC Guidelines, Shariah requirements and the Fund's objective and as approved by the SACSC and/or the Shariah Adviser:-

- Shariah-compliant securities traded on eligible markets and approved stock exchanges;
- Unlisted Shariah-compliant securities approved by Securities Commission Malaysia;
- Sukuk generally in the form of Corporate sukuk or Islamic Commercial Papers issued by privately held companies or public listed corporations that are traded in eligible/money markets;
- Government Investment Issues (GII), Islamic Accepted Bills, Bank Negara Monetary Notes-*i*, Cagamas Sukuk and any other Government approved/guaranteed Islamic issues;
- Shariah-based deposits (Malaysian currency) with licensed financial institutions including Islamic Negotiable Instruments (INIs) and placement of money at call with investment banks/financial institutions;
- Islamic futures contracts and options traded in futures and options market of an exchange approved under the Guidelines, and as approved by the SC's Shariah Advisory Council (SCSAC) and/or the Shariah Adviser, for hedging purposes only;
- Any other form of investments/instruments that comply with Shariah requirements as may be permitted by the relevant authorities, from time to time.

## Investment Restrictions and Limits

The Fund is subject to the following investment restrictions and limits in the course of execution of its investment policies and strategies:-

- The value of fund's investments in unlisted Shariah-compliant securities must not exceed 10% of the fund's NAV. The exposure limit referred does not apply to "unlisted Shariah-compliant Securities" that are :
  - a) Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing and quotation, and are offered directly to the fund by the issuer;
  - b) Islamic debentures traded on an organised over-the-counter (OTC) market; and
  - c) Islamic structured products.
- The value of the fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed 10% of the fund's NAV.
- The value of a fund's investments in transferable Shariah-compliant securities and Islamic money market instruments issued by any single issuer must not exceed 15% of the fund's NAV.  
("transferable Shariah-compliant securities" are Shariah-compliant equities, Islamic debentures and Shariah-compliant warrants)
- The value of a fund's placement in Shariah-based deposits with any single institution must not exceed 20% of the fund's NAV.
- For investments in Islamic derivatives-
  - a) the exposure to the underlying assets must not exceed the investment spread limits stipulated in this schedule; and
  - b) the value of a fund's over-the-counter (OTC) transaction with any single counter-party must not exceed 10% of the fund's NAV;
- There will be no restriction or limit for Shariah-compliant securities issued or guaranteed by the Malaysian Government or Bank Negara Malaysia;
- The aggregate value of a fund's investments in transferable Shariah-compliant securities, Islamic money market instruments, Shariah-based deposits, OTC Islamic derivatives and Islamic structured products issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the fund's NAV;
- The value of a fund's investments in units/shares of any Shariah-based collective investment scheme must not exceed 20% of the fund's NAV;
- The value of a fund's investments in transferable Shariah-compliant securities and Islamic money market instrument issued by any group of companies must not exceed 20% of the fund's NAV;
- A Fund's investment in transferable Shariah-compliant securities (other than Islamic debentures) must not exceed 10% of the Shariah-compliant securities issued by any single issuer;



- A Fund's investments in Islamic debentures must not exceed 20% of the Islamic debentures issued by any single issuer;
- A Fund's investments in Islamic money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have pre-determined issue size;
- A Fund's investments in Shariah-based collective investment schemes must not exceed 25% of the units/shares in any one Shariah-based collective investment scheme;
- The net market exposure owing to the Islamic futures contracts position of the Fund must not exceed the NAV of the Fund; and
- Shariah-based liquid assets must be held in the form of cash, Shariah-based deposits with licensed institutions and/or other institutions licensed or approved to accept Shariah-based deposits, or any other Islamic financial instrument capable of being converted into cash within seven days; the value of the Fund's holding of Shariah-based liquid assets may be up to 100% of its NAV; However, this does not preclude the Manager (after consultation with the Trustee) from lowering or raising the Shariah-based liquid assets level beyond the stipulated level to allow the Manager to react to the prevailing market conditions and to manage investment risk when circumstances warrant it.

The aforesaid investment restrictions and limits have at all times to be complied with based on the most up-to-date valuation of the investments and instruments of the Fund. However, a 5% allowance in excess of any restriction or limit may be permitted where the restriction or limit is breached through the appreciation in value of the investments of the Fund due to market movements.

If a particular restriction or limit is breached, no further acquisition of the relevant investment may be made. The Manager will then, as soon as possible but in any event no later than three (3) months from the date of breach, take all necessary steps and actions to rectify the breach.

Such limits and restrictions, however, do not apply to Shariah-compliant securities that are issued or guaranteed by the Government or Bank Negara Malaysia.

## **PERFORMANCE BENCHMARK**

Performance indicators or benchmarks are used to determine relative performance of portfolios and Shariah-compliant securities. They are particularly useful in evaluating unit trusts funds.

In Malaysia, the commonly used benchmark for measuring stock returns and equity unit trusts funds is the KLCI whereas for fixed income and bond/sukuk unit trust funds, it is the bank's GIA rate (e.g. Maybank's 12-month GIA Rate). Additionally, S&P's Micropal and Lipper Analytical Services are two of the fund services that track and analyse unit trust funds performance in Malaysia.

As for BSN Dana Al-Jadid this will be the performance benchmark :-

- a) If 100% invested in Shariah-compliant equities – FTSE Bursa Malaysia EMAS Shariah Index (FBMSHA), based on percentage change of FBMSHA for the period under review.
- b) If 100% invested in sukuk and Islamic money market instruments - 12-month Maybank (GIA) Tier II rate, based on the yield of 12-month Maybank (GIA) Tier II rate.

- c) If invested in a mix of Shariah-compliant equities, sukuk and Islamic money market instruments - 50% FBMSHA + 50% 12-month Maybank GIA Tier II rate. 50% of the benchmark performance is calculated based on the percentage change of the FBMSHA while the other half is based on the yield of 12-month Maybank GIA Tier II rate for the period under review.

## **VALUATION OF THE FUND**

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

The valuation points for a Fund must be at least once every business day. Listed Shariah-compliant securities quoted on a stock exchange – valuation will be based on the last done market price of the Shariah-compliant securities which is the price at the end of a particular business day. In the case of newly subscribed issues e.g. rights and warrants which have not yet been traded, valuation shall be at cost.

Unlisted Shariah-compliant securities – valuation will be based at book cost or at a valuation verified by the auditor of the Fund and approved by the Trustee and qualified to value such investments.

Sukuk not listed on any recognised stock exchange – valued on a daily basis using fair value prices quoted by a bond pricing agency registered with the SC. However, if the Manager is of the view that the price quoted by the bond pricing agency differs from the market price by more than 20 basis points, the Manager may use the market price provided the Manager adheres to the requirements stipulated by the SC.

Other sukuk and Islamic money market instruments – valuation will be performed at least on a weekly basis. These methods of valuation are verified by the auditor of the Fund and approved by the Trustee.

Cash/Investment accounts - the valuation of such investments which are Shariah-based deposits placed with licensed financial institutions and bank bills shall be determined each day by reference to their nominal values and the accrued profit thereon for the relevant period.

Islamic money market instruments – valuation will be performed on daily basis by reference to the value of such investment as provided by the bank or the financial institution that issues the investment.

Units in Shariah-based collective investment scheme – valuation will be based on the last published repurchase price.

Islamic futures contracts – marked-to-market at the end of each trading day. Any gains or losses are immediately reflected.

Suspended Shariah-compliant securities – valued at their price at the end of the trading day prior to suspension unless there is conclusive evidence to indicate that the value of such Shariah-compliant shares have gone below the suspended price or where the quotation of the Shariah-compliant securities has been suspended for a period exceeding 14 days, then the Shariah-compliant securities shall be valued at fair value as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

## **POLICY ON GEARING**

The Funds is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the Guidelines on Securities Borrowing and Lending) in connection with its activities. However the Fund may borrow cash for the purpose of

meeting repurchase requests for Units and such borrowings are subjected to the following:

- (a) the Fund's borrowing is only on a temporary basis and that borrowings are not persistent;
- (b) the borrowing period should not exceed a month;
- (c) the aggregate borrowings of the Fund should not exceed 10% of the Fund's NAV at the time the borrowing is incurred; and
- (d) the Fund may only borrow from licensed financial institutions.

The Fund shall seek for an Islamic financing facility to meet the above conditions.

## **RISK MANAGEMENT**

Investing in a unit trust fund enables the investors to enjoy the benefit and advantage of diversifying their investments and assets. As with all investments, however, there are related risks.

Risks, though, are not necessarily bad or negative. They are something to be aware of and to be managed. Proper risk management accommodates investment volatility. This part of the Prospectus describes risks typical to the unit trust funds and how those risks are managed.

Proper risk management is ensured throughout the entire investment management process. Various measures include:

- Adhering to the Fund's investment objectives, policies and strategies.
- Undertaking stringent evaluation of movements in market prices and regularly monitoring, reviewing and reporting to the Investment Committee to ensure that all the Fund's investment objectives are met.
- Employing active and effective asset allocation strategy.
- Employing a stringent screening process by conducting fundamental analysis of potential investments.
- Practising prudent liquidity management in a timely and cost effective manner.
- May hedge against market when deemed appropriate after taking into account the costs of hedging.

## **SPECIFIC BENEFITS**

The Fund allows investors the opportunity to benefit from the dynamic and active asset allocation mechanism of the Fund. During a prolonged stock market downturn, the Fund's ability to switch all assets into Shariah-compliant non-equity investments such as Islamic money market instruments and sukuk would limit the downside and provide the opportunity for re-entry at low levels. This dynamism saves the investors the additional sales charges and/or switching fee which may be incurred had they switched from equity funds into cash funds.

## **INVESTOR'S PROFILE**

A unit trust fund is not necessarily suitable to all investors. This Fund is suitable for investors who:

- seek high returns;
- have moderate to high tolerance of risk;
- have medium to long-term investment horizons;

- seek a dynamic and actively managed equity fund that has the flexibility to shift from Shariah-compliant equities into sukuk and Islamic money market instruments in the event of a prolonged downturn in the stock market; and
- seek to invest in a Shariah-based unit trust fund.

## SHARIAH INVESTMENT GUIDELINES

The following matters are adopted by IBFIM in determining the Shariah status of equity investments of funds.

### Local Securities:

Reference for investment in local securities is based on the list of Shariah-compliant securities issued by the Shariah Advisory Council of the Securities Commission ("SACSC") twice yearly on the last Friday of May and November which is readily available at the Securities Commission's website. However, for Initial Public Offering ("IPO") company that has yet to be determined the Shariah status by the SACSC, IBFIM adopted the following qualitative and quantitative analysis in determining its Shariah status.<sup>1</sup>

### Quantitative Analysis

- 1) Based on the opinions of the SC and most International Shariah Advisory Boards, IBFIM excludes companies which main business activities involved the following:
  - a) Conventional financial services;
  - b) Gambling and gaming;
  - c) Manufacture or sale of non-halal products or related products (e.g. pork and liquor);
  - d) Manufacture or sale of tobacco-based products or related products;
  - e) Pornography;
  - f) Weaponry;
  - g) Entertainment activities that are not permitted by the Shariah.
  - h) Other activities deemed non-permissible according to the Shariah.
- 2) IBFIM deduces the following and ensure that they do not exceed the Shariah tolerable benchmarks:
  - a) Interest incomes over total incomes and profit before tax not exceeding 5%;
  - b) Income contribution from mixed activities which involve Shariah-prohibited elements such as interest-based businesses, conventional banks, insurance, gambling, liquor and pork over total incomes and profit before tax not exceeding 5%;
  - c) Income contribution from mixed activity which involve tobacco and tobacco-related businesses over total incomes and profit before tax not exceeding 10%;
  - d) Mixed rental income contribution from Shariah non-compliant activities over total incomes and profit before tax not exceeding 20%; and
  - e) Income contribution from mixed activities which involve businesses such as hotel and resorts, share trading and stock broking over total incomes and profit before tax not exceeding 25%.

Should any of the above deductions fail to meet the benchmarks, IBFIM will not accord a Shariah-compliant status for the companies.

### Qualitative Analysis

IBFIM will look into the aspects of general public perception of the companies' images, core businesses which are considered important and *maslahah* (beneficial) to the Muslim

<sup>1</sup> This criteria is adopted by IBFIM as a temporary measure until the SACSC releases the Shariah status of that particular IPO company.

ummah and the country, the non-permissible elements are very small and involve matters like *umum balwa* (common plight and difficult to avoid), *'uruf* (custom) and rights of the non-Muslim community which are accepted by the Shariah.

### **Local Sukuk:**

Based on the list of sukuk readily available at the Securities Commission website.

### **Islamic Money Market Instruments:**

IBFIM will review the Islamic money market instruments based on the list readily available at the Bank Negara Malaysia and SC websites.

## **CLEANSING/PURIFICATION PROCESS FOR BSN DANA AL-JADID**

### **1. Cleansing process**

#### a) Wrong Investment

Refers to Shariah non-compliant investment made by the Fund Manager. The said investment will be disposed/withdrawn with immediate effect. In the event of the investment resulted in gain (through capital gain and/or dividend), the gain is to be channelled to baitulmal or any other charitable bodies as advised by the Shariah Adviser. If the disposal of the investment resulted in losses to the Fund, the losses are to be borne by the Fund Manager.

All cost incurred during the acquisition and disposal process, either the investment resulted in either gain or losses, are to be borne by the Fund Manager.

#### b) Reclassification of Shariah Status of the Fund's Investment

A security which was reclassified as Shariah non-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As per the SACSC's advice, the said security will be disposed soonest practical, once the total amount of dividend received and the market value held equal the original investment costs.

Any capital gains arising from the disposal of the Shariah non-compliant security made at the time of the announcement can be kept by the Fund. However, any excess capital gains derived from the disposal after the announcement day at a market price that is higher than the closing price on the announcement day is to be channelled to baitulmal or any charitable bodies as advised by the Shariah Adviser.

### **2. Purification process**

#### a) Zakat

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

**NOTE:**

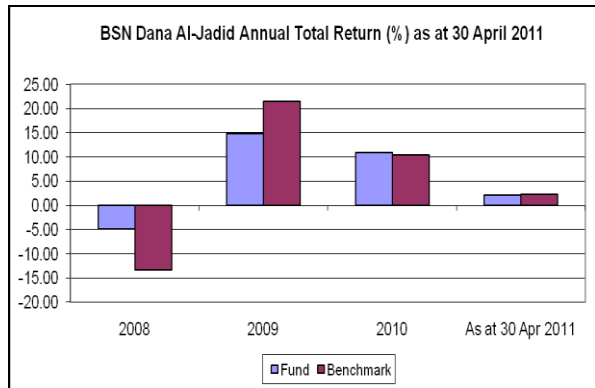
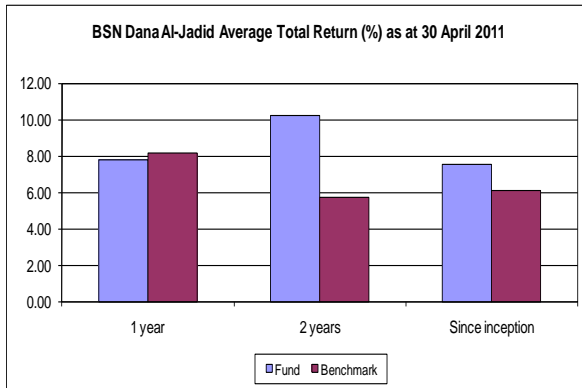
**THERE CAN BE NO ASSURANCE THAT THE INVESTMENT OBJECTIVES OF THE FUND WILL BE REALISED. YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF AN INVESTMENT. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS, AND IF NECESSARY, CONSULT YOUR ADVISORS.**

**ANY MATERIAL CHANGES TO THE FUND'S INVESTMENT OBJECTIVE WOULD REQUIRE YOUR APPROVAL.**

**MEDIUM-TERM IS DEFINED AS 3 TO 5 YEARS, AND ABOVE 5 YEARS AS LONG-TERM.**

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## 6. FUND PERFORMANCE



Average Total Return			
	1 year	2 years (% p.a)	Since inception (% p.a)
<b>Fund</b>	7.79	10.19	7.53
<b>Benchmark</b>	8.17	5.69	6.08

Annual Total Return				
	2008	2009	2010	As at 30 Apr 2011
<b>Fund</b>	-4.80	14.80	10.83	2.06
<b>Benchmark</b>	-13.37	21.56	10.37	2.34

The basis for the Average Total Return is:

$$\text{Percentage Growth} = \frac{\text{NAV}_t - \text{NAV}_{(t-1)}}{\text{NAV}_t}$$

$$\text{Performance annualized} = (1 + \text{Percentage growth})^{\left(\frac{\text{Number of periods per year}}{\text{Total number of periods}}\right)} - 1$$

The basis for Annual Total Return is:

$$\frac{\text{NAV}_t - \text{NAV}_{(t-1)}}{\text{NAV}_t}$$

**All performance figures have been verified by Mercer (Malaysia) Sdn Bhd (253344-U)**

### YTD Fund Performance Review

The BSN Dana Al-Jadid achieved average total return of 7.79% as at 30 April 2011 in comparison to the benchmark's (50% FBMSHA + 50% 12MGIA) average total return of 8.17% over the same period. As for the annual total return for the year 2010, the fund achieved 10.83% which was outperformed the benchmark by 46 basis points. The Fund was fully weighted in Shariah-compliant equities during the financial period and as such, had outperformed the benchmark in the rising market for the financial year ended 31 December 2010.

### Asset Allocation Review and Portfolio Turnover Ratio

The BSN Dana Al-Jadid Shariah-compliant equity and sukuk weighting as at 30 April 2011 were 46.79% and 30.03% respectively as compared to 51.09% and 36.58% as at 31 December 2010, respectively. The Fund's Portfolio Turnover Ratio for the financial period ended 31 December 2010 was 0.61 times as compared to 0.93 times for the financial year ended 31 December 2009 due to less trading of Shariah-compliant stocks during the current financial period.

## Asset Allocation as at 30 April 2011

	30/4/2011	31/12/2010	31/12/2009	31/12/2008
Shariah-compliant Equity Investments	46.79%	51.09%	47.79%	33.09%
Sukuk	30.03%	36.58%	42.97%	8.35%
Shariah-based Liquid Assets and Other Net Current Assets	23.18%	12.33%	9.24%	58.56%

## THE PORTFOLIO TURNOVER RATIO (PTR)

2008	2009	2010
0.59 times	0.93 times	0.61 times

### Notes to the table :

- Portfolio Turnover Ratio (PTR) is the ratio of the average of the acquisitions and disposals of the fund for the year to the average value of the fund for the year calculated on daily basis, i.e.:

$$\frac{(\text{Total acquisitions of the scheme for the financial year} + \text{Total disposals of the scheme for the financial year}) / 2}{\text{Average net asset value of the scheme for the year calculated on daily basis}}$$

Average net asset value of the scheme for the year calculated on daily basis

The annual PTR ratio tells the frequency of the acquisitions and disposals of Shariah-based assets made by a fund. A PTR ratio of 200% shows that the fund had been traded over two times for that particular year.

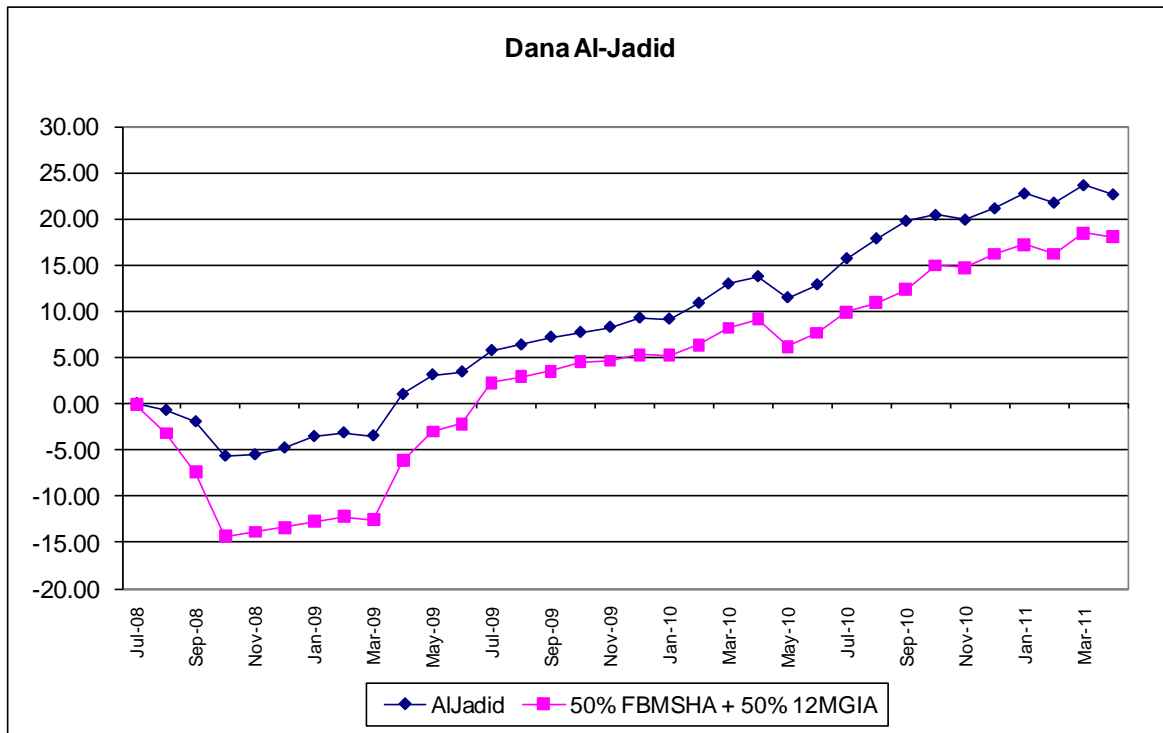
<b>Computation of PTR (for illustration purposes only) :</b>	<b>2010</b>	<b>2009</b>
	<b>RM million</b>	<b>RM million</b>
(a) <i>Average Net Assets Value of the fund</i>	35.18	31.12
(b) <i>Total acquisitions of the fund</i>	21.26	36.11
(c) <i>Total disposals of the fund</i>	21.66	22.04
<i>Portfolio Turnover Ratio</i>	= $\frac{[(b) + (c)] / 2}{(a)}$	= $\frac{[(b) + (c)] / 2}{(a)}$
	= $\frac{[21.26 + 21.66] / 2}{35.18}$	= $\frac{[36.11 + 22.04] / 2}{31.12}$
	= <b>0.61 times</b>	= <b>0.93 times</b>

### Note:

**Past performance of the fund is not an indication of its future performance.**



## Performance of the Fund compared to the Benchmark



## Basis of calculation and assumptions made in calculating the returns:

$$(1) \text{ Rate of price return} = \frac{\text{NAV of fund in current year}}{\text{Adjusted NAV in base year}}$$

(After the adjustment of bonus issue/split)

$$(2) \text{ Rate of income return} = \frac{(\text{Gross dividend payment within the period})}{\text{NAV on ex-dividend date}} + 1$$

$$\text{Total return} = [(\text{Price return (1)} \times \text{series of income return (2)}) - 1] \times 100\%$$

$$\frac{\text{Number of periods per year}}{\text{Total number of periods}}$$

$$\text{Performance annualised} = (1 + \text{Percentage growth}) - 1$$

## Distribution of Income for the last 3 years

(In RM million, unless stated otherwise)

Distribution for the Year	2008 RM	2009 RM	2010 RM
Dividend income			0.59
Profit income			1.15
Realised gains less losses on sale of Shariah- compliant investments			4.17
Other income			-
Less	<b>Nil</b>	<b>Nil</b>	
Expenses			0.04
Taxation			0.12
Unit in Circulation ('000)			134,270
Gross Distribution per unit (sen)			4.50
Net distribution per unit (sen)			4.41
Form of Distribution			<b>Reinvestment</b>
Net Asset Value per Unit Before distribution			0.2865
After distribution			0.2571

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## 7. HISTORICAL FINANCIAL HIGHLIGHT OF THE FUND

### BSN DANA AL-JADID AUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010

	2010 RM	2009 RM
<b>INVESTMENT INCOME</b>		
Profit from Shariah-based deposits	183,738	242,131
Income from sukuk	483,925	430,794
Gross dividend income	513,369	261,898
Accretion of discount	-	44,054
Other income receipts	72	-
Net realised gain on disposal of Shariah-compliant investments	3,576,388	1,433,155
	<u>4,757,492</u>	<u>2,412,032</u>
<b>LESS: EXPENSES</b>		
Net loss on fair value through profit or loss investments	900,729	-
Manager's fee	530,834	482,414
Trustee's fee	28,311	25,729
Tax agent's fee	1,249	2,501
Administrative expenses	26,135	31,177
Audit fee	15,000	12,001
	<u>1,502,258</u>	<u>553,822</u>
<b>NET INCOME BEFORE TAXATION</b>	3,255,234	1,858,210
<b>TAXATION</b>	(2,636)	(41,932)
<b>NET INCOME AFTER TAXATION FOR THE FINANCIAL YEAR</b>	<u>3,252,598</u>	<u>1,816,278</u>
<b>OTHER COMPREHENSIVE INCOME</b>		
Net change in fair value of available for sale financial assets	220,240	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>	<u>3,472,838</u>	<u>-</u>
Net income after taxation for the financial year is made up of the following:		
- Realised gains	4,153,327	-
- Unrealised losses	(900,729)	-

3,252,598-

The adoption of FRS 139 (including the consequential amendments) has resulted in several changes to accounting policies relating to recognition and measurements of financial instruments.

1. INVESTMENTS IN QUOTED SHARIAH-COMPLIANT EQUITY SECURITIES - UPON ADOPTION OF THIS STANDARD, THESE SHARIAH-COMPLIANT INVESTMENTS ARE CLASSIFIED AS FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") AND ARE MEASURED AT THEIR FAIR VALUES AT THE END OF EACH REPORTING PERIOD. THE ADJUSTMENT TO THE PREVIOUS CARRYING AMOUNTS IS RECOGNISED TO THE FAIR VALUE RESERVE.
2. INVESTMENTS IN QUOTED SHARIAH-COMPLIANT NON-EQUITY SECURITIES - WITH THE ADOPTION OF FRS 139, THESE QUOTED SHARIAH-COMPLIANT INVESTMENTS ARE DESIGNATED AS AVAILABLE-FOR-SALE FINANCIAL ASSETS AND ARE MEASURED AT THEIR FAIR VALUES AT THE END OF EACH REPORTING PERIOD. THE ADJUSTMENT TO THE PREVIOUS CARRYING AMOUNTS IS RECOGNISED TO THE FAIR VALUE RESERVE.

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**BSN DANA AL-JADID AUDITED STATEMENT OF ASSETS AND  
LIABILITIES AS AT 31 DECEMBER 2010**

	2010 RM	2009 RM
<b>ASSETS</b>		
<b>SHARIAH-COMPLIANT INVESTMENTS</b>		
Quoted Shariah-compliant securities	32,972,112	30,472,283
Shariah-based deposits with licensed financial institutions	6,114,260	2,900,000
	<hr/>	<hr/>
	39,086,372	33,372,283
<b>OTHER ASSETS</b>		
Amount owing by stockbroking companies	-	138,350
Dividend receivable	400	9,700
Profit receivable	108,809	160,955
Tax refundable	97,222	2,786
Cash at bank	52,474	124,731
	<hr/>	<hr/>
	258,905	436,522
<b>TOTAL ASSETS</b>		
	<hr/>	<hr/>
	39,345,277	33,808,805
<b>LIABILITIES</b>		
Amount owing to stockbroking companies	769,051	169,908
Dividend payable	3,945,947	-
Other payables and accruals	107,514	106,801
	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	4,822,512	276,709
<b>EQUITY</b>		
Unitholders' contribution	33,720,051	30,454,969
Available for sale reserves	269,135	-
Shariah-compliant investment fluctuation reserves	-	1,145,443
Undistributed income	533,579	1,931,684
	<hr/>	<hr/>
<b>NAV ATTRIBUTABLE TO UNITHOLDERS</b>	34,522,765	33,532,096
<b>TOTAL NAV ATTRIBUTABLE TO UNITHOLDERS AND LIABILITIES</b>		
	<hr/>	<hr/>
	39,345,277	33,808,805
<b>NUMBER OF UNITS IN CIRCULATION</b>		
	<hr/>	<hr/>
	134,270,000	122,793,000
<b>NAV PER UNIT (ex-distribution)</b>		
	<hr/>	<hr/>
	25.71 sen	27.31 sen

**BSN DANA AL-JADID AUDITED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

	UNITHOLDERS' CONTRIBUTION	UNDISTRIBUTED INCOME	AVAILABLE FOR SALE RESERVES	SHARIAH- COMPLIANT INVESTMENT FLUCTUATION RESERVES	TOTAL NAV
	RM	RM	RM	RM	RM
As at 1.1.2009	31,106,275	115,406	-	(1,441,850)	29,779,831
Creation of units	18,957	-	-	-	18,957
Cancellation of units	(670,263)	-	-	-	(670,263)
Net income after taxation	-	1,816,278	-	-	1,816,278
Net decrease	-	-	-	2,587,293	2,587,293
As at 31.12.2009	30,454,969	1,931,684	-	1,145,443	33,532,096

	UNITHOLDERS' CONTRIBUTION	UNDISTRIBUTED INCOME	AVAILABLE FOR SALE RESERVES	SHARIAH- COMPLIANT INVESTMENT FLUCTUATION RESERVES	TOTAL NAV
	RM	RM	RM	RM	RM
At 1.1.2010, previously reported	30,454,969	1,931,684	-	1,145,443	33,532,096
Effects of adopting FRS 139	-	1,096,548	48,895	(1,145,443)	-
At 1.1.2010, restated	30,454,969	3,028,232	48,895	-	33,532,096
Creation of units	1,880,778	-	-	-	1,880,778
Cancellation of units	(417,000)	-	-	-	(417,000)
Distribution equalisation	1,801,304	-	-	-	1,801,304
Dividends	-	(5,747,251)	-	-	(5,747,251)
Total comprehensive income for the financial year	-	3,252,598	220,240	-	3,472,838
As at 31.12.2010	33,720,051	533,579	269,135	-	34,522,765

Note:

The Shariah Adviser confirms that the investment portfolio of BSN Dana Al-Jadid comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, they have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

**Total Annual Expenses incurred by the Fund in the preceding year.**

Fund Name	Management Fee		Trustee Fee		Other Expenses		Total Annual Expenses		Management Expenses Ratio
	RM ('000)	%*	RM ('000)	%*	RM ('000)	%*	RM ('000)	%*	%
<b>Al-Jadid</b>	531	1.5	28	0.1	42	0.1	601	1.7	1.7

**Guidance:** The percentage should be reflected as a percentage of average NAV.

**Management Expense Ratio ("MER")**

Management Expenses Ratio ("MER") is the sum of all the fees deducted from the Fund including management fee, the trustee fee, the auditors' fee and other professional fees plus expenses recovered from and/or charges to the Fund expenses as a percentage of the Fund's average net asset value. MER is calculated as follows:

$$\frac{(\text{Fees} + \text{Recoverable Expenses}) \times 100}{\text{Average Net Asset Value of the Fund calculated on a daily basis}}$$

Average Net Asset Value of the Fund calculated on a daily basis

**Explanation:**

The total expenses incurred by the Fund for the year ended 31 December 2010 was RM601 thousand. The calculation of MER is as follows:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Management fee	531	482	185.22
Trustee fee	28	26	9.88
Auditors' remuneration	15	12	8.00
Legal and Professional fee	1	3	5.00
Administration Expenses	26	31	21.81
Loss on investment income	-	-	52.69
Total Fees and Expenses	<u>601</u>	<u>554</u>	<u>282.60</u>
Average Net Asset Value	35,181	31,124	23,445.80
Management Expenses Ratio	= <u>601</u>	= <u>554</u>	= <u>282.60</u>
	= 35,181	= 31,124	= 23,445.80
	= 1.7%	= 1.7%	= 1.7%

MER for the year 2010 is 1.7%, shows that the Fund incurred RM1.7 for every RM100 of the Average Net Asset Value of the Fund. The audited financial statements of the Fund are disclosed in the fund's annual report and the annual report is available upon request.

**Note:**

**Past performance of the fund is not an indication of its future performance.**

**The fund's annual report is available upon request.**

## 8. FEES, CHARGES AND PRICES

This part of the Prospectus informs you about the fees and charges involved so that you will know the costs of your investments better. It also shows how units of the funds are priced to enable you to make your investment decisions more carefully.

Costs, however, are not the only consideration with respect to investment goals. Time horizons, risk tolerance and financial resources are also important factors.

We may, for any reason at any time, waive, or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of any Fund. This may apply either generally (for all investors) or specifically (for any particular investor) and for any period or periods of time at our discretion.

Below are the charges directly incurred when you purchase or sell Units:

### SALES CHARGE

A Sales Charge of up to 3.00% of the NAV per Unit\* is imposed on the purchase of Units. The Sales Charge is used mainly to defray advertising and promotions expenses, and commissions payable to distributors and agents.

\*this is the maximum rate of Sales Charge which each of our distribution channels can impose on you.

The Sales Charge that may be imposed by our distribution channel on you are as follows:

Manager:	up to 3.00% of the Selling Price per Unit
BSN Branches:	up to 3.00% of the Selling Price per Unit
Unit Trust Consultant's/Agents:	up to 3.00% of the Selling Price per Unit

*Note: You may negotiate for a lower sales charge.*

The maximum sales charge permitted by the fund deed dated 11 March 2008 is 3% of the NAV per unit of the Fund,

For details on the computation of Selling Price per Unit, please refer to page 41.

### REPURCHASE CHARGE

The Repurchase Charge that may be imposed by our distribution channel on you are as follows:

Manager:	up to 3.00% of the Repurchase Price per Unit
BSN Branches:	up to 3.00% of the Repurchase Price per Unit
Unit Trust Consultant's/Agents:	up to 3.00% of the Repurchase Price per Unit

Currently, at the discretion of the management company, there is no repurchase charge imposed.

The maximum repurchase charge permitted by the fund deed dated 11 March 2008 is 3% of the NAV per Unit of the Fund.



## **POLICY ON ROUNDING ADJUSTMENT**

Assuming that the NAV per Unit of the Fund is RM0.25732820, as shown on the illustration below, the Repurchase Price will be:

=NAV per Unit  
 =RM0.25732820  
 = RM02573 (rounded to four decimal places)

*\*this apply to all calculations/illustrations whether direct or indirect expenses in this prospectus*

## **FEES AND EXPENSES INDIRECTLY INCURRED**

The following are the fees and expenses which are incurred indirectly by an investor of the Fund:

### **Annual Management Fee**

An annual Management Fee of 1.5% of the NAV of the Fund accrued daily will be paid to the Manager from the Fund monthly in arrears.

The maximum management fee chargeable by the fund as stipulated in the deed dated 11 March 2008 is 2.5% of the NAV of the Fund.

### **Annual Trustee Fee**

An annual Trustee Fee of 0.08% of the NAV of the Fund subject to a minimum fee of RM18,000.00 per annum accrued daily will be paid to the Trustee from the Fund (excluding foreign custodian fees and charges, if any) monthly in arrears. Fee is exclusive of foreign custodian fees and charges, if any.

The maximum trustee fee chargeable by the fund as stipulated in the deed dated 11 March 2008 is 0.20% of the NAV of the Fund,

## **DIRECT EXPENSES RELATED TO THE FUND**

The following is a list of expenses directly related to and which will be paid out of the Fund:

- commission paid to brokers
- auditors' fees
- Tax Advisor's fee
- valuation fees
- taxes
- custodial charges
- tax vouchers
- Annual and Interim Reports
- Investment Committee Member fee.

These expenses are necessary for the business of the Fund. Only expenses set out in the Deed can be paid out of the Fund.

## **OTHER FEES AND CHARGES**

### **Switching Fee**

There is no switching fee for this Fund.

### **Transfer Fee**

A transfer involves the change of ownership of Units from one investor to another investor. A RM10.00 transfer fee is charged for any requests to transfer Units.

### **Other Charges**

In executing your transaction, certain charges may be incurred. You shall bear such transaction charges, for instance bank charges, telegraphic charges and courier charges. We reserve the right to vary such conditions from time to time, which shall be communicated to you in writing.

### **Commissions Payable**

The sales and other commissions payable to our licensed sales representatives are not paid from the Funds but from the Sales Charges retained by us on a sale of Units. These commissions are between 20% and 100% of Sales Charges of the Fund.

### **REBATES AND SOFT COMMISSIONS**

Neither the Trustee, the Manager nor the External Fund Manager is entitled to any rebates or to share in any commission from any broker in consideration of direct dealings in the investments of the Fund. Accordingly, any rebates and shared commissions will be directed to the account of the Fund.

Notwithstanding the aforesaid, the Manager may receive goods or services by way of soft commissions provided always that the goods or services are of demonstrable benefit to the Fund and that the execution of a transaction is consistent with the best execution standards.

### **Incorrect Pricing**

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

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

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

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

## 9. TRANSACTION INFORMATION

### CALCULATION OF UNIT PRICES

#### Valuation Point

Valuation point is the time(s) on a Business Day as we decide, during which the NAV of the Fund is calculated. As the price per Unit of the Fund is determined using the forward pricing formula, the valuation point for the NAV per unit of the Fund, based on the valuation of the Fund's investments, assets and properties, is performed at the end of a Business Day upon closing of the Bursa Malaysia.

#### Single Pricing Policy

We adopt the single pricing policy in calculating your investment for Subscription and Repurchase of Units. Single pricing equates to the sales and repurchase of Units being quoted and transacted on a single price (i.e., NAV per Unit). Sales charges by different distribution channels are separately disclosed which make it easier for you to understand, compare and to make an informed decision on the choice of investment products and the preferred distribution channel. This will also facilitate you to clearly gauge or ascertain the performance of your investment. The daily NAV per Unit is valued at the next valuation point (i.e. the close of the Business Day) on forward price basis.

#### NAV of the Fund

The NAV of the Fund means the total value of all the Fund's investments and assets less the Fund's expenses or liabilities incurred or accrued at a particular valuation point.

#### NAV per Unit of the Fund

The NAV per Unit of the Fund is calculated by dividing the total NAV of the Fund by the total number of Units in circulation at the end of each Business Day.

#### Selling Price of a Unit

A sales charge of up to 3.00% of the NAV per Unit of the Fund may be imposed on the sale of the Units.

The illustrations below show how the NAV per Unit is derived, how the Sales Charge is calculated and how Units will be allocated to you.

As an example, if you invest RM10,000.00 in the Fund;

Selling Price of a Unit = NAV per Unit : RM0.5000

Sales charges = 3%

An investor wishes to invest a fixed investment amount of RM10,000.00

Units issued to investor =  $\text{RM10,000} / \text{RM0.5000}$   
= 20,000 units

Sales charges (3%) incurred by investor	=	RM300.00
Amount payable by investor	=	RM10,000.00 + RM300.00
	=	RM10,300.00

### Repurchase Price of a Unit

The Buying Price (sometimes called Repurchase Price) of a Unit of a Fund is calculated by dividing the NAV of the Fund by the total number of Units of the Fund in circulation at the point of valuation; this is the same as the NAV per Unit of the Fund.

Assuming that the NAV per Unit of the Fund is RM0.25732820, as shown on the illustration above, the Buying Price will be:

= NAV per Unit  
 = RM0. 25732820  
 = RM0. 2573 (rounded to four decimal places)

Your repurchase proceeds are based on the Buying Price at the next valuation point upon receipt of your request. Assuming you request to Repurchase 5,000 Units of the *Dana Al Jadid* on 15 February 2008 and the Buying Price as at the next valuation point (which is published on the following day) is RM0.5000 per Unit, as shown in the illustration above, the Repurchase proceeds that you will receive will be:

= 5,000 Units x RM0.5000  
 = RM2,500.00

Repurchase proceeds will be paid within 10 business days of the date of receipt of a repurchase request.

If a Friday is not a Business Day, the Price Determination Point for the purpose of determining the Repurchase Price will be 5:00 p.m. Malaysian time on the Business Day after that Friday.

The NAV per Unit will be published in major local newspapers on every day following a Business Day. Whilst the Manager can ensure that the prices forwarded to the newspapers for publication are accurate, the Manager cannot assume any responsibility or be liable for any error in the prices finally published in the newspapers.

### TRANSACTION DETAILS

In this part of the Prospectus, the procedures on how to invest in the Fund, and how to Repurchase, switch and transfer Units that you hold are explained. You may be required to forward to us additional documents to authenticate your identification when transacting Units of the Fund.

We may for any reason at any time, waive existing procedures, or introduce and implement new procedures in respect of the Fund. This may apply either generally (for all investors) or specifically (for any particular investor) at our discretion.

Also note that different procedures may apply when an investor transacts Units via our authorised Unit Trusts Agents.

## Eligibility

BSN Dana Al-Jadid is open to individuals, corporations, companies, co-operatives, societies, sole-proprietors, institutions etc. The initial minimum investment is fixed at RM500.00 and additional minimum investment set at RM100.00 only.

### (a) Individual/Joint Account Holders

Any person aged 18 years and above may apply for and hold units of BSN Dana Al-Jadid. Joint account with minors is allowed as long as the principal holder's age is 18 years and above on the date of the application.

### (b) Non-Individual Account Holders

Application forms must be supported by (where relevant) certified true copies of directors' resolution, Form 24, Form 49, memorandum and articles of association, certificate of incorporation, rules & regulation of societies/co-operatives and any other documents determined by the Managers from time to time. For corporation, the common seal or the company's stamp shall have to be affixed on the application form.

## Sale of the Fund's Unit

The sale of the Fund's units may be undertaken at the Manager's office or any BSN branches throughout Malaysia. For details of the distributors outlets, please refer to page 12.)

To purchase units of the Fund, investors are required to fill the application form that is attached to the Fund Prospectus. Completed application forms and relevant documents (where necessary) together with remittance in the form of cash, banker's cheque, bank draft, money order or postal order may be accepted at the business office of the Manager and any BSN branches. There is no maximum purchasing limit imposed on applicants who wish to invest in the Fund.

## Regular Investment Plan

Applicants can make regular investment by way of giving standing instructions to their banker for periodic and regular draw downs to purchase Units of the Fund, provided a duly completed the application form for the Fund and a copy of such standing instruction are forwarded to the Manager's office for record and monitoring purposes. A copy of the prospectus will be sent to each regular investment plan investor at each renewal date of the prospectus for the Unit Holder to have up-to-date information about the Fund.

## EPF Members Investment Scheme

You may also withdraw up to a maximum of 20% from your EPF Account 1, to be invested in the Fund, provided your EPF Account 1 has a balance of at least RM55,000 (as per requirements of the EPF Members' Investment Scheme). To apply for withdrawal, you are required to also complete a **Borang KWSP 9N (AHL)** for each application for withdrawal to invest via the EPF Members' Investment Scheme.

## Investment Through Loan Financing

Financing for the purchase of units may be provided by any financial institution, at the lender's discretion. The applicants should assess themselves, before proceeding, if loan financing is suitable for them in the light of their objectives, attitudes towards risk and financial circumstances. Generally, the margin of finance does not exceed 67% of the selling price of the units. The applicants, however, are required to execute a 'Loan Financing Risk Disclosure Statement' a copy of which is to be retained by the Manager and Unit Holder (borrower).

### **Entitlement of Units Purchased**

The number of units purchased will depend on the value of investment and the Manager's units selling price on the day of the receipt of completed application form. The Manager, however, reserves the right to reject any application for Units of the Fund in whole or in part. The unsuccessful applicants will be notified and their money refunded by the Manager within 30 days from the date of receipt by ordinary post to the address shown on the application form at the applicants' risk.

The Unit Holders will be issued a statement of investment at least once a year. Currently Unit Holders are served with the statement of investment after the end of the Fund's 6 months interim period (June) and financial year (December).

### **Repurchasing an Investment**

You may repurchase all or some of the Units held on any Business Day by completing a **Transaction Form – Sell**. For a request to repurchase Units that we receive or deem to have received on or before 5:30 pm on any Business Day, your Units will be repurchased at the Buying Price per Unit of the Fund calculated at the end of the Business Day on which the request was received (i.e. "forward pricing"). Where the repurchase request is received after the cutoff time, as above, your request will be deemed as having received on the next Business Day. We reserve the right to vary the terms and conditions of repurchase mode from time to time, which shall be communicated to you in writing.

For investment made under the EPF Members' Investment Scheme, repurchase proceeds will be paid to the EPF to credit back into your EPF Account.

In a case where the Units are standing in the names of more than one Unit Holder, where mode of holding is specified as "Joint Application", all joint holders will have to sign the Repurchase requests. However, in cases of holding specified as "Either Applicant to sign", any one of the Unit Holders will have the power to make Repurchase requests, without it being necessary for all the Unit Holders to sign. In all cases, the first-named Unit Holder will receive the proceeds of the Repurchase.

The purchase and repurchase of units of any of the Funds may be conducted at any BSN branches or our authorized distributors / agents. For details of the distributors outlets, please refer to page 12).

### **Suspension of Sale and Repurchase of Units**

In accordance with Clause 10.24(a) of the Guidelines, the Trustee should suspend the sale and/or repurchase of units in the Fund and immediately call for a Unit Holders' meeting to decide on the next course of action in the event that we request the Trustee to cancel units to satisfy a repurchase request in which the Trustee considers that it is not in the interests of the Unit Holders to permit the assets of the Fund to be sold or that the assets of the Fund cannot be liquidated at an appropriate price or on adequate terms.

Apart from the above, the Trustee may also in accordance with Clause 10.24(b) of the Guidelines, suspend the sale and/or repurchase of Units in the Fund under exceptional circumstances, where there is good and sufficient reason to so having regard to the interests of the Unit Holders or potential investors.

### **Switching Between Funds**

Switching is a facility, which enables you to convert units of a particular unit trust fund for the units of other unit trust funds under our management. The switch will be effected by Repurchasing units from the scheme in which the units are held and investing the net proceeds in the other unit trust fund(s), subject to the minimum balance and terms and conditions applicable for the respective unit trust fund(s). You may switch some or all of

your Units in the Fund into units of another of our unit trust fund by completing a **Transaction Form – Switch**. Switching from Shariah-based fund to conventional funds is discouraged, especially for Muslim unit holders.

### Transfer of Units

Units are transferable to any other eligible person. Every Unit Holder is entitled to transfer his units by an instrument in writing in any such form prescribed by the Manager. Every instrument of transfer shall be duly stamped and left with the Manager together with a regulation fee of RM10.00 only. Every such instrument shall be signed by both the transferor and the transferee and the transferor shall be deemed to remain the holder of the comprised therein until the name of the transferee is entered in the Register as the holder of such units. Nonetheless, the Manager reserves the right to decline to register any transfer of unit pursuant to the fund Deed.

### A QUICK GUIDE ON HOW TO BUY, SELL, SWITCH & TRANSFER

	Type of Application	Procedure	Unit holder acknowledgement
First Application (Purchase)	1. Individual	<ul style="list-style-type: none"> <li>• Individual Opening Account Form</li> <li>• Transaction Slip</li> <li>• 2 Copies Photocopy NRIC</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
	2. Corporate	<ul style="list-style-type: none"> <li>• Corporate Opening Form</li> <li>• Corporate Account Declaration Form</li> <li>• Balance Inquiry Form</li> <li>• Letter of Guarantee and Indemnity</li> <li>• Transaction Form</li> <li>• Form 8 /9, 44, 49, 24 and 13</li> <li>• M&amp;A</li> <li>• Board of Resolution</li> <li>• Specimen card (Directors)</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
	3. EPF Withdrawal	<ul style="list-style-type: none"> <li>• Individual Opening Account Form</li> <li>• Transaction Form</li> <li>• 2 Photocopies NRIC</li> <li>• EPF Form (9N (AHL))</li> <li>• Photocopy of KWSP Statement</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
	4. Joint Account	<ul style="list-style-type: none"> <li>• Individual Opening Form</li> <li>• Transaction Form</li> <li>• Balance Inquiry Request Form</li> <li>• Letter of Authorized</li> <li>• Photocopy NRIC 2</li> <li>• Specimen Card 2</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
Additional Purchase	1. Individual Opening	<ul style="list-style-type: none"> <li>• Individual Application Form</li> <li>• Transaction Form</li> <li>• Photocopy NRIC</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
	2. Corporate Opening	<ul style="list-style-type: none"> <li>• Corporate Opening Form</li> <li>• Corporate Account Declaration Form</li> <li>• Letter of Guarantee and Indemnity</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>

		<ul style="list-style-type: none"> <li>• Transaction Form</li> <li>• Form 49, 24 and 13</li> <li>• M&amp;A</li> <li>• Board of Resolution</li> <li>• Specimen card of all the Directors</li> </ul>	
	3.KWSP Withdrawal	<ul style="list-style-type: none"> <li>• Individual Application Form</li> <li>• Transaction Form</li> <li>• 2 Photocopies NRIC</li> <li>• EPF Form (9N (AHL)</li> <li>• Photocopy of KWSP Statement</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
	4. Joint Account (Individual)	<ul style="list-style-type: none"> <li>• Individual Opening Form</li> <li>• Transaction Form</li> <li>• Balance Inquiry Request Form</li> <li>• Letter of Authorized</li> <li>• Photocopy NRIC 2</li> <li>• Specimen Card 2</li> </ul>	<ul style="list-style-type: none"> <li>• Copy Transaction Slip</li> <li>• Holder Statement</li> </ul>
Transfer	1. Individual / Join Account	<ul style="list-style-type: none"> <li>• Transfer Form</li> <li>• Photocopy NRIC</li> </ul>	<ul style="list-style-type: none"> <li>• Slip Receive all Document</li> <li>• Holder Statement transferee &amp; transfer</li> </ul>
	2. Corporate	<ul style="list-style-type: none"> <li>• Letter of Guarantee and Indemnity</li> <li>• Transfer Form</li> <li>• Board of Resolution</li> <li>• Specimen card (Directors)</li> </ul>	<ul style="list-style-type: none"> <li>• Slip Receive all Document</li> <li>• Holder Statement</li> </ul>
Switch	1. Individual / Join Account	<ul style="list-style-type: none"> <li>• Switch Form</li> <li>• Statement</li> <li>• Photocopy NRIC</li> <li>• Letter of Authorization- join account (Decease / Sick Client)</li> <li>• Under 18 one person only</li> </ul>	<ul style="list-style-type: none"> <li>• Slip Receive all Document</li> <li>• Holder Statement</li> </ul>
	2. Corporate	<ul style="list-style-type: none"> <li>• Balance Inquiry</li> <li>• Letter of Guarantee and Indemnity</li> <li>• Transaction Form</li> <li>• Board of Resolution</li> <li>• Specimen card (Directors)</li> </ul>	<ul style="list-style-type: none"> <li>• Slip Receive all Document</li> <li>• Holder Statement</li> </ul>
	3. KWSP withdrawal	<ul style="list-style-type: none"> <li>• Switch Form</li> <li>• Photocopy NRIC</li> </ul>	<ul style="list-style-type: none"> <li>• Slip Receive all Document</li> <li>• Holder Statement</li> </ul>

*\* We may, for any reason at any time, lower or raise the minimum initial/additional investment, switch and transfer amounts in respect of the Fund. This may apply either generally (for all investors) or specifically (for any particular investor) and for any period or periods of time at our discretion.*

*In the case of a partial sale (Repurchase), instructions will be carried out only if the minimum holding requirement (being 2,000 Units or such other amounts as we may decide from time to time) remains in the Fund. If the value of the remaining investments is below the minimum requirement, all Units in the Fund you hold will be Repurchased automatically.*



*In the event the Fund Account has more than one registered owner, the first-named Unit Holder (as determined by reference to the original the Fund Account Application Form) shall receive the confirmation advices, all notices and correspondence with respect to the the Fund Account, as well as any Repurchase proceeds or income distribution or other distributions. In addition, such first-named Holder shall have the voting rights, as permitted, associated with such Units.*

*In the case of joint holders, any one of such joint holders may vote either personally or by proxy as comprised in the joint holding. If the joint holders are present at any meeting either personally or by proxy, the joint holder whose name stands first in the unit holder register shall alone be entitled to vote.*

## **COOLING-OFF**

If you should change your mind about an investment that you have made in the Fund, you can reverse your application within six (6) Business Days from the date of your application for Units is accepted by us. Refunds for every Unit held following a request for a reversal of an application would be the sum of:

- (a) the NAV per Unit on the day the Units were first purchased; and
- (b) the Sales Charge per Unit originally imposed on the day the Units were purchased.

All such requests must be received or be deemed to have been received by us before 5:30 p.m. on a Business Day. Requests received or deemed to have been received after 5:30 p.m. will be treated as having been received on the following Business Day.

Cooling-off proceeds will only be paid after we receive cleared funds for the original investment. Such proceeds shall be refunded to you within 10 days of receipt of the application for cooling-off.

A cooling-off right is only given to a qualified investor. A qualified investor is a person who is investing in any of the unit trust funds managed by us for the first time but shall not include the following persons:

- a corporation or institution;
- our staff; and
- persons registered to deal in the units of our unit trusts funds.

## **OUR DEALING IN UNITS AND INVESTMENTS**

We will not hold any Units in the Fund, other than when complying with repurchase requests and/or creating new Units to meet requests for Units by investors, subject to a maximum of 3 million units or 10% of the units in circulation, whichever is lower.

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## **INCOME DISTRIBUTION AND REINVESTMENT AND REINVESTMENT POLICIES**

It is our intention to distribute income once a year for *the Fund*. It should, however, be noted that actual distribution of income and the frequency of distribution as indicated here are provisional and will depend, inter-alia, on the availability of distributable surplus (after deducting expenses incurred by the Fund) and will be entirely at our discretion in consultation with the Trustee's.

Income distribution from the Fund will be automatically reinvested into additional Units of that Fund at the NAV per Unit on income payment date which is on the third day after declaration of income distribution.

## **GENERAL UNCLAIMED MONIES POLICY**

We shall handle any monies payable to you which remain unclaimed after such period (currently being 12 months) in accordance with the requirements of the Unclaimed Money Act 1965.

### **Note:**

**Investors are advised not to make payment in cash when purchasing units of a fund via any institutional/retail agent.**

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## 10. THE MANAGER/ADMINISTRATION OF THE FUND

### GENERAL

The Manager, PBSNB, a body incorporated on 13 October 1994 under the Companies Act, 1965 and a wholly owned subsidiary of BSN. The authorised capital of PBSNB is RM40,000,000 comprising 40,000,000 ordinary shares of RM1.00 each of which 2,000,000 has been issued and fully paid-up. PBSNB commenced operation on 2 January 1995. PBSNB has more than 14 years experience as the fund manager to a unit trust, Amanah Saham Bank Simpanan Nasional and BSN Dana Al-Jadid.

<b>Fund</b>	<b>Total Value (as at 30 April 2011)</b>
Amanah Saham Bank Simpanan Nasional	RM106,707,747.68
BSN Dana Al-Jadid	RM40,359,579.17

The Manager is responsible for the day-to-day management of the Fund to ensure its management and operations are in accordance with the provisions of the Deed, the Guidelines on Unit Trust Funds and other relevant securities laws and regulations. The total number of PBSNB staff as at 30 April 2011 are 18, consisting of 14 executives and 4 non-executives. The detailed obligations of the Manager are set out in the Deed.

### FINANCIAL POSITION

The following is a summary of the financial performance of the Manager based on audited accounts for the last 3 years.

<b>DETAILS</b>	<b>Year ended 31 December</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
Paid-Up Capital (RM'000)	2,000,000	2,000,000	2,000,000
Shareholders' Funds (RM'000)	13,198,546	12,923,255	12,546,789
Turnover (RM'000)	2,577,766	2,360,624	1,862,166
Pre-tax Profit (RM'000)	419,975	530,551	434,132
After Tax Profit (RM'000)	275,291	376,466	333,542

As at 30 April 2011, the shareholders' funds of the Manager amounted to RM13,217,845.68.

### BOARD OF DIRECTORS

The Board of Directors of the Manager ("the Board") takes an active part in the activities and affairs of the Manager and the unit trust funds under its management. The Board is also responsible for making major decisions and endorsing the day-to-day operations. In the area of investment, the Board receives reports from the Investment Committee and affirms their investment decisions. The Board of Directors' meetings are held at least once in 2 months to deliberate the foregoing matters.

## **PROFILE OF THE BOARD OF DIRECTORS**

### **Datuk Adinan Bin Maning** ***Non-Independent Director***

Datuk Adinan bin Maning is the General Manager/ Chief Executive of Bank Simpanan Nasional. He also sits as a member of the PBSNB's Board Audit Committee.

Datuk Adinan studied accountancy in Institute Teknologi MARA (1976 to 1979) where he completed the examinations of the Institute of Cost and Management Accountants (now known as Chartered Institute of Management Accountants).

Datuk Adinan started his career in Bank Bumiputera Malaysia Berhad (BBMB) in early 1980 as an executive in the Loans Processing Department, Head Office and served BBMB for eighteen (18) years. Over the 18 years, he was attached to various departments of the Bank giving him an extensive exposure and knowledge in Banking. His last position in BBMB was as the Business Development Manager for Commercial Loans in Selangor.

In late 1998, Datuk Adinan assumed the post of Chief Executive Officer of Panji Timor Sdn Bhd group of companies based in Negeri Sembilan. During his tenure, he gathered invaluable experience in managing business units involved in property development, complex management and manufacturing. In 2005, Datuk Adinan joined Kuantan Flour Mills Berhad as a Chief Executive Officer; holding the position until 31 December 2005. He then joined Prokhas Sdn Bhd as General Manager, Operations until November 2007.

He currently sits on the Board of Abrar Discounts Berhad, BSNC Corporation Berhad and Prudential BSN Takaful Berhad. He is at present the President of World Savings Banks Institute Asia Pacific region, Treasurer of Persatuan Badan-Badan Berkanun Malaysia, Chairman of Technical Committee of the Association of Development Finance Institution of Malaysia and a Member of Small Debt Resolution Committee at Bank Negara Malaysia.

### **Encik Hasan Mohamed** ***Non-Independent Director***

Encik Hasan is currently the Deputy Chief Executive Treasury & Corporate Support of Bank Simpanan Nasional. He holds a Masters in Business Administration from Morehead State University, Kentucky, USA, a Bachelor of Business Administration from Ohio University, Ohio, USA and a Diploma in Business Studies from University Technology Mara (UITM). He started his career with Bank Bumiputra (now known as Bumiputra Commerce Bank) in 1984 as an Assistant Accountant in the Treasury Division. He also served as Head of Treasury/Chief Dealer in the New York and Singapore branches.

He joined Utama Merchant Bank Berhad in 1997 as the Assistant General Manager and was later on attached to PTB Asset Management Sdn Bhd from 2002 to 2004 as an Executive Director/Chief Executive Officer. He is an International Member of the Association Cambiste Internationale (ACI) Malaysia.

### **Tuan Haji Jalaluddin Mohd Arif** ***Non-Independent Director / Executive Director / Chief Executive Officer***

Tuan Haji Jalaluddin , is currently the Chief Executive Officer of PBSNB. He graduated with a Bachelor of Science in Agribusiness from University Putra Malaysia. Tuan Haji Jalaluddin started his career as an Executive Trainee in 1992 and has served Pengurusan Pelaburan ASN Berhad, wholly-owned subsidiary of Permodalan Nasional Berhad (PNB) in various positions (Investment Analysis, Portfolio Analysis and Dealer stock/money market) from 1993 to 1995.

In 1995, Tuan Haji Jalaluddin assume the post of Assistant Manager at Permodalan BSN Berhad ('PBSN'), a wholly-owned subsidiary of Bank Simpanan Nasional. During his tenure of 8 years there he gained invaluable experience in managing unit trusts and was also involved in Portfolio Management and Dealing. His last post at PBSN was as a the Designated Fund Manager.

Tuan Haji Jalaluddin was posted back to BSN in 2003 to serve its Corporate Planning and Finance Department and his last position held was as the Product/Business Development Manager under the Islamic Banking Department. Tuan Haji Jalaluddin was then in February 2009 seconded to Permodalan BSN Berhad as its Chief Executive Officer.

**Dato' Dr. Gan Miew Chee @ Gan Khuan Poh**  
***Independent Director***

Y. Bhg. Dato' Gan is currently the Chairman of Carta Bernas Sdn Bhd, Silver Bird Group Bhd and Lin Tramax (M) Sdn Bhd. He holds a B.A. (Hons) (Business Economics) from University of Malaya, M.B.A. (Finance) from Cornell University, USA, M.A. (Economics) and Ph.D (Economics) from Duke University, USA in 1985.

He started work in the government service and served 31 years in the government service at various positions starting from the state and district levels to the Prime Minister's Department at the Federal level where he held the position of Senior Director of Economic Planning Unit. He then joined the Pilecon Group of Companies in 1997 and retired as Managing Director in 2001. He currently sits on the board of a few companies. He was also a professor at Ikmas University Kebangsaan Malaysia. He is the President of the Malaysian Economic Association.

**Roslani bin Hashim**  
***Independent Director***

Encik Roslani was admitted as a Barrister-At-Law in 1969 and was subsequently called to the Malaysian Bar in 1978. He was practicing as an Advocate and Solicitor in his own firm. He was a Magistrate, President of the Sessions Court and a Senior Assistant Registrar of the High Court of Malaya. He was also previously the General Manager of Pernas Insurance Broker and Malaysian Reinsurance Berhad.

## **KEY MANAGEMENT STAFF**

**Tuan Haji Jalaluddin Mohd Arif**  
***Executive Director / Chief Executive Officer***

Profile is as set out above.

**Nazifah Mohd Arshad**  
***Fund Manager / Designated Fund Manager***

Nazifah Mohd Arshad joined the company in December 2010. She holds Bachelor Degree in Actuarial Science from MARA University of Technology (UiTM) and currently persuing M.Sc Quantitative Science (major in Financial Engineering) from the same university.

She started her career as Executive Trainee of Permodalan Nasional Berhad before joining Sime Darby Berhad as Finance Executive. In 2007, she joined Syarikat Takaful Malaysia Berhad as an Investment Executive/Analyst. She has 4 years working experience in securities industry particularly in equity fund management, money market and unit trust investment. She holds Capital Markets Services Representative's License (CMSRL/B1530/2011)

**Saifullizan Mohd Said**  
**Head of Compliance**

Encik Saifullizan joined the company as the registered Compliance Officer in March 2009.

His background is in internal audit and compliance, having served in the asset management and stock broking industries since 1997. Previously, he was the compliance officer for PTB Asset Management Sdn Bhd, Amanah Raya Asset Management Sdn Bhd and Mayban Investment Sdn Bhd.

Prior to joining Permodalan BSN, he was the Section Head, Procurement and Insurance for Bank Simpanan Nasional, the holding company of Permodalan BSN Bhd.

He holds a BA (Hons) in Accounting from University of Portsmouth, United Kingdom.

**Iskandar Zulkarnain Shah**  
**Head of Finance and Administration**

En Iskandar Zulkarnain Shah Bin Samsudin holds a Diploma in Accountancy from MARA University of Technology (UiTM). He was employed by Coopers & Lybrand at Corporate Recovery Services in 1992 and on 1994, he joined Bank Simpanan Nasional and attached with Finance Department before being seconded to PBSN in year 1995. After 10 years service with PBSN, he was transferred back to BSN to join the Internal Audit Department until February 2009.

**Wan Mohd Fairuz bin Mohd Yusoff**  
**Head of Marketing & Operations**

Wan Mohd Fairuz bin Mohd Yusoff joined the Company in June 2010. He holds a Degree in Economics (minor in Business Administration) from International Islamic University of Malaysia. He started his career in 1997 as an Administrative Officer at United Merchant Finance Bhd before joining American International Assurance Bhd. (AIAB) as an Agency Training & Development Executive with Bumiputera Market Development Department in year 2000. In AIAB, he was reassigned to Marketing Department as an Assistant Manager, Product Research and Development in year 2007 and a committee member for the establishment of the first International Takaful Operator in Malaysia (AIA Takaful International Bhd.) In year 2008, he was elected to join AIA Takaful International Bhd (subsidiary to AIAB) as a Manager of Customer Proposition & International Business Department.

He was again reassigned to Distribution Department to support sales and promote international Takaful products through all distribution channels especially to the AIAB agency force at the end of 2009 before joining PBSN.

**Abharuddin Bin Muhd Yusof**  
**Head of Information Technology**

Mr Abharuddin holds a Bachelor Degree in Computer Science majoring in Software Engineering. He started his career as a programmer in 2004 with the company providing Unit Trust Solution as the main product. He has learnt all the technical and business rules of Units Trust industry and moves his career from a programmer to consultant in Unit Trust System Solution. He is responsible of all IT infrastructure and assets in PBSN. He joined PBSN in July 2009.

## **FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE MANAGER**

The Manager is responsible for the day-to-day management of the Fund in accordance with the provisions of the Deed and all relevant laws and guidelines. The Manager's functions include:

- Selecting and managing investments;
- valuing and pricing of Units;
- monitoring the performance of the Fund Manager to ensure that appropriate investment strategies are in place for meeting the Fund's objective;
- administering transactions for Unit Holders;
- issuing reports to Unit Holders on a timely basis;
- distributing income to Unit Holders;
- keeping proper records of the Fund; and
- marketing Units of the Fund.

## **THE INVESTMENT COMMITTEE**

The role of the Investment Committee of the Fund is to ensure that the investment management of the Fund is consistent with the Fund's objective, the Deed, all relevant laws and guidelines, all internal investment procedures and acceptable and efficacious investment management practices within the unit trust industry. The Investment Committee meets on a monthly basis and more frequently when required. Specifically, the Investment Committee:

- selects appropriate strategies for the proper performance of the Fund in line with its investment objective;
- ensures that the Manager and its delegates, if any, have implemented the strategies properly and efficiently;
- actively monitors, measures and evaluates the performance of the Fund ; and
- ensures that the investment management of the Fund complies with the provisions of the Deed, all relevant laws and guidelines and all internal investment procedures.

The following persons are members of the Investment Committee for the Fund:

**Dato' Dr. Gan Miew Chee @ Gan Khuan Poh**  
***Chairman/Independent***

Profile is as set out above.

**Hasan Mohamed**  
***Non-Independent Member***

Profile is as set out above.

**Professor Dato' Dr. Mohd Azmi Omar**  
***Independent Member***

Professor Dato' Dr. Mohd Azmi Omar is an Independent Member of Permodalan BSN Berhad's Investment Committee. Professor Dato' Dr. Mohd Azmi holds a Bachelor of Science (Finance) and Master of Business Administration from Northern Illinois University, USA, and Ph.D (Finance) from Bangor University, Wales, United Kingdom.

Professor Dato' Dr. Mohd Azmi Omar started his career as Executive Officer with Bank Bumiputra Malaysia Berhad before joining International Islamic University Malaysia (IIUM) in 1983. He has held various positions within the University including Deputy Rector (or Deputy Vice-Chancellor) before assuming his current post as Dean of IIUM

Institute of Islamic Banking and Finance and Professor at the Department of Business Administration, Faculty (Kulliyah) of Economics and Management Sciences.

He is currently a member of Shariah Committee to Bank Rakyat Malaysia and Amanah Ikhtiar Malaysia.

**Gan Min Soo**  
***Independent Member***

Encik Gan Min Soo is an Independent Member of Permodalan BSN Berhad's Investment Committee. He holds a Bachelor of Science (Agriculture Economics) from University of Malaya.

He started his career with FELDA as Agriculture Officer and served FELDA for 33 years at various positions. His last position was as the General Manager of Investment, FELDA before retired in 2005. He subsequently joined Maybank Investment Management Sdn Bhd as Head, Private Banking (equity) in 2006 until December 2007.

**RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER**

The Manager shall retire as the management company for the Fund, if so required by the Trustee, on the grounds that:

- a special resolution to that effect has been passed by the Unit Holders at a meeting called for that purpose;
- the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given the Manager notice of that opinion and the reasons for that opinion, and has considered any of the Manager's representations in respect of that opinion, and after consultation with the SC and with the approval of the Unit Holders; and
- the Manager has gone into liquidation, except for the purpose of amalgamation, reconstruction or some similar purpose, or has had a receiver appointed or has ceased to carry on business.

The Manager cannot accept any extra payment or benefit in relation to such retirement.

The Manager may retire upon giving twelve (12) months' prior notice to the Trustee of its desire to do so, or such shorter period as may be agreed between the Trustee and the Manager, and the Trustee may by way of a supplemental deed to the Deed, appoint in the Manager's stead a new management company for the Fund subject to the approval by the SC.

**POWER TO REMOVE OR REPLACE THE TRUSTEE**

Under the Act, the Management Company shall take all reasonable steps to replace a trustee as soon as practicable after becoming aware that:

- The trustee has ceased to exist;
- The trustee has not been validly appointed;
- The trustee is not eligible to be appointed or to act as trustee;
- The trustee has failed or refused to act as trustee in accordance with the provisions or covenants of the deed or the provisions of the Act;
- A receiver is appointed over the whole or a substantial part of the assets or undertaking of the existing trustee and has not ceased to act under that appointment, or a petition is presented for the winding up of the existing trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, the existing trustee becomes or is declared to be insolvent); or



- The trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 1965 or any securities law.

## **MATERIAL LITIGATION AND ARBITRATION**

As at 30 April 2010, there was no material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the Manager's business and/or financial position or that of any of its delegates.

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## 11. THE TRUSTEE

### TRUSTEE

The Trustee is HSBC (Malaysia) Trustee Berhad (Company No. 1281-T), a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Suite 901, 9<sup>th</sup> Floor, Wisma Hamzah-Kwong Hing, No.1 Lebu Ampang, 50100 Kuala Lumpur. The Trustee is a member of the HSBC Holdings Plc. group of companies and forms part of the global network of trust companies within HSBC Holdings Plc.

### Financial Position

The Trustee has a paid-up capital of RM500,000.00. As at 31 December 2010, its shareholders' funds totaled RM23.33 million and it achieved a profit before tax of RM11.25 million.

The following is a summary of the past performance of the Trustee based on the audited accounts for the last 3 years:

	Year Ended 31 December		
	2008 (RM)	2009 (RM)	2010 (RM)
Paid-up Share Capital	500,000	500,000	500,000
Shareholders' Funds	14,353,116	17,521,023	23,330,550
Turnover	17,843,570	18,006,590	20,989,037
Profit before Tax	10,470,535	10,930,880	11,253,763
Profit after Tax	7,754,577	8,200,407	8,314,528

### Experience in Trustee Business

Since 1993, the Trustee has acquired experience in the administration of unit trusts and as at 30 April 2011, is the Trustee for 174 unit trust funds (including exchange traded funds and wholesale funds).

As at 30 April 2011, the Trustee has a workforce of 55 employees consisting of 40 executives and 15 non-executives. A good number of the staff has been with the Trustee for many years. This element of continuity reflects an intrinsic characteristic of trust services. The Trustee also believes in building team and talents by recruiting new members with relevant experiences to replace the long serving retired colleagues.

Each client's account is under the supervision of a trust officer who is able to focus his personal attention on the administration of the account and reports directly to his manager.

The Trustee also has a Compliance Section whose responsibilities is to ensure that the Trustee's business is carried on in accordance with all relevant laws, codes, rules and standards of good market practice.

## Board of Directors

Mr Jonathan William Addis  
 Ms Lim Liang Hua  
 Dato' Ranita Mohd Hussein  
 Ms Zainon Baba  
 Mr Alastair E Murray  
 Ms On Bee Heong  
 Ms Hew Su Chan (Alternate to Ms On Bee Heong)

## Profile of Key Personnel

### **Ms Lim Liang Hua – Managing Director**

She joined HSBC (Malaysia) Trustee Berhad in April 2004 and brings with her over 20 years of legal advisory and problem solving skills in the banking and financial services industry. She holds a Bachelor of Economics and Bachelor of Laws (LLB) from Monash University, Australia. She was admitted to practice as a Barrister & Solicitor in Victoria, Australia in 1984 and was called to the Malaysian Bar in 1985. She was in private practice for three years in the Klang Valley before joining the corporate sector, namely the banking and financial institutions industry. She was the Chief Legal Adviser and Company Secretary for the Phileo Allied Bank Group and the United Overseas Bank Group in Malaysia. Prior to her joining HSBC, she was Chief Executive Officer in an established trust company.

### **Mr Yee Yit Seeng – Chief Operating Officer**

He joined HSBC (Malaysia) Trustee Berhad in July 1984. He holds a Diploma in Banking and Finance and is a Senior Associate of Institut Bank-Bank Malaysia. He has more than 22 years of experience in trust operations including client service, systems/projects & office administration, compliance, internal control & audit, and business development. He was also seconded to the HSBC Back-end Processing Office in Cyberjaya, Malaysia to support the global securities operations.

### **Puan Maziah Yong – Head, Client Service**

She joined HSBC (Malaysia) Trustee Berhad in November 2007. She holds an Advanced Diploma In Law from Institut Teknologi MARA. Prior to her joining HSBC, she has more than 15 years working experience in trust administration, especially relating to unit trust schemes.

### **Ms Lim Gim Lee – Head, Fund Administration**

She joined HSBC (Malaysia) Trustee Berhad in December 2008. She holds an Advanced Diploma in Business Administration - Institute of Business Administration and Management (IBAM). She was one of the pioneer staff in setting up two unit trust management companies and has more than 13 years working experience in the unit trust industry.

### **Ms Vimala Mahathevan - Head, Business Support**

She joined HSBC (Malaysia) Trustee Berhad in January 2010. She holds a Diploma in Banking and Finance of Institut Bank-Bank Malaysia and a Diploma in Computer Studies from the National Centre of Computing and Information Technology (NCC). She has 9 years of general banking experience and 16 years of experience in the securities industry which includes overseeing the settlement operations for foreign institutional clients, client servicing, system implementation and being the liaison party with regulatory bodies such as Bursa Malaysia. Prior to joining HSBC Trustee, she was the Head of Settlement, HSBC Securities Services, Sub-Custody and Clearing, in Malaysia.

### **Ms Lau Sook Yee – Head, Compliance**

She joined HSBC (Malaysia) Trustee Berhad in September 2005. She has more than 20 years experience in banking and treasury operations in both merchant and commercial banks.

**Ms Janice Chang Hui Ching – Head, Corporate Trust**

She joined HSBC (Malaysia) Trustee Berhad in November 2004. She holds a Bachelor of Business majoring in Economics & Finance from RMIT University, Australia. Prior to her joining HSBC, she has more than 7 years experience in Unit Trust Schemes and Corporate Bonds/Private Debt Securities in an established trust company.

**Mr Yap Fook Meng – Head, Operational Risk Control and Administration**

He joined HSBC (Malaysia) Trustee Berhad in August 2007. He holds a Diploma in Banking and Finance and is a Senior Associate of Institut Bank-Bank Malaysia. He has more than 25 years experience in banking operations, including systems implementation and support with HSBC Bank Malaysia Berhad. Besides local banking experience, he had been seconded to other HSBC Group offices in United Kingdom and Brazil for systems implementation and support.

**Ms Tang Su Yin - Head, Due Diligence**

She joined HSBC (Malaysia) Trustee Berhad in July 2010. She holds a LLB (Honours) from University of Hull, United Kingdom and a Master of Finance from Royal Melbourne Institute of Technology, Australia. She has more than 8 years experience in the unit trust industry which include compliance monitoring, legal advisory and product development.

**Ms Ng Pek Wan - Head, Documentation**

She joined HSBC (Malaysia) Trustee Berhad in July 2010. She holds a Bachelor of Laws (LLB) from University of London and was called to the Malaysian Bar in 2000. Prior to joining HSBC, she was in private practice for almost 10 years with experience in commercial litigation and various corporate work.

**Mr Ken Lore Kin Yip - Head, IT and Systems**

He re-joined HSBC (Malaysia) Trustee Berhad in November 2010. He holds an Advanced Certificate in System Support and a Degree in Computer Science. He has more than 10 years experience in managing systems; primarily providing system solutions to operation needs, system analysis and design including process re-engineering, project management of Trustee System for both Corporate and Retail clients.

**Ms Tan Bee Nie - Head, Trustee Operations**

She re-joined HSBC (Malaysia) Trustee Berhad in Jan 2011. She holds a Diploma in Business Administration awarded by The Association of Business Executives (ABE), United Kingdom. She has 18 years experience in fund administration relating to unit trust schemes, including fund accounting and valuation, with unit trust management and trust companies.

**Duties and Responsibilities of the Trustee**

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 of the Fund. 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, Capital Markets and Services Act 2007 and the Securities Commission's Guidelines on Unit Trust Funds. 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, Capital Markets and Services Act 2007 and the Guidelines. 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 Funds and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

**Retirement or Removal or Replacement of the Trustee**

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire to do so, or such shorter period as the Manager and the Trustee may agree, and may by Deed

appoint in its stead or as an additional trustee a new trustee approved by the relevant authorities and under any relevant law.

The Trustee may be removed and another trustee may be appointed by Special Resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Unit Holders in accordance with the Deed.

### **Power of Trustee to Remove, Retire or Replace the Manager**

The Manager may be removed by the Trustee on the grounds that the Manager:

(a) the Manager has gone into liquidation, except for the purpose of amalgamation or reconstruction or some similar purpose; or has had a receiver appointed; or has ceased to carry on business; or is in breach of any of its obligations or duties under the Deed or the relevant laws; or has ceased to be eligible to be a management company under the relevant laws;

or

(b) the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of Unit Holders for it to do so after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by the Manager in respect of that opinion, and after consultation with the relevant authorities and with the approval of the Unit Holders by way of a Special Resolution.

In any of the above said grounds, the Manager shall upon receipt of a written notice from the Trustee ipso facto cease to be the management company of the Fund. The Trustee shall, at the same time, by writing appoint some other corporation approved by the relevant authorities to be the management company of the Fund; such corporation shall have entered into such deed or deeds as the Trustee may consider to be necessary or desirable to secure the due performance of its duties as management company for the Fund.

### **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 this Deed in relation to the Fund. 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.

### **Trustee's Disclosure of Material Litigation**

As at 30 April 2011, 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.

### **Trustee's Delegate**

The Trustee has appointed The Hongkong And Shanghai Banking Corporation Ltd as custodian of the quoted and unquoted local investments of the Fund. The assets of the Fund are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. If and when

the Fund should invest overseas, HSBC Institutional Trust Services (Asia) Limited will be appointed as the custodian of the foreign assets of the Fund. Both The Hongkong And Shanghai Banking Corporation Ltd and HSBC Institutional Trust Services (Asia) Limited are wholly owned subsidiaries 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 automatically registered into the name of the Fund. The custodian acts only in accordance with instructions from the Trustee.

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.

#### Trustee's Delegates

- 1) The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Co. No. 258854-D)  
No 2 Leboh Ampang  
50100 Kuala Lumpur  
Telephone No: (603)20700744 Fax No: (603)20729787
  
- 2) HSBC Institutional Trust Services (Asia) Limited  
6th Floor, Tower One  
HSBC Centre  
No 1 Sham Mong Road  
Kowloon, Hong Kong  
Telephone No: (852)25336333 Fax No: (852)28696120

#### **Anti-money laundering and anti-terrorism financing provisions**

The Trustee has in place 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, willful default or fraud of the Trustee.

#### **Statement of Disclaimer**

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

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

As Trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-

- 1) Where the Fund invests in instruments 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 Institutional Unit Trust Adviser (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 (Trustee's delegate); and
- 4) Where the Fund obtains financing as permitted under the Securities Commission's Guidelines on Unit Trust, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with conflict of interest, if any. 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 the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

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## **12. THE SHARIAH ADVISER**

### **GENERAL**

Islamic Banking and Finance Institute Malaysia Sdn. Bhd. ("IBFIM") has been appointed as the Shariah Adviser for BSN Dana Al-Jadid ("the Fund"). Scheduled to meet the Manager and/or the Investment Committee of the Fund every quarterly, IBFIM will advise the Manager on the selection of investment tools to be adopted. IBFIM will also counsel the mechanism of the operations of the Fund's activities to ensure that the operations of the Fund comply with Shariah requirements.

IBFIM was incorporated as a private limited liability company in Malaysia under the Companies Act, 1965 on 13 April 1995.

IBFIM's establishment is in line with Malaysia's target to become a regional and international centre of Islamic finance. IBFIM promotes and facilitates the understanding and appreciation of the philosophy and principles of Islamic financial system. IBFIM is registered with the SC to act as a Shariah Adviser for Shariah-based collective investment schemes and sukuk issuance. IBFIM is also involved in numerous Shariah-based private mandates as well as the Shariah Adviser for prominent Islamic REITs.

IBFIM's paid-up capital is RM10,000,001.00. As at 12 May 2011, IBFIM has total staff strength of 8 employees, and has 55 funds under its supervision.

#### **The Shareholding Interests in IBFIM are as follows:**

Bank Negara Malaysia (Special Shareholder)  
 BIMB Holdings Berhad  
 AmInvestment Bank Berhad  
 Malayan Banking Berhad  
 Alliance Bank Berhad  
 Affin Bank Berhad  
 Bank Muamalat Malaysia Berhad  
 EON Bank Berhad  
 Hong Leong Islamic Bank Berhad  
 Public Bank Berhad  
 RHB Islamic Bank Berhad  
 CIMB Bank Berhad  
 Etiqa Takaful Berhad

### **ROLES AND RESPONSIBILITIES OF THE SHARIAH ADVISER**

As the Shariah Adviser, the role of IBFIM is to ensure that the operations and investments of the Funds are in compliance with Shariah requirements. The Shariah Adviser reviews the Funds' investments on a monthly basis to ensure compliance with the Shariah requirements at all times and meets with the Manager on a quarterly basis to review and advice on the Funds' compliance with Shariah requirements. Final responsibility for ensuring Shariah compliance of the Funds with the Shariah requirements in all relevant aspects rests solely with the Manager.

In line with the Securities Commission ("SC") guidelines, the roles of IBFIM as the Shariah Adviser are;



- ensuring that the Shariah-based unit trust funds ("the Funds") are managed and administered in accordance with the Shariah principles;
- providing expertise and guidance for the Funds in all matters relating to Shariah principles, including on the Funds' deed and prospectus, its structure and investment process, and other operational and administrative matters;
- consulting the SC who may consult the Shariah Advisory Council where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process;
- scrutinising the Funds' compliance report as provided by the compliance officer, transaction report provided by or duly approved by the trustee and any other report deemed necessary for the purpose of ensuring that the Funds' investments are in line with the Shariah principles;
- preparing a report to be included in the Funds' interim and annual report certifying whether the Funds have been managed and administered in accordance with the Shariah principles;
- ensuring that the Funds comply, with any guideline, ruling or decision issued by the SC, with regard to Shariah matters;
- vetting and advising on the promotional materials of the Funds.
- assisting and attending to any ad-hoc meeting called by the SC and/or any other relevant authority.

## **PROFILE OF THE SHARIAH TEAM**

IBFIM's Shariah team consist of the following personnel:

### **Encik Mohd Bakir Haji Mansor** ***Distinguished Shariah Advisor***

Mohd Bakir Haji Mansor is a member of the Shariah Supervisory Council of Bank Islam Malaysia Berhad (BIMB), the Shariah Advisory Body of Syarikat Takaful Malaysia Berhad, the Shariah Advisory Committee of the Employees Provident Fund (EPF) and sits on the Shariah Panel Committee of Amanah Ikhtiar Malaysia (AIM). He is also the Chairman of the Shariah Advisory Committee of BIMB Securities Sdn. Bhd. and the Shariah Advisory Committee of the Association of Islamic Banking Institutions Malaysia (AIBIM).

Prior to joining IBFIM, Mohd Bakir was the Shariah Coordinator at BIMB, a post he held since 1984. Previously, he served at the National Council for Islamic Religious Affairs in the Prime Minister's Department for 10 years from 1971. He was also one of the Chief Assistant Directors at the Islamic Research Centre for 4 years from 1981. He holds a Shahadah Ulya from Kolej Islam Malaya.

### **Encik Mohd Nasir Ismail, IFP** ***Shariah Advisor***

Mohd Nasir Ismail, IFP, joined the Institut in July 2001. He is responsible in providing Shariah input on the advisory, consultancy and research functions with regard to Islamic banking, takaful, Islamic capital market and Shariah-based unit trust funds. Prior to

joining IBFIM, he was with Institut Pengajian Ilmu-Ilmu Islam, Kelantan. He graduated with a Bachelor of Shariah (Honours) from the University of Malaya in 1998. He is also the designated person responsible for Shariah matters related to the Funds.

**Abdullah Hanif Hassan**  
**Senior Shariah Officer**

Abdullah Hanif Hassan joined the Institute in January 2009. He is responsible in providing Shariah input on the advisory, consultancy and research functions with regard to Islamic banking, takaful, Islamic capital market and Shariah-based unit trust funds.

Prior to joining IBFIM, he was a teacher at a Secondary School before joining Bank Negara Malaysia (BNM) as a Senior Executive in Jabatan Pentadbiran Pertukaran Asing. He graduated with a Bachelor of Shariah (Honours) from the Yarmouk University, Jordan in 2001. He is also the designated person responsible for Shariah matters related to the Funds.

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## 13. SALIENT TERMS OF DEED

### UNIT HOLDER'S RIGHTS

A Unit Holder has the right, among others, to the following:

- To receive the distribution of income, participate in any increase in the value of the units and to other such rights and privileges as set out under the Deed for the Fund;
- To call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a special resolution;
- To exercise the cooling-off right (if applicable); and
- To receive annual and interim reports.

However, a Unit Holder would not have the right to require the transfer to the Unit Holder of any of the investments of the Fund. Neither would a Unit Holder have the right to interfere with or question the exercise by the Trustee or the Manager on his behalf, of the rights of the Trustee as trustee of the investments of the Fund.

### UNIT HOLDER'S LIABILITIES

As a Unit Holder of the Fund, and subject to the provisions of the Deed, a Unit Holder's liabilities are limited to the following:

- No Unit Holder is liable for any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased; and
- Unit Holders shall not be under any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and the Manager 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 NAV of the Fund, and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

### FEES AND CHARGES PERMITTED BY THE DEED

The following are the maximum fees and charges as provided in the Deed:

Annual Management Fees:	2.50% p.a. of the NAV of the Fund
Annual Trustee Fees:	0.20% p.a. of the NAV of the Fund Subject to a minimum of RM18,000 p.a. (excluding foreign custodian fees and charges)
Sales Charge per unit:	3% of the Selling Price
Repurchase Charge per unit:	3% of the Selling Price

The Manager may not charge an annual Management Fee and Trustee Fee at a rate higher than disclosed in this prospectus unless: -

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

A higher sales charge and repurchase charge than disclosed in the prospectus may only be imposed in accordance with the Deed and all relevant laws.

### **EXPENSES PAYABLE OUT OF THE FUND**

Only the expenses (or parts thereof) which are directly related and necessary to the business of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

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

- (m) remuneration and out of pocket expenses of the independent members of the Investment Committee of the Fund, unless the Manager decides otherwise; and
- (n) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority.

## **RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER**

The Trustee may remove and replace the Manager if the Manager has failed or neglected to carry out its duties to the satisfaction of the Trustee, and for such other reasons desirable in the interest of the unit holders.

The Manager may also be removed if the Manager is in liquidation, is under receivership or ceases operations, or has to the prejudice of unit holders failed to comply with any provisions of the Deed or the CMSA 2007, and other relevant laws. The Manager may also be removed if a Special Resolution is passed by the unit holders that the Manager be removed.

The appointment of the New Manager is subject to the new Manager entering into a Deed or Deeds as the Trustee may be advised to be necessary in order to secure that the Manager performs its duties as Manager during the remainder of the period of the Fund.

## **RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE**

The Trustee may retire upon giving twelve (12) months' notice to the Manager of its desire so to do, or such shorter period as the Manager and the Trustee shall agree, and may by deed appoint in its stead or as an additional trustee a new trustee approved by the relevant authorities and under any relevant law.

Upon the retirement of the Trustee, the Manager shall appoint in writing some other corporation approved by the relevant authorities to be the trustee of the Fund.

The Trustee may be removed and another trustee may be appointed by Special Resolution of the Unit Holders at a duly convened meeting of which notice has been given to the Unit Holders in accordance with the Deed.

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## **TERMINATION OF THE FUND**

### **Termination by the Manager**

The Manager may in its absolute discretion determine the trust hereby created and wind up the Fund at any time.

Upon the termination of the trust by the Manager, the Trustee shall as soon as practicable, give to each Unit Holder of the Fund being wound up notice of such termination; the Manager shall notify the existing Unit Holders of the Fund in writing of the following options:

- (a) to receive the net cash proceeds derived from the sale of all the investment and assets of the Fund less any payment for liabilities of the Fund and any cash produce available for distribution in proportion to the number of Units held by them respectively;
- (b) to switch to any other unit trust scheme managed by the Manager upon such terms and conditions as shall be set out in the written notification; or
- (c) to choose any other alternative as may be proposed by the Manager.

### **Termination by the Trustee**

In any of the following events:

- (a) if the Manager has gone into liquidation, except for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee and the relevant authorities;
- (b) if, in the opinion of the Trustee, the Manager has ceased to carry on business; or
- (c) if, in the opinion of the Trustee, the Manager has to the prejudice of Unit Holders failed to comply with the provisions of this Deed or contravened any of the provisions of any relevant law;

the Trustee shall summon a meeting of Unit Holders for the purpose of seeking directions from the Unit Holders.

If at any such meeting a Special Resolution to terminate the trust in respect to the Fund and to wind-up the Fund is passed by the Unit Holders, the Trustee shall apply to the Court for an order confirming such Special Resolution.

Upon such application by the Trustee, the Court may, if it considers it to be in the interests of the Unit Holders, confirm the Special Resolution and make such orders as it thinks necessary or expedient for the termination of the trust in respect of the Fund and the effective winding-up of the Fund.

The termination of the trust and the winding up of the Fund shall not affect the continuity of any other trusts and unit trust schemes created and established hereunder.

## **UNIT HOLDERS' MEETING**

A management company or trustee may convene a meeting of unit holders at any time.

Section 305(1) of the CMSA further provides that a management company must call for a meeting of unit holders upon the written request of not less than 50 unit holders or

one-tenth of all unit holders; the request is given at the management company's registered office; and for specific purposes stipulated under the same section of the CMSA.

### **Notice of Meetings**

Where a management company decides to convene a unit holders' meeting, it must: -

- (a) give at least 14 days' written notice to unit holders; and
- (b) specify in the notice, the place, time and terms of the resolutions to be proposed.

Where a trustee decides to convene a unit holders' meeting, it must: -

- (a) give at least 21 days' written notice to unit holders; and
- (b) specify in the notice, the place, time and terms of the resolutions to be proposed.

Where a meeting is requested by unit holders under section 305(1) of CMSA, the management company must: -

- (a) call the meeting within 21 days after receiving the request from unit holders;
- (b) give notice to unit holders in accordance with section 305(3) of the CMSA; and
- (c) specify in the notice, the place, time and terms of the resolutions to be proposed.

A copy of the notice referred ***Securities Commission Guidelines on UTF Chapter 11 – Clause 11.51(a) and 11.52(b)*** must be delivered to the SC and the trustee.

### **Chairman**

A unit holders' meeting shall be chaired by: -

- (a) if the meeting was convened at the instance of the Unit Holders or the Trustee, by a person appointed by the Unit Holders present at the meeting, or where no such appointment is made, a nominee of the Trustee; or
- (b) if the meeting was convened at the instance of the Manager, by a person appointed by the Manager.

### **Quorum**

The quorum required for a meeting of the Unit Holders shall be five (5) Unit Holders, whether present in person or by proxy, provided always that the quorum for a meeting of the Unit Holders convened for the purpose of removing the Manager and/or the Trustee shall be ten (10) Unit Holders, whether present in person or by proxy, who must hold in aggregate at least fifty per centum (50%) of the Units in circulation at the time of the meeting. If the Fund has five (5) or less Unit Holders, the quorum required for a meeting of the Unit Holders of the Fund shall be two (2) Unit Holders, whether present in person or by proxy; if the meeting has been convened for the purpose of removing the Manager and/or the Trustee, the Unit Holders present in person or by proxy must hold in aggregate at least fifty per centum (50%) of the Units in circulation at the time of the meeting.

### **Resolutions**

Except where a special resolution is specifically required or permitted, any resolution is passed by a simple majority.

Resolutions passed at a meeting of Unit Holders bind all Unit Holders whether or not they were present at the meeting at which the resolutions were passed. No objection may be made as to any vote cast unless such objection is made at the meeting.

A copy of the resolution should be delivered to the SC and trustee.

### **Voting Rights**

On a show of hands, every unit holder who is present in person or by proxy has one vote.

A poll may be demanded on any resolution. On a poll–

- (a) votes may be given either personally or by proxy; and
- (b) every unit holder who is present in person or by proxy has one vote.

In the case of joint unit holders, any one of such joint unit holders may vote either personally or by proxy, but if the joint unit holders are present at the meeting either personally or by proxy, only the vote of the first named in the register of unit holders can be taken.

A management company must not exercise the voting rights for the units it or its nominees hold in any unit holders' meeting, regardless of the party who requested for the meeting and the matters that are laid before the meeting.

Related parties to the management company who have interest in the outcome of the transaction tabled for approval and that interest is different from the interests of other unit holders, should not vote or be counted in the quorum at a meeting.

### **Right to Demand Poll**

A resolution put to the vote at a unit holders' meeting should be determined by a show of hands unless a poll is demanded (before or immediately after any question is put to the show of hands) by–

- (a) the chairman;
- (b) the trustee;
- (c) the management company; or
- (d) unit holders present (or represented by proxy) who hold between them not less than one-tenth of the total number of units in issue.

Unless a poll is demanded, a declaration by the chairman as to the result of the resolution is conclusive evidence of the fact.

### **Proxies**

A unit holder may appoint another person to attend a unit holders' meeting and vote in the unit holder's place.

Every notice calling a unit holders' meeting should contain a statement that a unit holder is entitled to attend and vote, or may appoint a proxy.

The document appointing a proxy should be deposited at the office of the management company not less than 48 hours before the meeting or adjourned meeting.



**Adjournment and Minutes**

The chairman–

- (a) may, with the consent of any meeting of unit holders at which a quorum is present; and
- (b) should, if so directed by the meeting; adjourn the meeting.

A management company should ensure that–

- (a) minutes of all resolutions and proceedings at every unit holders' meeting are made and kept; and
- (b) any minute made in (a) is signed by the chairman of the unit holders' meeting.

**UNIT HOLDERS BOUND BY DEED**

All Unit holders are entitled to the benefit of, be bound by and be deemed to have notice of the provisions of the Deed. The Deed will be available for inspection (without charge) during normal business hours at the Manager's office and the Trustee's office.

The Trustee and the Manager may agree to modify the Deed by a supplemental deed, provided that the Trustee and the Manager are of the opinion that such modification:

- Does not materially prejudice the interests of Unit holders, and does not operate to release to any material extent, the Trustee or the Management Company from any responsibility under the Deed and (with the exception of the costs of preparing and executing the relevant supplemental deed) will not result in any increase in the costs and charges payable out of the Fund's assets;
- Is necessary in order to comply with any fiscal, statutory or official requirements;
- Is made to correct a manifest error.

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## **14. RELATED PARTY TRANSACTIONS & CONFLICTS OF INTEREST**

### **MANAGEMENT COMPANY**

As the management company of the Fund, the Manager will observe high standards of integrity and fair dealing to the best and exclusive interests of the Unit Holders of the Fund. The Manager will not, and will see to it that the External Fund Manager will not, conduct transactions in any manner which will result in unnecessary costs or risk to the Fund. It will also avoid conflicts of interests and will act in a manner as will avoid any disadvantage to the Fund, if such conflicts should arise. The Manager will not, and will see to it that the External Fund Manager will not, without the Trustee's prior approval, invest any moneys of the Fund in any securities, property and assets in which it or any of its officers (including Directors and staff) has a financial interest or from which it or any of its officers derives a benefit.

A person shall be deemed to have a financial interest in securities if he/she has an interest or interests in one or more voting shares in the company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is not less than five (5) per centum of the aggregate of the nominal amounts of all the voting shares in the company.

In making an investment transaction for the Fund, the Manager is obliged not to make improper use of its position in managing the Fund to gain, directly or indirectly, any advantage for itself or for any other person or to cause detriment to the interests of Unit Holders. If the interests of the Directors or the Investment Committee Members of the Fund conflict with the interests of the Fund, they will not be allowed to participate in the decision-making process in respect of the matter. Additionally, all the Manager's employees have to disclose their personal dealings.

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## **15. TAX ADVISER'S LETTER ON TAXATION OF THE FUND AND UNIT HOLDERS**

20 May 2011

B206/C2904/KTSN

The Board of Directors  
Permodalan BSN Berhad  
18<sup>th</sup> Floor Wisma BSN  
117 Jalan Ampang  
50450 Kuala Lumpur

Dear Sirs

### **BSN DANA AI-JADID TAXATION OF THE UNIT TRUST AND UNIT HOLDERS**

This letter has been prepared for inclusion in the Prospectus in connection with the offer of units in the unit trust known as BSN DANA AL-JADID (hereinafter referred to as "the Fund").

#### **1. TAXATION OF THE FUND**

##### **1.1 Taxable income**

The taxation of the Fund is governed principally by Sections 61 and 63B of the Malaysian Income Tax Act, 1967 ("MITA"). The Fund's Trustee is HSBC (Malaysia) Trustee Berhad, which is a resident in Malaysia for tax purposes. As the trustee is a tax resident in Malaysia, the Fund is regarded as a Malaysian tax resident.

The income of the Fund in respect of dividends, interest or profits from deposits and other investment income derived from or accruing in Malaysia is liable to income tax unless specifically exempted under the law. In this respect, any gains or profits received, in lieu of interest, for transactions conducted in accordance with the principles of Shariah, will be treated as interest and be accorded the same treatment as if they were interest in accordance with Section 2(7) of the MITA. The income tax rate applicable to the Fund is 25%.

Taxable dividends received by the Fund will be taxable but a tax credit will be available for offset wholly or partially against the Fund's tax liability. The excess of tax credit over the tax liability of the Fund, if any, will be refundable to the Fund.

## 1.2 Exempt income/Non-taxable income

### (a) Profits from the realization of investments

Gains from sale of investments will not be treated as income of the Fund and hence, are not subject to income tax.

### (b) Dividend income

Dividends received by the Fund from other Malaysian entities which are tax exempted are not subject to income tax. This includes dividends distributed under the single tier tax system.

### (c) Interest income

Interest income received by the Fund from the following are exempt from income tax:

- (i) Securities or bonds issued or guaranteed by the Government [*Paragraph 35(a) to Schedule 6 of the MITA*];
- (ii) Debentures or Islamic securities, other than convertible stock, approved by the Securities Commission [*Paragraph 35(b) to Schedule 6 of the MITA*];
- (iii) Bon Simpanan Malaysia issued by Central Bank of Malaysia [*Paragraph 35(d) to Schedule 6 of the MITA*];
- (iv) Deposits with banks or financial institutions licensed under the Banking and Financial Institutions Act 1989 or the Islamic Banking Act 1983 [*Paragraph 35A to Schedule 6 of the MITA*];
- (v) Islamic securities originating from Malaysia, other than convertible loan stock issued in any currency other than Ringgit and approved by the Securities Commission or the Labuan Financial Services Authority [*Paragraph 33B to Schedule 6 of the MITA*];
- (vi) Any savings certificates issued by the Government [*Paragraph 19 to Schedule 6 of the MITA*];
- (vii) Non-convertible loan stock issued by companies listed on the Access, Certainty, Efficiency (ACE) Market [*Income Tax (Exemption) (No.13) Order 2001*];
- (viii) Bonds and securities issued by Pengurusan Danaharta Nasional Berhad [*Income Tax (Exemption) (No. 5) Order 2001*]; and
- (ix) Sukuk ijarah, other than convertible loan stock, issued in any currency by 1Malaysia Sukuk Global Berhad [*Income Tax Act (Exemption) Order 2010*].

### (d) Discount income or profit derived

The following discount income and profit received by the Fund are exempt from income tax:

- (i) Discount income received on the securities and debentures mentioned in items 1.2 (c) (i) to (iii) above [*Paragraph 35(a) to Paragraph 35(d) to Schedule 6 of the MITA*]; and
- (ii) Discount or profit received from the sale of bonds or securities issued at a discount and without interest payable by Pengurusan Danaharta Nasional Berhad or Danaharta Urus Sendirian Berhad [*Income Tax (Exemption)(No. 6) Order 2003*].

### (e) Foreign sourced income

The Fund may receive dividends, profits and other income from investments outside Malaysia. Income derived from sources outside Malaysia and received in Malaysia by the Fund is exempt from Malaysian income tax pursuant to Paragraph 28 to Schedule 6 of the MITA. However, such income may be subject to tax in the country from which the income is derived.

### 1.3 Deductibility of expenses

Section 33(1) of the MITA allows expenses incurred "wholly and exclusively in the production of gross income" to be deductible against the gross income, e.g. interest incurred on a loan to finance investments can be deducted against the dividend income or interest income from that investment.

In addition, Section 63B allows partial deduction for other non-direct expenses known as "permitted expenses". "Permitted expenses" comprise the manager's remuneration, charges for maintenance of register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage. The amount deductible is calculated based on the formula below:

$$A \times \frac{B}{4C}$$

where

A	is the total of the permitted expenses incurred for that basis period;
B	is gross income consisting of dividends, interest and rent chargeable to tax for that basis period; and
C	is the aggregate of the gross income consisting of dividends (whether exempt or not), interest and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period.

Provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period. In short, the deductible expenses will be a minimum of 10% and a maximum of 25% of the total permitted expenses.

Should the deduction exceed the income assessable to tax, the excess is not allowed to be carried forward for offset against the income of future years of assessment.

### 1.4 Real Property Gains Tax ("RPGT")

Capital gains arising from the disposal of real properties or shares in real property companies would attract real property gains tax ("RPGT") at the tax rate of 5% if the disposal is made within 5 years from the date of acquisition of the chargeable assets. If the disposal is made after 5 years from the date of acquisition of the chargeable assets, the capital gains arising from the disposal would be exempted from RPGT under the *Real Property Gains Tax (Exemption)(No. 2) Order 2009*.

## 2. TAXATION OF UNIT HOLDERS

### 2.1 Distribution of taxable income

Unit holders will be taxed on their share of the total taxable income of the Fund distributed to them. This income distribution carries with it a tax credit for the tax paid by the Fund on its taxable income. This tax credit may be utilised by the unit holders to set off the tax payable by them. The tax authorities will refund any excess of tax credit over tax chargeable on the unit holders.

Distributions of income from the Fund received by individuals and other non-corporate unit holders who are residents in Malaysia for tax purposes will be taxed at graduated rates. Individuals and other non-corporate unit holders who are not tax residents in Malaysia, will be subject to tax at the non-resident rate applicable of 26% on the distributions of income received.

Corporate unit holders, whether resident or not resident in Malaysia, will be subject to tax at the corporate tax rate of 25% on the distributions of income from the Fund received by them. For small and medium scale companies with paid-up capital of RM2.5 million and below ("SME"), the corporate tax rate applicable is 20% on the chargeable income of up to RM500,000 and 25% on the amount exceeding RM500,000. However, a company with a paid-up capital of not exceeding RM2.5 million will not qualify as a SME under the following circumstances:

- i. more than 50% of the paid up capital in respect of ordinary shares of the company is directly or indirectly owned by a "related company";
- ii. more than 50% of the paid up capital in respect of the ordinary shares of the "related company" is directly or indirectly owned by the first mentioned company; or
- iii. more than 50% of the paid up capital in respect of the ordinary shares of the first mentioned company and the "related company" is directly or indirectly owned by another company.

"Related company" is defined as a company which has a paid-up capital exceeding RM2.5 million in respect of ordinary shares at the beginning of the basis period for a year of assessment.

## **2.2 Distribution of tax exempt income**

Distributions of tax exempt income by the Fund from gains from realisation of investments, exempted interest/discount income, exempted dividends including single tier dividends and foreign sourced income, will be exempted from tax in the hands of the unit holders.

## **2.3 Unit splits and sale, transfer or redemption of units**

Unit splits issued by the Fund are not taxable in the hands of the unit holders. Any gains realised by unit holders (other than dealers in securities, insurance companies or financial institutions) from the sale, transfer or redemption of the units are treated as capital gains and thus, will not be taxable.

However, the gains realized by a person trading or dealing in securities, insurance companies or financial institutions are generally regarded as business income and are subject to income tax.

We hereby confirm that, as at the date of this letter, the statements made correctly reflect our understanding of the tax position under the current Malaysian tax legislation

and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. In addition, unit holders are advised to seek professional advice on their respective tax positions.

Yours faithfully

**Crowe Horwath KL Tax Sdn Bhd**

**Poon Yew Hoe**

*Executive Director, Tax*

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## 16. UNAUDITED ACCOUNT

### BSN DANA AL-JADID UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 APRIL 2011

	Four Months Period Ended 30 April 2011	
	RM'000	RM'000
<b>INVESTMENT INCOME</b>		
Net realised gain on disposal of Shariah-compliant investments	833	
Profit from Shariah-based deposits	16	
Income from sukuk	212	
Gross dividend income	85	1,146
<b>EXPENSES</b>		
Manager's fee	175	
Trustee's fee	9	
Net loss on fair value through profit or loss of Shariah-compliant investments	570	754
<b>NET INCOME BEFORE TAXATION</b>		392
Taxation		11
<b>NET INCOME AFTER TAXATION</b>		381

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**BSN DANA AL-JADID UNAUDITED STATEMENT OF ASSETS AND  
LIABILITIES AS AT 30 APRIL 2011**

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	<b>Four Months Period Ended 30 April 2011</b>	
	<b>RM'000</b>	<b>RM'000</b>
<b>INVESTMENTS</b>		
Quoted Shariah-compliant securities	31,004	
Shariah-based deposits with licensed financial institutions	<u>9,195</u>	40,199
<b>OTHER ASSETS</b>		
Dividend receivable	11	
Profit receivable	150	
Tax recoverable	97	
Cash at bank	<u>1</u>	<u>259</u>
<b>TOTAL ASSETS</b>		40,458
<b>LIABILITIES</b>		
Due to Manager	44	
Due to Trustee	2	
Other payables and accruals	<u>52</u>	<u>98</u>
<b>NET ASSET VALUE</b>		<b><u>40,360</u></b>
<b>UNIT HOLDERS' FUNDS</b>		
Unit holders' contribution		39,178
Undistributed income		1,496
Available for sale reserves		<u>314</u>
		<b><u>40,360</u></b>
<b>NUMBER OF UNITS IN CIRCULATION</b>		<b><u>155,270</u></b>
<b>NAV PER UNIT (RM)</b>		<b><u>0.2599</u></b>

## 17. STATEMENT BY MANAGER

To the unit holders of

**BSN DANA AL-JADID**

We, being the Directors of **PERMODALAN BSN BHD**, the Manager of **BSN DANA AL-JADID ("AL-JADID")**, do hereby state that in the opinion of the Manager the accompanying unaudited statement of assets and liabilities and the related unaudited statements of income and expenditure of Al-Jadid, give a true and fair view of the state of affairs of the Al-Jadid as at 30 April 2011, and of its results, for the period then ended, and have been properly drawn up in accordance with applicable approved accounting standards in Malaysia.

Directors:

Datuk Adinan Bin Maning

Roslani Bin Hashim

Dato' Dr Gan Miew Chee @ Gan Khuan Poh

Hasan Bin Mohamed

Jalaluddin Bin Mohd Arif

Dated:

## **18. OTHER INFORMATION**

### **HOW YOU CAN KEEP TRACK OF YOUR INVESTMENT**

Detailed half-yearly reports on the performance and investments of the Funds are issued to all Unit Holders of the Funds. The Funds' reports for a six-month financial period are for January to June and July to December. As one of our Unit Holders, you would also receive a half-yearly statement detailing your investments and transactions effected within the six-month period from January to June and July to December each year, as well as two quarterly reports on the fund performance for the quarters ended March and September. Furthermore, a monthly fund fact sheet will be posted on our website ([www.bsn.com.my/pbsn](http://www.bsn.com.my/pbsn)) for your viewing. Our officers will be happy to provide you with more specific information on your investments should you require this service.

You may always contact our team of Customer Service personnel who would be happy to assist in:

1. enquiry on balance of account and personal details;
2. repurchase, transfer, switching and cooling-off request;
3. request to change correspondence/registered address, telephone number and other personal details;
4. request for confirmation advices on purchase and other transactions related to your unit holdings, half yearly statements and copy of annual and/or interim reports;
5. other queries regarding the Fund's performance.

You may choose to communicate with us via:

- customer service hotline: 603-2164 5545
- facsimile: 603-2164 7336 / 2143 1910
- email: [asbsn@pbsn.com.my](mailto:asbsn@pbsn.com.my)

You can also review and track the performance of your Units by checking the unit prices which are published in all major local newspapers. Additionally, independent international fund rating agencies like S&P's Micropal and Lipper provide performance ratings on Malaysian unit trust funds.

### **OUR DISCRETION**

As provided for in the Deed, we have the absolute discretion to accept or reject, in whole or in part, any application for Units.

### **ANTI MONEY LAUNDERING**

The Anti-Money Laundering Act 2001 (AMLA) was passed by Parliament in 2001 and gazetted as law in 2003. All market intermediaries are obliged to comply with the provisions of the AMLA.

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

The Manager has in place policies and procedures to detect and report such activities. These include customer due diligence, monitoring and detecting suspicious transactions, record keeping and reporting to the Financial Intelligence Unit of Bank Negara Malaysia.

## **CUSTOMER IDENTIFICATION PROGRAM**

Pursuant to the relevant laws of Malaysia on money laundering, we have an obligation to prevent the use of the Fund for money laundering purposes. As such, a procedure for identification of investors has been imposed i.e. the application form. Hence, we require you to provide us with your name, date of birth, national registration card number, residential and business address, (and mailing address if different), name of beneficial owner, address of beneficial owner, national registration card number of beneficial owner, date of birth of beneficial owner or other official identification when you open or re-open an account.

Additional information may be required by the regulatory authorities in certain situations. Application without such information may not be accepted and the application amount shall be returned to you.

As permitted by applicable laws, the Fund reserves the right to place limits on transactions in your account until your identity is verified.

In the event of any breaches to the applicable laws on money laundering, we have a duty to notify the relevant authority on the said breaches.

## **FINANCING**

Financing for the purchase of units may be provided by any financial institution, at its discretion. However, you should assess for yourselves before proceeding, if financing is suitable for you in light of your objectives, attitude towards risk and financial circumstances.

You should take into account when considering financing that: -

- i. The higher the margin of financing, the greater the potential losses as well as gains.
- ii. If the financing taken is a variable rate financing, and if the rates rises, the total payment amount will also increase; and
- iii. If unit prices were to fall beyond a certain level, you will need to pay additional amounts on top of your normal instalments. If you fail to honour the payments within the prescribed time your units may be sold to settle the financing.

## **REPRESENTATIONS**

Investing in unit trust funds involves certain risks and considerations associated generally with making investments in securities. The value of the Fund's investments may be affected generally by factors affecting financial markets, such as price and volume, volatility in interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws) or other political and economic developments.

The Manager has not authorised any person to give any information or make any representations, whether oral or written, not stated in this Prospectus in connection with the issue of Units of the Fund. Accordingly, potential investors are advised not to rely upon any information or representations not set out in this Prospectus. Any transaction

involving Units of the Fund made by any person on the basis of statements or representations which are not contained in this Prospectus or which are inconsistent with the information contained herein shall be at the sole risk of such person.

In respect of the information and representations set out in this Prospectus, potential investors are reminded that they should seek the advice of their own professional advisers if they are in any doubt.

### **LIST OF DISTRIBUTION CHANNELS**

Please refer to page 12 of this prospectus for the list of distribution channels.

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## **19. STATEMENT OF CONSENTS**

The following parties have given their written consent and have not withdrawn their consent to the inclusion in this Prospectus of their names and reports in the form and context in which their names appear:

- (a) **HSBC (Malaysia) Trustee Berhad**
- (b) **HSBC Nominees (Tempatan) Sdn Bhd**
- (c) **Howarth KL Tax Sdn Bhd**
- (d) **Crowe Howarth Kuala Lumpur Office**
- (e) **Messrs. KPMG**
- (f) **Messrs. Raja Darryl & Loh**
- (g) **Islamic Banking and Finance Institute Malaysia Sdn Bhd**
- (g) **Puan Nor Eliza binti Musa @ Ayob**
- (h) **Mercer (Malaysia) Sdn Bhd**

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## **20. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents or copies thereof will be available for inspection (without charge) for a period of not less than 12 months during normal business hours at the registered offices of the Management Company and the Trustee:

- (a) The deed and supplemental deed;
- (b) Each contract disclosed in the prospectus and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contracts;
- (c) The latest annual and interim reports of the funds;
- (d) The audited financial statements of the fund and management company for the current financial year (where applicable) and the last three financial years or from the date of establishment/ incorporation, if less than three years, preceding the date of prospectus;
- (e) All reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the prospectus. Where a summary expert's report is included in the prospectus, the corresponding full expert's report should be made available for inspection;
- (f) Writ and relevant cause papers for all current material litigation and arbitration disclosed in the prospectus; and
- (g) All consents given by experts disclosed in the prospectus

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## 21. DIRECTORS' DECLARATION

This prospectus has been reviewed and approved by the Directors of Permodalan BSN Berhad, 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 prospectus false or misleading.

Directors:

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Datuk Adinan bin Maning

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Dato' Dr Gan Miew Chee @ Gan Khuan Poh

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Roslani bin Hashim

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Hasan bin Mohamed

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Jalaluddin bin Mohd Arif