

This is a Private Retirement Scheme

Disclosure Document

Manulife PRS NESTEGG Series

 consisting of:

Core Funds

Manulife PRS-Growth Fund	9 November 2012
Manulife PRS-Moderate Fund	9 November 2012
Manulife PRS-Conservative Fund	9 November 2012

Date of constitution

Non-Core Fund

Manulife PRS Asia-Pacific
REIT Fund

Date of constitution

13 September 2019

This Disclosure Document replaces the Disclosure Document dated 29 November 2019 and the First Supplemental Disclosure Document dated 10 February 2021.

Provider:

Manulife Investment Management (M) Berhad
200801033087 (834424-U)

Scheme Trustee:

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

This Disclosure Document is dated 14 February 2022.

The date of constitution of the Manulife PRS NESTEGG Series is 9 November 2012.

MEMBERS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS DISCLOSURE DOCUMENT. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY MEMBERS, SEE "RISK FACTORS" COMMENCING ON PAGE 30.

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

RESPONSIBILITY STATEMENTS

This Disclosure Document has been reviewed and approved by the directors of Manulife Investment Management (M) Berhad and they collectively and individually accept full responsibility for the accuracy of the information contained in this Disclosure Document. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Disclosure Document false or misleading.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has approved the Scheme and authorised the Funds under the Scheme, and a copy of this Disclosure Document has been registered with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Manulife Investment Management (M) Berhad, the private retirement scheme provider responsible for the Scheme and the Funds under the Scheme, and takes no responsibility for the contents in this Disclosure Document. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Disclosure Document, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Members should rely on their own evaluation to assess the merits and risks of the investment. In considering the investment, Members who are in doubt on the action to be taken should consult professional advisers immediately.

ADDITIONAL STATEMENTS

Members are advised to note that recourse for false or misleading statements or acts made in connection with this Disclosure Document is directly available through section 92A(3) of the *Capital Markets and Services Act 2007*.

This Disclosure Document does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Disclosure Document, and the offering of the Scheme and the Funds under the Scheme in certain countries may be restricted by law. It is the responsibility of persons wishing to make contributions to the Scheme and subscription to the Funds under the Scheme pursuant to this Disclosure Document to inform themselves of, and to comply with, any such restrictions together with any applicable exchange control regulations and applicable taxes in the countries of their citizenship, residence, ordinary residence or domicile.

Please note that the Funds under the Scheme are not offered for sale to any U.S. person. If you are a non-Malaysian, your subscription may be restricted by your home country's law or regulation. Please observe and comply with your home country's restrictions, if any. If in doubt, please consult a professional adviser.

TABLE OF CONTENTS

RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER	1
DEFINITIONS	5
CORPORATE DIRECTORY	9
CHAPTER 1: KEY DATA	14
CHAPTER 2: RISK FACTORS	30
2.1. General Risk of Investing in the Funds	30
2.2. Specific Risk Associated with the Investment Portfolio of the Fund	31
2.3. Specific Risk of the Target Fund	33
2.4. Risk Management Strategies	33
CHAPTER 3: GENERAL INFORMATION ON THE SCHEME	34
3.1. Name of the Scheme	34
3.2. General Information on the Scheme	34
3.3. Contributions to the Scheme	34
3.3.1. Who may Contribute	34
3.3.2. Contributions by an Employer	34
3.3.3. Vesting of Contributions	34
3.3.4. Default Option	34
3.4. Sub-account A and Sub-account B	35
3.5. Withdrawals from the Scheme	36
3.6. Class A, Class B and Class C Units	36
CHAPTER 4: DETAILED INFORMATION ON THE FUNDS	37
4.1. Manulife PRS-Growth Fund	37
4.2. Manulife PRS-Moderate Fund	38
4.3. Manulife PRS-Conservative Fund	39
4.4. Manulife PRS Asia-Pacific REIT Fund	40
4.5. Permitted Investments of the Funds	41
4.6. Investment Limits and Restrictions	42
4.7. Bases for Valuation of the Assets of the Funds	44
4.8. Valuation Point of the Fund	45
CHAPTER 5: DETAILED INFORMATION ON THE TARGET FUND	46
5.1. The Manager of the Target Fund	46
5.2. Investment Objective	46
5.3. Investment Policy and Strategy	46
5.4. Risk Management	46
5.5. Asset Allocation of the Target Fund	47
5.6. Permitted Investments and Investment Restrictions of the Target Fund	47
5.7. Performance of The Target Fund	48
5.8. Fees Charged by The Target Fund	48
CHAPTER 6: FEES, CHARGES AND EXPENSES	50
6.1. Fees and Charges Payable to the Administrator	50
6.2. Fees and Charges Payable to the Provider	50
6.2.1. Sales Charge	50
6.2.2. Redemption Charge	50
6.2.3. Transfer Fee	51
6.2.4. Switching Fee	51
6.2.5. Policy On Rounding Adjustments	52
6.3. Annual Management Fee	52
6.4. Annual Trustee Fee	52
6.5. PPA Administration Fee	53
6.6. Other Expenses	53

6.7.	Policy on Rebates and Soft Commissions	53
CHAPTER 7: TRANSACTION INFORMATION		55
7.1.	Computation of the NAV and the NAV per Unit	55
7.2.	Pricing of Units	56
7.3.	Application for Opening of a Private Pension Account	57
7.4.	Sale of Units	57
7.5.	Withdrawal of Units	57
	7.5.1. Full Withdrawals	58
	7.5.2. Partial Withdrawals	58
	7.5.3. Procedure upon Withdrawal	59
7.6.	Transfer to another Private Retirement Scheme	59
7.7.	Switching of Units	60
7.8.	Cooling-Off Period	60
7.9.	Conditionally Vested Units	61
7.10.	Nomination	61
7.11.	Suspension of Dealing in Units	61
7.12.	Unclaimed Monies	62
CHAPTER 8: THE PROVIDER		63
8.1.	Background	63
8.2.	Role of the Provider	63
8.3.	Role of Directors	63
8.4.	Role of the Investment Committee	64
8.5.	Role of the Audit Committee	64
8.6.	The Audit Committee Members	64
8.7.	Fund Management Function of the Provider	66
8.8.	Material Litigation	66
CHAPTER 9: THE FUND MANAGER		67
9.1.	Designated Fund Manager	67
CHAPTER 10: THE SCHEME TRUSTEE		68
10.1.	Background Information	68
10.2.	Financial Position	68
10.3.	Experience in Trustee Business	68
10.4.	Board of Directors	68
10.5.	Duties and Responsibilities of the Scheme Trustee	68
10.6.	Scheme Trustee's Statement of Responsibility	69
10.7.	Scheme Trustee's Disclosure of Material Litigation	69
10.8.	Scheme Trustee's Delegate	69
10.9.	Anti-Money Laundering and Anti-Terrorism Financing Provisions	70
10.10.	Statement of Disclaimer	70
10.11.	Consent to Disclosure	70
CHAPTER 11: SALIENT TERMS OF THE DEED		71
11.1.	Rights and Liabilities of Members	71
11.2.	Maximum Fees and Charges Permitted by the Deed	71
11.3.	Increase in Fees and Charges from the Level Disclosed in the Disclosure Document	72
11.4.	Increase in Fees and Charges from the Maximum Rate Provided in the Deed	73
11.5.	Permitted Expenses	73
11.6.	Retirement of the Provider	74
11.7.	Removal, Replacement and Retirement of the Scheme Trustee	74
11.8.	Termination of the Scheme and/or Funds of the Scheme	75
11.9.	Members' Meeting	75
	11.9.1. Meetings Requested by Members	75
	11.9.2. Meetings Summoned by the Scheme Trustee	76
	11.9.3. Meetings Summoned by the Provider	76
11.10.	Permitted Withdrawals and Pre-Retirement Withdrawals	76

11.11. Circumstances when Members may Switch Funds	77
11.12. Circumstances when Members may Transfer Units in a Fund under a Scheme to another PRS Provider	78
CHAPTER 12: APPROVALS AND CONDITIONS	79
CHAPTER 13: RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST	80
CHAPTER 14: ADDITIONAL INFORMATION	82
14.1. How Members can keep abreast of Developments in the Funds	82
14.2. How to Make a Complaint?	82
14.3. Anti-Money Laundering Policies and Procedures	83
CHAPTER 15: CONSENTS	84
CHAPTER 16: DOCUMENTS AVAILABLE FOR INSPECTION	85
CHAPTER 17: TAXATION OF THE FUNDS	86

DEFINITIONS

the Act	means the <i>Capital Markets and Services Act 2007</i> as may be amended from time to time.
Administrator or PPA	refers to the Private Pension Administrator Malaysia, a person who is approved under Section 139C of the <i>Act</i> to perform the function of record keeping, administration and customer service for Members and contributors in relation to contributions made in respect of a private retirement scheme and such other duties and functions as may be specified by the SC.
Bursa Malaysia	means the stock exchange managed or operated by Bursa Malaysia Securities Berhad.
Business Day	means a day on which the Bursa Malaysia is open for trading. Note: The Provider may declare certain Business Days to be non-business days, although Bursa Malaysia is open for trading, if: <ul style="list-style-type: none">• one or more of the foreign markets in which the Fund is invested therein are closed for business;• it is not a business day in the country or domicile of the Fund Manager; or• for feeder funds, it is a non-dealing day of the respective Target Fund.
Calendar Month	means the period of 28, 29, 30 or 31 days (as the case may be) beginning on the date which is the first day of a month and ending on the date which is the last day of the same month.
Calendar Year	means the period of 365 or 366 days (as the case may be) beginning on the 1st day of January of a year and ending on the 31st day of December of that same year.
CIS	means collective investment schemes.
class of Units	means any class of Units representing similar interest in the assets of a Fund although a class of Units of a Fund may have different features from another class of Units of the same Fund.
conditionally Vested unit	means a Unit which accords a Member with entitlement to the Unit that is conditional upon fulfilment of condition(s) stipulated in a Vesting Schedule.
contribution contributor	means an amount paid by a contributor into the Scheme. means any person who makes a contribution into the Scheme and includes a Member or an employer who makes a contribution into the Scheme on behalf of his employees.
core fund(s)	means Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund.
Deed	means the deed dated 8 November 2012 in respect of the Scheme and entered into between the Provider and the Scheme Trustee as modified by a supplemental deed dated 16 May 2013, a second supplemental deed dated 24 January 2014, a third supplemental deed dated 6 March 2015, a fourth supplemental deed dated 10 December 2015, a fifth supplemental deed dated 13 September 2019 and a sixth supplemental deed dated 8 October 2020 all entered into between the same parties and as may be modified by any other subsequent supplemental deed.
default option	refers to the manner in which contributions to the Scheme will be allocated for the purchase of Units, and the manner in which Units will be switched, in the absence of written notification to the Provider to the contrary and as described in Division 4.4 of the Deed and as set out under Section 3.3.4 of this Disclosure Document.

Disclosure Document	refers to this Disclosure Document dated 14 February 2022 including any other supplemental disclosure document(s) issued subsequently, as the case may be.
financial institution	if the institution is in Malaysia: (a) a licensed bank as defined in the Financial Services Act 2013 (“FSA”); (b) licensed investment bank as defined in the FSA; or (c) licensed Islamic bank as defined in the Islamic Financial Services Act 2013 (“IFSA”). if the institution is outside Malaysia, any institution that is licensed/ registered/ approved/ authorised by the relevant banking regulator to provide financial services.
Funds	means the following funds: Manulife PRS-Growth Fund; Manulife PRS-Moderate Fund; Manulife PRS-Conservative Fund; and Manulife PRS Asia-Pacific REIT Fund. “Fund” where the context appears, shall refer to any one of them.
Fund Manager Guidelines	refers to Manulife Investment Management (Hong Kong) Limited. refers to the Guidelines on Private Retirement Schemes issued by the SC as may be amended from time to time.
healthcare	means illness listed in Schedule J of the Guidelines or any other illnesses as may be specified by the SC including all medical equipment and/or medication prescribed, in writing, by medical practitioners in relation to such illnesses.
housing	means: (a) financing building or purchase of a residential property in Malaysia; (b) redeeming or reducing a housing loan in Malaysia; or (c) financing a rent-to-own scheme or any other housing schemes in Malaysia as may be specified by the SC.
immediate family	means a Member’s: (a) spouse; (b) biological child, step-child, adopted child; (c) biological parent, parent-in-law, adopted parent, step-parent; or (d) sibling.
IOSCO	refers to the International Organization of Securities Commissions.
Latest practicable date (LPD)	as at 15 December 2021 being the latest practicable date for the purposes of ascertaining certain information deemed relevant as at the latest practicable date in this Disclosure Document.
Launch Date	means the date on which sale of Units of the Funds’ classes of Units was first made.
long-term	means a period of more than 7 years.
MARC	refers to Malaysian Rating Corporation Berhad.
Member	means an individual who has a private pension account and holds Units in any one or more Funds.
mental disability	means bipolar disorder, major depression or schizophrenia.
NAV	means net asset value.

nominee	means an individual person nominated by a Member to receive the accrued benefits due to that Member from a Fund as- a) a beneficiary in the case of a non-Muslim Member; or b) an executor in the case of a Muslim Member, upon the death of such Member.
non-core fund	means Manulife PRS Asia-Pacific REIT Fund.
OTC	means over-the-counter.
permanent total disablement	has the meaning assigned to it in the Employees' Social Security Act 1969 [Act 4]
private pension account	means an account opened and maintained by the Administrator through the Provider for a Member.
private retirement scheme (PRS)	means a retirement scheme governed by a trust, offered or provided to the public for the sole purpose, or having the effect, of building up long-term savings for retirement for members where the amount of the benefits is to be determined solely by reference to the contributions made to the scheme and any declared income, gains and losses in respect of such contributions but does not include: (a) any pension fund approved under Section 150 of the Income Tax Act 1967; or (b) any retirement scheme or retirement fund established or provided by the federal government, state government or any statutory body established by an Act of Parliament or a state law.
private retirement scheme provider	means a person who provides and manages a private retirement scheme.
the Provider	refers to Manulife Investment Management (M) Berhad, the private retirement scheme provider of the Scheme.
RAM	refers to RAM Rating Services Berhad.
Redemption Charge	means the fee payable by a Member upon any withdrawal from the Scheme (except for upon a Member reaching Retirement Age, permanent departure of a Member from Malaysia or withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability, healthcare purpose or housing purpose).
Redemption Price	means the price payable pursuant to a redemption of a Unit; for the avoidance of doubt, Redemption Price does not include any Redemption Charge which may be imposed.
REIT	means real estate investment trust.
Retirement Age	means the age of 55 years or any other age as may be specified by the SC.
RM	means Ringgit Malaysia, the lawful currency of Malaysia.
Sales Charge	means the fee payable upon a successful application for Units.
SC	refers to the Securities Commission Malaysia.
the Scheme	refers to the Manulife PRS NESTEGG Series, a PRS operated by the Provider.
Scheme Trustee	refers to HSBC (Malaysia) Trustee Berhad, the trustee for the Scheme and the Funds of the Scheme.
Selling Price	means the price payable for a Unit pursuant to a successful application for Units; for the avoidance of doubt, Selling Price does not include any Sales Charge which may be imposed.
serious disease	has the meaning assigned to it in the Income Tax Act 1967.

Special Resolution	means a resolution passed at a meeting of Members duly convened in accordance with the Deed by a majority of not less than three-fourths of the Members present and voting at the meeting in person or by proxy; for the purpose of winding-up of a non-core Fund of the Scheme, “Special Resolution” means a resolution passed at a meeting of Members duly convened in accordance with the Deed by a majority in number representing at least three-fourths of the value of the Units held by the Members present and voting at the meeting in person or by proxy.
Sub-account A	means the sub-account maintained by the Provider for every Member into which shall be placed 70% of the Units of each of the Funds purchased by the Member each time he purchases Units.
Sub-account B	means the sub-account maintained by the Provider for every Member into which shall be placed 30% of the Units of each of the Funds purchased by the Member each time he purchases Units.
Target Fund	means the target fund or underlying fund which the non-core fund may invest in.
Unit	means a measurement of the interest and/or right of a Member in a Fund and means a Unit of the Fund; if a Fund has more than one class of Units, it means a Unit issued for each class of Units.
Units in circulation	means Units created and fully paid for and which have not been cancelled.
U.S.	means the United States of America.
USD	means the U.S. Dollar, the lawful currency of U.S.
U.S. person	means (i) any U.S. citizen or permanent resident; (ii) any entity organized under U.S. law or any jurisdiction within the U.S. (including foreign branches); or (iii) any person physically present in the U.S., regardless of nationality; or (iv) a trust if (a) a court within the U.S. would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the U.S. Source: U.S. Executive Order 13959 & Malaysia-U.S. IGA Guidance Notes dated 11 September 2015 on Compliance Requirements for Malaysia-US Intergovernmental Agreement on Foreign Account Tax Compliance Act (FATCA).
Vested unit	means a Unit which accords a Member with unconditional entitlement to such Unit.
Vesting Schedule	refers to a schedule which an employer may issue to the Provider stipulating when a contribution made by the employer on behalf of its employee should vest in the employee.

CORPORATE DIRECTORY

THE PROVIDER

Manulife Investment Management (M) Berhad
200801033087 (834424-U)

Registered Office
16th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur

Business Address
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2719 9228
Fax : 03-2094 7654
Customer Service Hotline: 03-2719 9271
Email : PRSinfo_MY@manulife.com
Website : www.manulifeinvestment.com.my

PROVIDER'S DELEGATE

➤ Internal audit, corporate secretarial and human resources

Manulife Holdings Berhad

Registered Office and Business Address
16th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2719 9228
Fax : 03-2095 3804
Website : www.manulife.com.my

➤ Investment back-office services

Manulife Data Services Inc.

Registered Office and Business Address
Manulife Building, U.P. North Science & Technology Park
Commonwealth Avenue, Quezon City, Metro Manila
1101 Philippines.
Tel : (632) 981-5802
Fax : (632) 441-0970
Website : www.manulifeam.com

➤ Fund valuation

HSBC (Malaysia) Trustee Berhad

Registered Office and Business Address
13th Floor, Bangunan HSBC, South Tower
No. 2, Leboh Ampang
50100 Kuala Lumpur.
Tel : 03-2075 7800
Fax : 03-8894 2611

➤ Registrar and transfer agent services

KFin Technologies (Malaysia) Sdn. Bhd.

Registered Office

Level 25, Menara Hong Leong

No. 6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel : 03-2022 4900

Fax : 03-2022 4099

Business Address

Suite 16.1, Level 16, Menara IMC

No. 8, Jalan Sultan Ismail

50250 Kuala Lumpur

Tel : 03-2022 4900

Fax : 03-2022 4099

BOARD OF DIRECTORS OF THE PROVIDER

Dato' Dr. Zaha Rina binti Zahari

Independent Director

Edmond Cheah Swee Leng

Independent Director

Gianni Fiacco

Non-Independent Director

Vibha Hamsi Coburn

Non-Independent Director

Wong Boon Choy

Non-Independent Director

Chong Soon Min (Jason)

Non-Independent Executive Director

INVESTMENT COMMITTEE MEMBERS FOR THE FUNDS OF THE SCHEME

Edmond Cheah Swee Leng

Independent

Dato' Dr. Zaha Rina binti Zahari

Independent

Wong Boon Choy

Non-Independent

Chong Soon Min (Jason)

Non-Independent

Wan Shuhaida Binti Wan Zainal Shukri

Non-Independent

AUDIT COMMITTEE MEMBERS FOR THE PROVIDER

Renzo Christopher Viegas

Independent and Chairman

Mrs. Vijayam Nadarajah

Independent

Matthew Edward Lawrence

Non-Independent

COMPANY SECRETARIES

Jasbender Kaur a/p Mehar Singh

16th Floor, Menara Manulife

(LS 0009264)

No. 6, Jalan Gelenggang

Sarah Sia Ning (LS0010109)

Damansara Heights

50490 Kuala Lumpur

THE SCHEME TRUSTEE

HSBC (Malaysia) Trustee Berhad

193701000084 (1281-T)

Registered Office and Business Address

13th Floor, Bangunan HSBC, South Tower,

No. 2, Leboh Ampang,

50100 Kuala Lumpur.

Tel : 03-2075 7800

Fax : 03-8894 2611

THE SCHEME TRUSTEE'S DELEGATE

Hongkong and Shanghai Banking Corporation Limited

For foreign asset:

The Hongkong and Shanghai Banking Corporation Limited
6/F, Tower 1,
HSBC Centre,
1 Sham Mong Road, Hong Kong
Tel : (852) 2288 1111

For local asset:

The Hongkong And Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No.: 199301004117 (258854-D))

Level 21, Menara IQ
Lingkar TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Tel No: (603)2075 3000
Fax No: (603)8894 2588

The Hongkong And Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No: 198401015221 (12776-V))
Level 21, Menara IQ
Lingkar TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Tel No : (603)2075 3000
Fax : (603)8894 2588

AUDITORS FOR THE FUNDS OF THE SCHEME

Core funds:

PricewaterhouseCoopers PLT
Level 10, 1 Sentral, Jalan Rakyat
Kuala Lumpur Sentral, P O Box 10192
50706 Kuala Lumpur
Tel : 03-2173 1188
Fax : 03-2173 1288

Non-core fund:

Ernst & Young PLT
Level 23A, Menara Milenium
Jalan Damanela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-7610 8888
Fax : 03-7725 7768 / 7769

TAX ADVISERS

Deloitte Tax Services Sdn Bhd
Level 16, Menara LGB
No. 1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : 03-7610 8888
Fax : 03-7725 7768 / 7769

SOLICITORS

Wei Chien & Partners
D-20-02, Menara Suezcap 1
No. 2, Jalan Kerinchi
Gerbang Kerinchi Lestari
59200 Kuala Lumpur
Tel : 03-7931 9622
Fax : 03-7931 9612

PRINCIPAL BANKER

Maybank Islamic Berhad
Ground Floor, Block C
Kompleks Pejabat Damansara
Jalan Semantan, Damansara Heights
50490 Kuala Lumpur
Tel : 1300-88-7788

FEDERATION OF INVESTMENT MANAGERS MALAYSIA (FiMM)

19-06-1, 6th Floor, Wisma Tune
19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur
Tel : 03-2093 2600
Fax : 03-2093 2700
Email : info@fimm.com.my
Website : www.fimm.com.my

DISTRIBUTION CHANNEL AND OFFICES

HEAD OFFICE

13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur
Tel : 03-2719 9228
Fax : 03-2094 7654
Customer Service Hotline : 03-2719 9271
Email : PRSinfo_MY@manulife.com
Website : www.manulifeinvestment.com.my

BRANCH OFFICES – West Malaysia

Dataran Sunway

26-2 & 28-2, Jalan PJU 5/8
Dataran Sunway
Kota Damansara
47810 Petaling Jaya
Selangor.
Tel : 03-6140 8101 / 8102
Fax : 03-6140 8103

Klang

No. 3-1 & 3-2
Jalan Mahogani 5/KS7
Bandar Botanik
41200 Klang
Selangor Darul Ehsan.
Tel : 03-3318 6088
Fax : 03-3318 4011

Penang

1-2-18, Elit Avenue
Jalan Mayang Pasir 3
11950 Bayan Baru, Penang.
Tel : 04-611 9944
04-618 0044
Fax : 04-618 0505

Sungai Petani

Lot 88, No. 17, 2nd Floor
Jalan Perdana Heights 2/2
Perdana Heights
08000 Sg Petani, Kedah.
Tel : 04-423 3233
Fax : 04-423 3233

Ipoh

No. 1, 1A & 1B
Pusat Perdagangan Canning 2
Pusat Perdagangan Canning
31400 Ipoh, Perak.
Tel : 05-541 6839
Fax : 05-541 6627

Kota Bharu

1st Floor, Lot 10900
Wisma Seri Setia
Jalan Dusun Muda, Sek 26
15200 Kota Bharu, Kelantan.
Tel : 09-747 2388
Fax : 09-747 2588

Seremban

160-2, Taipan Senawang
Jalan Taman Komersil Senawang
1
Taman Komersil Senawang
70450 Seremban
Negeri Sembilan.
Tel : 06-671 5019
Fax : 06-678 0016

Johor Bahru

No. 1-01
Jalan Setia Tropika 1/15
Taman Setia Tropika
81200 Johor Bahru, Johor.
Tel : 07-234 5871
Fax : 07-234 4620

Melaka

87-1 & 87-2
Jalan Melaka Raya 25
Taman Melaka Raya 1
75000 Melaka.
Tel : 06-281 3866
Fax : 06-282 0587

Shah Alam

30-1, Block 5
Jalan Setia Prima (S) U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan.
Tel : 03-3362 6688
Fax : 03-3362 6662

BRANCH OFFICES – East Malaysia

Bintulu

No. 2, Lot 3288, 1st Floor
Parkcity Commerce Square
Jalan Tun Ahmad Zaidi
97000 Bintulu, Sarawak.
Tel : 086-343 288
Fax : 086-343 289

Miri

Lot 3554, 1st & 2nd Floor
Block 5 MCLD, Jalan Miri
Pujut
101 Commercial Centre
98000 Miri, Sarawak.
Tel : 085-325 770
Fax : 085-326 262

Kota Kinabalu

Lot J-55-2, Block J, 2nd Floor
Signature Office, KK Times
Square
Off Jalan Coastal Highway
88100 Kota Kinabalu, Sabah.
Tel : 088-486 671 / 672
Fax : 088-486 670

Sandakan

Taman Nasalim Shoplot
Lot 33, 1st Floor, Phase 7A
Jalan Lintas Utara
90000 Sandakan, Sabah.
Tel : 089-220 220 /
089-229 045
Fax : 089-226 868

Kuching

No. 63 & 65, 2nd Floor
Jalan Tun Jugah
93350 Kuching, Sarawak.
Tel : 082-593 380
Fax : 082-593 382

Sibu

No. 1 & 3, 1st Floor,
Lorong 1, Jalan Tun Abang
Haji Openg,
96000 Sibu, Sarawak.
Tel : 084-320 469
Fax : 084-320 476

CHAPTER 1: KEY DATA

THIS IS A PRIVATE RETIREMENT SCHEME (“PRS”). THIS SECTION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE SCHEME AND THE FUNDS UNDER THE SCHEME. FOR DETAILED INFORMATION ON THE FUNDS, PLEASE REFER TO CHAPTER 4.

SCHEME INFORMATION

Name of the Scheme

Manulife PRS NESTEGG Series

General Information on the Scheme

The Scheme is a voluntary investment scheme designed to facilitate accumulation of retirement savings* by individuals for their retirement needs. The Scheme consists of 3 core funds and 1 non-core fund, each of which has a different objective and investment strategy.

**Please be aware that the Funds of the Scheme are neither capital guaranteed funds nor capital protected funds; therefore, a Member’s capital is neither guaranteed nor protected.*

The Funds of the Scheme

The Funds of the Scheme are:

Core Funds	Non-core Fund
Manulife PRS-Growth Fund	Manulife PRS Asia-Pacific REIT Fund
Manulife PRS-Moderate Fund	
Manulife PRS-Conservative Fund	

Brief Description of the Scheme and its Operations

Unless written notification to the contrary is given to the Provider at the time a contribution is made, all contributions to the Scheme will be automatically allocated in accordance with the default option; this means that the contributions will be allocated for the purchase of Units in the following core funds depending on the age of the Member at the time of contribution:

Name of Fund	Age at time of contribution
Manulife PRS-Growth Fund	Below 45 years of age
Manulife PRS-Moderate Fund	45 to below 55 years of age
Manulife PRS-Conservative Fund	55 years of age and above

If Units are held under the default option, and unless written notification to the contrary is given to the Provider, the Units will be switched as follows:

- (a) when a Member reaches the age of 45 years, his Units in the Manulife PRS-Growth Fund will be switched to Units of the Manulife PRS-Moderate Fund; and
- (b) when a Member reaches the age of 55 years, his Units in the Manulife PRS-Moderate Fund will be switched to Units of the Manulife PRS-Conservative Fund.

The switching exercise referred to above will be executed in equal proportion over a five (5)-year period based on the number of Units remaining in the Fund. The first switching shall be executed before the end of the next Calendar Month from the day the Member attains the age of 45 years or 55 years old, as the case may be (“Switch-in Date”), and the subsequent four (4) switching shall be executed no later than ten (10) Business Days from each anniversary of the Switch-in Date.

SCHEME INFORMATION

In addition to the above default option of the Scheme, and provided no written notification to the contrary has been given to the Provider, the first contribution made by or for a Member:

- if made within 30 days before he attains the age of 45 years, shall be allocated for the purchase of Units in the Manulife PRS-Moderate Fund; and
- if made within 30 days before he attains the age of 55 years, shall be allocated for the purchase of Units in the Manulife PRS-Conservative Fund.

When Units are to be purchased with a contribution by an employer on behalf of an employee, and regardless whether those Units are to be Vested units or conditionally Vested units, the employee shall have the right to select the Funds to be purchased if he does not wish the Funds to be purchased under the default option.

Contributions to the Scheme will be maintained in 2 separate sub-accounts. Each time Units are purchased with the contributions, 70% of the Units of each of the Funds purchased will be placed in Sub-account A with the remaining 30% placed in Sub-account B. The aforesaid will apply only to Vested units.

Full withdrawals from the Scheme are allowed only in the circumstances as set out in *Section 7.5.1*.

Partial withdrawals from the Scheme may only be made from Sub-account B subject to certain conditions as set out in *Section 7.5.2*.

A request to transfer to a PRS operated by another PRS provider is subject to the conditions as set out in *Section 7.6*.

Name of the Fund	Manulife PRS-Growth Fund
Fund Category	Core (Growth)
Investment Objective	The Fund aims to facilitate accumulation of retirement savings* by providing capital growth over the long-term.
Investment Policy and Strategy	*Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.
Investment Policy and Strategy	The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 95% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 5% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The Fund may invest in these investments directly or via CIS.
Investment Policy and Strategy	The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.

Name of the Fund	Manulife PRS-Growth Fund
Asset Allocation	<ul style="list-style-type: none"> • Maximum 95% of the Fund's NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and • At least 5% of the Fund's NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.
Performance Benchmark	<p>Median return of all non Shariah-compliant PRS core funds – growth funds established in Malaysia.</p> <p>Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.</p>
Principal Risks	<ul style="list-style-type: none"> • Stock specific risk • Country risk • Currency risk • Fund Manager risk • Interest rate risk • Credit and default risk • CIS risk • Risk considerations for investing in derivatives and warrants
Members' Profile	<p>The Fund is suitable for Members who:</p> <ul style="list-style-type: none"> • have a moderate to high risk appetite; • seek capital appreciation on their contributions; • seek an additional retirement savings* scheme other than mandatory retirement scheme; • are not statutorily obliged to contribute to mandatory retirement scheme; and/or • are employers who wish to contribute on behalf of their employees having the aforesaid characteristics. <p><i>*Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.</i></p>
Distribution Policy	Income distribution is incidental and if any, will be automatically reinvested and distributed as additional Units of the Fund.
Financial Year End	31 August
Base Currency	Ringgit Malaysia
Initial Price	All classes: RM0.5000 per Unit
Offer Price	
Launch Date	Class A and Class B: 19 November 2012; Class C: 28 April 2016

Name of the Fund	Manulife PRS-Moderate Fund
Fund Category	Core (Moderate)

Name of the Fund	Manulife PRS-Moderate Fund
Investment Objective	<p>The Fund aims to facilitate accumulation of retirement savings* through a combination of income# and capital growth over the long-term.</p> <p><i>*Please note that this Fund is neither capital guaranteed nor capital protected; therefore, a Member's capital is neither guaranteed nor protected.</i></p> <p><i>#Income declared will be reinvested in the form of additional Units issued to Members.</i></p>
Investment Policy and Strategy	<p>The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 65% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 35% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The Fund may invest in these investments directly or via CIS.</p> <p>The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.</p>
Asset Allocation	<ul style="list-style-type: none"> • Maximum 65% of the Fund's NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and • At least 35% of the Fund's NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.
Performance Benchmark	<p>Median return of all non Shariah-compliant PRS core funds – moderate funds established in Malaysia.</p> <p>Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.</p>
Principal Risks	<ul style="list-style-type: none"> • Stock specific risk • Country risk • Currency risk • Fund Manager risk • Interest rate risk • Credit and default risk • CIS risk • Risk considerations for investing in derivatives and warrants
Members' Profile	<p>The Fund is suitable for Members who:</p> <ul style="list-style-type: none"> • have a moderate risk appetite; • seek capital appreciation on and distribution of Units from their contributions; • seek an additional retirement savings* scheme other than mandatory retirement scheme; • are not statutorily obliged to contribute to mandatory retirement scheme; and/or • are employers who wish to contribute on behalf of their employees having the aforesaid characteristics. <p><i>*Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.</i></p>

Name of the Fund	Manulife PRS-Moderate Fund
Distribution Policy	Income will be distributed once a year, if any, and will be automatically reinvested and distributed as additional Units of the Fund.
Financial Year End	31 August
Base Currency	Ringgit Malaysia
Initial Offer Price	All classes: RM0.5000 per Unit
Launch Date	Class A and Class B: 19 November 2012; Class C: 28 April 2016

Name of the Fund	Manulife PRS-Conservative Fund
Fund Category	Core (Conservative)
Investment Objective	<p>The Fund aims to provide steady returns whilst preserving* capital.</p> <p><i>*Please note that this Fund is neither capital guaranteed nor capital protected; therefore, a Member's capital is neither guaranteed nor protected.</i></p>
Investment Policy and Strategy	<p>The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 35% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 65% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The fixed income instruments which the Fund invests in must be rated at least BBB3/P2 by RAM (or equivalent rating by MARC). Further, the Fund may also invest up to 5% of the Fund's NAV in fixed income instruments which are rated below BBB3/P2 and/or are unrated. The Fund may invest in these investments directly or via CIS.</p> <p>The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.</p>
Asset Allocation	<ul style="list-style-type: none"> • Maximum 35% of the Fund's NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and • At least 65% of the Fund's NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.
Performance Benchmark	<p>Median return of all non Shariah-compliant PRS core funds – conservative funds established in Malaysia.</p> <p>Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.</p>

Name of the Fund	Manulife PRS-Conservative Fund
Principal Risks	<ul style="list-style-type: none"> • Stock specific risk • Country risk • Currency risk • Fund Manager risk • Interest rate risk • Credit and default risk • CIS risk • Risk considerations for investing in derivatives and warrants
Members' Profile	<p>The Fund is suitable for Members who:</p> <ul style="list-style-type: none"> • have a low risk appetite; • seek regular distribution of Units from their contributions; • seek an additional retirement savings* scheme other than mandatory retirement scheme; • are not statutorily obliged to contribute to mandatory retirement scheme; and/or • are employers who wish to contribute on behalf of their employees having the aforesaid characteristics. <p><i>*Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.</i></p>
Distribution Policy	Income will be distributed once a year, if any, and will be automatically reinvested and distributed as additional Units of the Fund.
Financial Year End	31 August
Base Currency	Ringgit Malaysia
Initial Offer Price	All classes: RM0.5000 per Unit
Launch Date	Class A and Class B: 19 November 2012; Class C: 28 April 2016

Name of the Fund	Manulife PRS Asia-Pacific REIT Fund
Fund Category	Feeder Fund (REITs)
Investment Objective	<p>The Fund aims to provide long-term capital appreciation and sustainable income[#] by investing in one collective investment scheme, which invests mainly in REITs.</p> <p><i>[#]Income declared will be reinvested in the form of additional Units issued to Members.</i></p>
Investment Policy and Strategy	<p>The Fund will invest at least 95% of the Fund's NAV in the Manulife Investment Asia-Pacific REIT Fund ("Target Fund"), while the balance will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of not more than 365 days) and placement of deposits with financial institutions for liquidity purposes.</p> <p>The Fund's portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund's asset is allocated in accordance with its prescribed asset allocation.</p>

If the Provider is of the opinion that the Target Fund no longer meets the Fund's objective, the Provider will, in the interest of the Members, seek the Scheme Trustee's consultation and subject to the Member's approval, replace the Target Fund with another CIS of a similar objective.

Target Fund Information

Name of Target Fund	Manulife Investment Asia-Pacific REIT Fund
Manager	Manulife Investment Management (M) Berhad
Investment Manager	
Domicile	Malaysia
Regulatory Authority	Securities Commission Malaysia
Launch Date	7 June 2007

Please refer to Chapter 5 for more information on the Target Fund.

Asset Allocation

- At least 95% of the Fund's NAV will be invested in the Target Fund; and
- Balance of the Fund's NAV will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of not more than 365 days) and placement of deposits with financial institutions for liquidity purposes.

Performance Benchmark

Manulife Investment Asia REIT Ex Japan Index, which is also the performance benchmark of the Target Fund. The Manulife Investment Asia REIT Ex Japan Index is a customised index which consists of the REIT funds universe within Asia ex Japan markets, which include China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. The index is a market capitalisation weighted index of REIT funds with market capitalisation of USD5 million or more.

Note: Members should be aware that the risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.

Principal Risks

Risks of the Target Fund

- Country risk
- Currency risk
- Risk considerations for investing in derivatives and warrants
- Risk associated with investment in REITs

Members' Profile	<p>The Fund is suitable for Members who:</p> <ul style="list-style-type: none"> • seek investment exposure mainly through a diversified portfolio of REITs within the Asia-Pacific region; • seek a sustainable distribution of Units and long-term capital growth on their contributions; • seek an additional retirement savings* scheme other than mandatory retirement scheme; • are not statutorily obliged to contribute to mandatory retirement scheme; and/or • are employers who wish to contribute on behalf of their employees having the aforesaid characteristics. <p><i>* Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.</i></p>
Distribution Policy	Income will be distributed semi-annually, if any. Subject to availability of income, the Provider has the discretion to declare distribution at a higher frequency. All income distribution will be automatically reinvested and distributed as additional Units of the Fund.
Financial Year End	30 September
Base Currency	Ringgit Malaysia
Initial Offer Price	All classes: RM0.5000 per Unit
Launch Date	Class C: 29 November 2019

FEES, CHARGES AND EXPENSES

This table describes the fees and charges that you may **directly incur** when you purchase or redeem Units of the Fund:

Fees and Charges payable to the Administrator

PPA account opening fee	RM10.00 (one-off)*
PPA annual fee	<p>RM8.00 per annum</p> <p><i>No annual fee will be charged during the 1st year of the opening of a private pension account; there will also be no annual fee payable if no contributions are made during a Calendar Year.</i></p>
PPA pre-retirement withdrawal fee	<p>RM25.00 for each withdrawal*</p> <p><i>The withdrawal fee is applicable to a Member who wants to withdraw from their Sub-account B.</i></p>
PPA transfer fee (to another PRS provider)	<p>RM25.00 for each transfer*</p> <p><i>The transfer fee is applicable to a Member who wants to transfer to another PRS operated by another PRS provider.</i></p>

**subject to any other circumstances as may be specified by the Administrator.*

FEES, CHARGES AND EXPENSES

Fees and Charges payable to the Provider

Sales Charge	Fund Name	Class A Units	Class B Units	Class C Units
	Manulife PRS-Growth Fund	Nil.		
Manulife PRS-Moderate Fund				
Manulife PRS-Conservative Fund				
Manulife PRS Asia-Pacific REIT Fund	Not applicable.			

The Sales Charge is non-negotiable. However, the Provider may at its discretion charge a lower Sales Charge from time to time.

Redemption Charge

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund	<p>A Redemption Charge will be imposed at the following rates:</p> <ul style="list-style-type: none"> • 3.00% of NAV per Unit for withdrawal in the 2nd year after the first contribution to the Fund; • 2.00% of NAV per Unit for withdrawal in the 3rd year after the first contribution to the Fund; • 1.00% of NAV per Unit for withdrawal in the 4th year after the first contribution to the Fund; and • No Redemption Charge will be imposed for withdrawal from the 5th year after the first contribution to the Fund. 		No Redemption Charge will be imposed on the withdrawal of Class C Units.
Manulife PRS-Moderate Fund			
Manulife PRS-Conservative Fund			
Manulife PRS Asia-Pacific REIT Fund	Not applicable.		

The Redemption Charge will be retained by the Provider. The Provider has the discretion to waive the Redemption Charge.

Please note that a Redemption Charge is applicable upon any withdrawal from the Scheme (except for upon a Member reaching Retirement Age, permanent departure of a Member from Malaysia or withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability, healthcare purpose or housing purpose).

FEES, CHARGES AND EXPENSES

Transfer fee (to another PRS provider)

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund	No transfer fee will be imposed on a request to transfer to another PRS operated by another PRS provider. However, a Redemption Charge will be imposed on a Member which rate will depend on the number of years the Member has contributed to the Scheme.		A transfer fee of RM25.00 will be imposed on a request to transfer to another PRS operated by another PRS provider.
Manulife PRS-Moderate Fund			
Manulife PRS-Conservative Fund			
Manulife PRS Asia-Pacific REIT Fund	Not applicable.		

Switching fee

Members may switch:

- between Funds of the Scheme;
- between a Fund of the Scheme and any other fund in another scheme operated by the Provider; and
- from Class A or Class B Units to Class C Units.

However, switching from Class C Units to Class A or Class B Units is not allowed.

No switching fee will be imposed on the first 12 switching transactions made during a Calendar Year. For each subsequent switching transaction made during the same Calendar Year, the Provider will impose the following fee on the Member:

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund	<ul style="list-style-type: none"> RM25.00 per switch between Funds of the Scheme or between a Fund of the Scheme and any other fund in another PRS operated by the Provider. 3% of the amount switched out from Class A or Class B Units to Class C Units. 		For each subsequent switching transaction made within the same class of Units between Funds of the Scheme and between a Fund of the Scheme and any other fund in another PRS operated by the Provider during the same Calendar Year, a switching fee of RM25.00 will be imposed by the Provider on the Member.
Manulife PRS-Moderate Fund			
Manulife PRS-Conservative Fund			
Manulife PRS Asia-Pacific REIT Fund	Not applicable.		

The Provider may at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time.

Other charges

There are no other charges (except charges levied by banks on remittance of money) payable directly by contributors when purchasing, holding or redeeming Units of the Fund.

The Provider will notify its Members of any increase in the fees and charges payable to the Provider by way of a supplemental disclosure document or replacement disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 30 days after the date of issuance of the supplemental disclosure document or replacement disclosure document.

Members may obtain information relating to the above fees and charges of this Scheme and other PRS for comparison from the Administrator's website at www.ppa.my.

This table describes the fees and expenses that you may **indirectly incur** when you invest in the Fund:

Annual management fee	Fund Name	Class A Units	Class B Units	Class C Units
	(% per annum of the NAV attributable to this class of Units of the Fund)			
	Manulife PRS-Growth Fund	1.80%	1.50%	1.50%
	Manulife PRS-Moderate Fund	1.50%	1.25%	1.25%
	Manulife PRS-Conservative Fund	1.20%	1.00%	1.00%
	Manulife PRS Asia-Pacific REIT Fund	Not applicable		Up to 1.75%

Annual trustee fee	Fund Name	Class A Units	Class B Units	Class C Units
		Manulife PRS-Growth Fund	0.04% per annum of the NAV of the Fund.	
	Manulife PRS-Moderate Fund			
	Manulife PRS-Conservative Fund			
	Manulife PRS Asia-Pacific REIT Fund	Not applicable.	0.04% per annum of the NAV of the Fund.	

The annual trustee fee does not include any foreign sub-custodian fees and charges (if any).

Other expenses
<ul style="list-style-type: none"> • commission/ fees paid to brokers; • foreign sub-custodian fees and charges (if any); • taxes and other duties imposed on the Fund by the Malaysian government and/or other authorities; • auditor's fees and expenses; • valuation fees incurred for the valuation of the Fund's investment by independent valuers for the benefit of the Fund; • independent investment committee members' fee; • costs for modification of the Deed other than those for the benefit of the Provider or the Scheme Trustee; • costs incurred for meetings of Members other than those convened by, or for the benefit of, the Provider or the Scheme Trustee; and • any other expenses as may be allowed under the Deed.

PPA administration fee
0.04% per annum of the NAV of the Fund.
The PPA administration fee will be charged by the Administrator to the Fund.

The Provider will notify its Members of any increase in the above annual management fee and annual trustee fee by way of a letter and a supplemental disclosure document or replacement disclosure document stating the higher rate and its effective date; the higher fees and charges will be effective 90 days after the date of issuance of the supplemental disclosure document or replacement disclosure document.

Members may obtain information relating to the annual management fee and annual trustee fee of this Scheme and other PRS for comparison from the Administrator's website at www.ppa.my.

TRANSACTION DETAILS

Minimum initial investment	RM100 or such other lower amount as the Provider may decide from time to time.
Minimum additional investment	RM100 or such other lower amount as the Provider may decide from time to time.
Cooling-off period	Six (6) Business Days commencing on the date of receipt of the application for cooling-off by the Provider.
Minimum holding balance of each Fund	100 Units or such other lower amount as the Provider may decide from time to time. Please note that the minimum holding refers to the total number of Units of each Fund in a Member's Sub-account A.
Minimum withdrawal of Units from each Fund	200 Units or such other lower amount as the Provider may decide from time to time.

Payment of withdrawal proceeds

Circumstances of withdrawal	Period of payment to be made
(a) Pre-retirement withdrawals from Sub-account B	Within ten (10) days after the Provider received a completed withdrawal request
(b) Upon reaching Retirement Age	
(c) Permanent departure of a Member from Malaysia	
(d) For housing purpose from Sub-account B	
(e) For healthcare purpose from Sub-account B	
(f) Due to permanent total disablement, serious disease and mental disability of a Member	Within ten (10) days after the Provider received a completed withdrawal request (either received directly or through a notification from the Administrator)
(g) Death of a Member	Within ten (10) days after the Provider received an authorisation from the Administrator

TRANSACTION DETAILS

Partial withdrawal from the Scheme

A Member may request his first partial withdrawal in respect of all or some of the Member's Units of the Fund by redeeming the Units held in his Sub-account B one (1) year after the date of the Member's first contribution to the Scheme.

Thereafter, the Member is allowed to perform one (1) partial withdrawal from one or more PRSs (including the Scheme) in his Sub-account B for all such scheme(s) in each following Calendar Year.

A Member who has reached the Retirement Age may also request partial withdrawal from the Scheme.

Please note that partial withdrawal is not allowed:

- when a Member is departing Malaysia permanently; or
- withdrawals due to permanent total disablement, serious disease and mental disability.

For the avoidance of doubts, withdrawals are permitted for Vested units only.

Switching of Units

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

For Class C Units, however, switching of Units can only be done within the same class of Units between Funds. Members are not permitted to switch their Vested units and/or conditionally Vested units from Class C Units to Class A or Class B Units.

Minimum switching amount from a Fund

200 Units or such other lower amount as the Provider may decide from time to time.

Transfer to another PRS

A Member may request for a withdrawal of any of the Vested units of the Funds of the Scheme held by him and then transfer the proceeds of such withdrawal to another PRS operated by another PRS provider one (1) year after the date of the Member's first contribution to the Scheme.

Thereafter, the Member is allowed to perform one (1) transfer every Calendar Year on a per PRS provider basis. A Member may also consolidate all his contributions from the Funds managed by the Provider to be transferred to another fund managed by another PRS provider. For avoidance of doubt, the withdrawal proceeds from a Fund cannot be split into two (2) or more funds.

If the withdrawal proceeds are realised from withdrawal of Units in Sub-account A, such withdrawal proceeds will be used to create units in the Member's sub-account A of the other PRS operated by another PRS provider. If the withdrawal proceeds are realised from withdrawal of Units in Sub-account B, such withdrawal proceeds will be used to create units in the Member's sub-account B of the other PRS operated by another PRS provider.

Please note that transfer to another PRS operated by another PRS provider is not permitted for conditionally Vested units.

For the avoidance of doubt, transfer of Units of the Fund to another individual or Member is not allowed.

TRANSACTION DETAILS

Minimum transfer amount from a Fund

200 Units or such other lower amount as the Provider may decide from time to time.

OTHER INFORMATION

**Core funds
Type of classes
of Units**

The core funds of the Scheme are multi-class funds which consists of three (3) different classes of Units (Class A, Class B and Class C) which are distinguished by the amount of Sales Charge, Redemption Charge, switching fee, transfer fee and management fee imposed by the Provider on each of those classes of Units.

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

The details of the classes of Units of the core funds are as follows:

OTHER INFORMATION

Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund			
Class of Units	Class A Units	Class B Units	Class C Units
Sales Charge	Nil		Up to 3.00% of NAV per Unit
Redemption Charge (for withdrawal in the X^{th} year after the first contribution to the Scheme)	<ul style="list-style-type: none"> • 3.00% of NAV per Unit in the 2nd year; • 2.00% of NAV per Unit in the 3rd year; • 1.00% of NAV per Unit in the 4th year; and • No Redemption Charge in the 5th year onwards. 		Nil
Switching fee	<p>No switching fee will be imposed on the first 12 switching transactions made during a Calendar Year. For each subsequent switching transaction made during the same Calendar Year, the Provider will impose the following fee on the Member:</p> <ul style="list-style-type: none"> • RM25.00 per switch between Funds of the Scheme or between a Fund of the Scheme and any other fund in another PRS operated by the Provider. • 3% of the amount switched out from Class A or Class B Units to Class C Units. <p>The Provider may at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time.</p>		
Transfer fee (to another PRS provider)	Nil		RM25.00

Annual management fee	Class A Units	Class B Units	Class C Units
	(% per annum of the NAV attributable to this class of Units of the Fund)		
Manulife PRS-Growth Fund	1.80%	1.50%	1.50%
Manulife PRS-Moderate Fund	1.50%	1.25%	1.25%
Manulife PRS-Conservative Fund	1.20%	1.00%	1.00%

Non-core fund

The non-core fund of the Scheme consists of one (1) class of Units only, i.e. Class C.

OTHER INFORMATION

Deed	The deed dated 8 November 2012 in respect of the Scheme entered into between the Provider and the Scheme Trustee as modified by a supplemental deed dated 16 May 2013, a second supplemental deed dated 24 January 2014, a third supplemental deed dated 6 March 2015, a fourth supplemental deed dated 10 December 2015, a fifth supplemental deed dated 13 September 2019 and a sixth supplemental deed dated 8 October 2020, all entered into between the same parties and as may be modified by any other subsequent supplemental deed.
Borrowings and Securities Lending	Unless otherwise allowed by the SC or by any relevant law, and subject to such terms and conditions as the SC or any relevant law may prescribe, the Funds are not permitted to borrow to finance its activities or to grant or guarantee any loans or enter into a contract to purchase investments when it does not have the necessary funds to pay for the purchase. However, the Funds may borrow cash or obtain financing for the purposes of meeting redemption requests for Units and for short-term bridging requirements.
Avenue for advice	If you have any queries or require further information, please contact our customer service at 03-2719 9271 or email us at PRSinfo_MY@manulife.com . Alternatively, you may contact our authorised agents at our branch offices listed in the <i>Corporate Directory</i> section.
Where and how to lodge a complaint	<p>You may lodge a complaint in writing to the Provider. If you are dissatisfied with the outcome of the dispute, you may refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC).</p> <p>Although you have initiated a dispute resolution with SIDREC, you may also direct your complaint to the SC and/or Federation of Investment Managers Malaysia.</p> <p>Please refer to <i>Section 14.2</i> for details on where and how to lodge a complaint.</p>

UNIT PRICES AND DISTRIBUTIONS, IF ANY, MAY GO DOWN AS WELL AS UP.

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

Note: Applicable Tax

All fees and charges (e.g. PPA account opening fee, PPA annual fee, PPA pre-retirement withdrawal fee, PPA transfer fee, Sales Charge, Redemption Charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fee(s) and/or charge(s)), where applicable, may be subject to tax that may be introduced by the government of Malaysia from time to time. The Provider, the Scheme Trustee and/or other service providers reserve the right to collect from you and/or the Fund an amount equivalent to the prevailing rate of tax payable for all fees and charges, where applicable. Fees and charges disclosed in this Disclosure Document are exclusive of any taxes.

THERE ARE FEES AND CHARGES INVOLVED AND MEMBERS ARE ADVISED TO CONSIDER THEM BEFORE CONTRIBUTING TO THE SCHEME.

CHAPTER 2: RISK FACTORS

2.1. GENERAL RISK OF INVESTING IN THE FUNDS

Prior to making investments in the Funds, contributors should be aware that there are risks associated with investments in the Funds. Below are some of the **general risks** which contributors should be aware of when investing in the Funds:

Market risk

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

Provider's risk

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

Liquidity risk

Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Fund will be negatively affected when it has to sell such assets at unfavourable prices.

Inflation risk

The Funds are subject to the risk of a Member's investment not being able to match the inflation rate, thereby reducing the Member's purchasing power even though the investment in monetary terms may have increased in value. Members are advised to take note that the Funds are not designed with the objective of matching the inflation rate of Malaysia.

Concentration risk

Concentration risk occurs when a portfolio is overweight on a particular security, sector or asset class. In a scenario where the Funds invest in a substantial portion of their assets in securities of a particular sector, the Funds may be subject to greater price volatility or adversely affected by the performance of the particular sector. The risk may be mitigated through the diversification process that the fund manager of the Funds will employ in the management of the Funds.

Risk associated with default option *(not applicable to Manulife PRS Asia-Pacific REIT Fund)*

If a Member did not select a Fund under the Scheme, his contributions will be automatically allocated via the default option to a core fund according to his age. When the Member reaches the ages of 45 and 55 years, as the case may be, the Provider will switch the Member's investments to another core fund under the Scheme. The switching exercise will be executed in equal proportion over a five (5)-year period based on the number of Units remaining in the Fund (for further information on default option, please refer to *Section 3.3.4*). Accordingly, the aforementioned switching exercise under the default option may result in a Member incurring losses in relation to his investments due to unfavourable market conditions that may result in a decline in the prices of securities of the Fund. This is because, at the point of switching, the Unit price of the Fund may be lower than the Unit price of the Fund at the time he contributed to the Fund.

2.2. SPECIFIC RISK ASSOCIATED WITH THE INVESTMENT PORTFOLIO OF THE FUND

Below are some of the **specific risks** associated with the investment portfolio of the Fund; these may include but are not limited to:

Fund Name	Manulife PRS-Growth Fund	Manulife PRS-Moderate Fund	Manulife PRS-Conservative Fund	Manulife PRS Asia-Pacific REIT Fund
Stock specific risk	√	√	√	Please refer to Section 2.3 for specific risk of the Target Fund.
Country risk	√	√	√	
Currency risk	√	√	√	
Fund Manager risk	√	√	√	
Interest rate risk	√	√	√	
Credit and default risk	√	√	√	
CIS Risk	√	√	√	
Risk considerations for investing in derivatives and warrants	√	√	√	

Stock specific risk

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Funds' NAV.

Country risk

Investments of the Funds in any countries may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Funds invest in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Funds in those affected countries. This in turn may cause the NAV of the Funds or prices of Units to fall.

Currency risk

As the investments of the Funds may be denominated in currencies other than the base currency of the Funds (e.g. Malaysian Ringgit), any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Funds in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment. Hedging may be applied to mitigate the currency risk. However, investors are unable to enjoy upside from any currency appreciation.

Fund Manager risk

The Provider has no control over the investment techniques and knowledge, operational controls and management of the Funds by the Fund Manager. In the event the Funds are mismanaged by the Fund Manager, the NAV of the Funds would be affected negatively. Should such a situation arise, the Provider may replace the Fund Manager with another fund manager.

Interest rate risk

Interest rate risk refers to the impact of interest rate changes on the valuation of fixed income instruments. When interest rates rise, fixed income instruments prices generally decline and this may lower the market value of the Funds' investment in fixed income instruments. The reverse may apply when interest rates fall. In order to mitigate interest rate risk, the Fund Manager will need to manage the fixed income portfolio taking into account the coupon rate and time to maturity of the fixed income instruments.

The rates for deposits are normally fixed during the specific and agreed tenure. Hence, any changes in the prevailing level of interest rates will not impact the earlier deposit rates that have been agreed between the Fund Manager and the financial institutions. However, in the event of rising interest rates, the Fund will lose the opportunity to earn higher interest during the specific tenure.

The above interest rate is a general indicator that will have an impact on the management of the Funds.

Credit and default risk

Credit risk relates to the creditworthiness of the issuers of the fixed income instruments and their expected ability to make timely payment of interest/profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the fixed income instrument. In the case of rated fixed income instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer of a fixed income instrument either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the fixed income instruments. This could adversely affect the value of the Funds. Such risk could be mitigated through vigorous credit analysis and having regular updates on the business profile and the financial position of the issuer or counterparty of the instruments.

CIS risk

As the Funds may invest in other CISs, the Funds are exposed to the risk faced by the CIS that the Funds invest in. Any adverse effect suffered by the CIS such as an event of default in its underlying investments may cause the net asset value of the CIS to drop and as a result of which may also affect the performance of the Funds. This risk is mitigated by investing in more than one CIS.

Risk considerations for investing in derivatives and warrants

Subject to the permitted investments of the respective Funds, the fund manager of the Funds may invest in derivatives and warrants. The fund manager of the Funds may use derivatives such as swaps, forward and futures for hedging purposes only. This involves special risks, including but not limited to:

- the risk of loss from default by the counterparty, typically as a consequence of insolvency or failed settlement; and
- the risk of the supply and demand factors in the derivatives market and in other related markets impacting the liquidity of the derivatives market adversely, which in turn would adversely affect the derivatives pricing and the Fund.

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

Equity-related securities may comprise warrants, which confer investor the right but not obligated to subscribe an underlying securities of the issuing company at a pre-determined price (exercise price), quantity and expiry period. Warrants will expire and value will diminish if they are not exercised by expiration date or if they are out-of-the-money (the exercise price is

higher than the current market price of the underlying securities). Prices of warrants are extremely volatile and it may not always be possible to dispose all in short period of time.

All investment in derivatives and warrants will be closely monitored.

2.3. SPECIFIC RISK OF THE TARGET FUND

The Target Fund is subject to the country risk, currency risk and risk considerations for investing in derivatives and warrants mentioned in Section 2.2. In addition, the below risk is associated with the investment portfolio of the Target Fund.

Risks Associated with Investment in REITs

- Property taxes risk

Any increase in property taxes law or requirement could have an adverse impact to income gained from sales of any property. This risk is mitigated by diversifying the portfolio across various property sub-segments and is lessened further by investments in multiple countries to mitigate concentration in any single market or economy.

- Rental risk

Any material changes in the regulatory limits on rent could have an adverse impact on the rental income which may reduce dividend payout. This risk is mitigated by investing in a wide range of property sub-segments across different countries in the permissible region of investments. A close monitoring of rental rates via channel checks by the investment manager of the Target Fund is regularly required to ensure timely portfolio decision-making.

- REIT management risk

REIT's performance depends, in part, upon the continued service and performance of REIT's manager. For example, the key personnel of REIT's manager may leave the employment and affect the results of the duties which such personnel are responsible for. The loss of key personnel, or the inability of the relevant businesses REIT's manager to retain or replace qualified employees, could have an adverse effect on its operating results, affect its ability to generate cash and make distributions to the REIT's investors. The REIT's performance will have an impact on the investments of the Target Fund.

2.4. RISK MANAGEMENT STRATEGIES

Risk management is an integral part of the Provider's process in managing the Funds of the Scheme. In ensuring compliance with the Guidelines, and the Funds' limits and investment restrictions, the Provider has in place clearly defined policies and procedures that have been approved by the board of directors and also a system for the monitoring of transactions.

In addition, the fund managers of the Funds conduct regular review on the economic, political and social factors to evaluate its effects on investments held by the Funds. Regular meetings are also held to deliberate on these factors, investment themes and portfolio decisions.

For the core funds, the Fund Manager may lower the total equity exposure of the Funds to below the minimum limit permitted in the asset allocation if the Fund Manager is of the opinion that the investment climate is deemed unfavourable or under adverse market conditions. This strategy will minimise the potential loss which may arise when prices of equities decline. The Fund Manager will then decide on the optimal asset allocation strategy and reallocate the Funds' investments into more defensive instruments such as fixed income instruments.

For Manulife PRS Asia Pacific REIT Fund, a minimum 95% of the Fund's NAV will be invested in the Target Fund. The risk management strategies and techniques employed will be at the Target Fund level. Please refer to Section 5.4 for risk management of the Target Fund.

CHAPTER 3: GENERAL INFORMATION ON THE SCHEME

3.1. NAME OF THE SCHEME

The PRS offered in this Disclosure Document is the Manulife PRS NESTEGG Series.

3.2. GENERAL INFORMATION ON THE SCHEME

The Scheme is a voluntary investment scheme designed to facilitate the accumulation of retirement savings* by individuals for their retirement needs.

The Guidelines require a PRS to have three (3) core funds each with a different objective and investment strategy and each providing for a different risk appetite. The three (3) core funds of the Scheme are the Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund; whilst the one (1) non-core fund of the Scheme is Manulife PRS Asia-Pacific REIT Fund.

**Please note that these Funds are neither capital guaranteed funds nor capital protected funds; therefore, a Member's capital is neither guaranteed nor protected.*

Note: Detailed information on each of the Funds can be found in Chapter 4.

3.3. CONTRIBUTIONS TO THE SCHEME

3.3.1. Who may Contribute

Contributions to the Scheme may only be made by:

- any individual person above the age of 18 years who has opened a private pension account with the Administrator through a PRS provider (including the Provider); and
- any employer of such individual person.

3.3.2. Contributions by an Employer

An employer who wishes to make a contribution to the Scheme on behalf of his employee will have to show proof to the Provider that the employee is in fact in the employment of the employer.

3.3.3. Vesting of Contributions

A contribution to the Scheme by a Member will vest in the Member immediately upon receipt by the Provider.

A contribution to the Scheme by the Member's employer may be subject to a Vesting Schedule. This may result in the issuance of Vested units and conditionally Vested units. A Member who holds Vested units and conditionally Vested units will enjoy equivalent rights as a Member of the Funds. A contribution to the Scheme by an employer on behalf of its employee, if not made subject to a Vesting Schedule, shall vest in the employee immediately upon receipt by the Provider.

A contribution made in the form of a cheque will not be considered to have been received by the Provider until the cheque has been cleared and the money has been credited into the Provider's account.

3.3.4. Default Option

Unless the Provider is notified otherwise in writing at the time a contribution to the Scheme is made, the contribution will be allocated for the purchase of Units of the core funds of the Scheme in accordance with the default option of the Scheme as follows:

- 100% in the Manulife PRS-Growth Fund if the contribution is made by or for a Member who has not reached the age of 45 years at the time the contribution is made;

- 100% in the Manulife PRS-Moderate Fund if the contribution is made by or for a Member who has reached the age of 45 years but is not yet 55 years old at the time the contribution is made; and
- 100% in the Manulife PRS-Conservative Fund if the contribution is made by or for a Member who has reached the age of 55 years at the time the contribution is made.

If Units are held by a Member as aforesaid and unless the Member expressly instructs the Provider otherwise, the Provider will, as part of the default option of the Scheme and before the end of the next Calendar Month from the day the Member attains:

- the age of 45 years, switch the Units of Manulife PRS-Growth Fund into Units of Manulife PRS-Moderate Fund; and
- the age of 55 years, switch the Units of Manulife PRS-Moderate Fund into Units of Manulife PRS-Conservative Fund.

Members who are investing under the default option will be notified in writing at least thirty (30) days before attaining the ages of 45 and 55, as the case may be, that their investments in the core funds will be switched in accordance with the aforesaid in equal proportion over a five (5)-year period based on the number of Units remaining in the Fund, unless the Provider has been informed by the Members of their decision to stay invested in the current core funds at least one (1) Business Day before they reach the ages of 45 and 55, as the case may be. The first switching shall be executed before the end of the next Calendar Month from the day the Member attains the ages of 45 years and 55 years, as the case may be (“Switch-in Date”), and the subsequent four (4) switching shall be executed no later than ten (10) Business Days from each anniversary of the Switch-in Date.

A Member may also opt out of the default option of the Scheme at any time by requesting the Provider to switch the Units held by the Member into the Units of another Fund of the Scheme. Units of the Fund will be switched with the Units of the other Fund of the Scheme based on NAV per Unit of the respective Funds on the following Business Day upon receipt of such request from the Member.

In addition to the above default option of the Scheme, and provided no written notification to the contrary has been given to the Provider, the first contribution made by or for a Member:

- if made within thirty (30) days before he attains the age of 45 years, shall be allocated for the purchase of Units in the Manulife PRS-Moderate Fund; and
- if made within thirty (30) days before he attains the age of 55 years, shall be allocated for the purchase of Units in the Manulife PRS-Conservative Fund.

When Units are to be purchased with a contribution by an employer on behalf of an employee and regardless whether those Units are to be Vested units or conditionally Vested units, the employees shall have the right to select the Funds to be purchased if he does not wish to purchase under the default option.

Note: Detailed information on switching of Units can be found in Section 7.7.

3.4. SUB-ACCOUNT A AND SUB-ACCOUNT B

Whether or not a Member’s Units are held under the default option of the Scheme, the Units of each of the Funds of the Scheme held by the Member will, upon their purchase, be placed by the Provider in the following percentages in the following two sub-accounts for the Member:

- 70% of the Units of each Fund in Sub-account A; and
- 30% of the Units of each Fund in Sub-account B, of which Member is allowed to withdraw before attaining the Retirement Age. This is subject to payment of tax penalty of 8% (or such other applicable tax penalty) of the amount withdrawn, which will be deducted by the PRS Provider.

For the avoidance of doubt, the tax penalty is not applicable to withdrawal under the following circumstances:

- (a) when a Member has reached Retirement Age;
- (b) permanent departure of a Member from Malaysia;
- (c) withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability;
- (d) for healthcare purposes; or
- (e) for housing purposes.

However, when an employer makes a contribution on behalf of an employee, the Vested units may be maintained in Sub-account A only.

3.5. WITHDRAWALS FROM THE SCHEME

Request for withdrawals may be made in the following circumstances:

Circumstances for withdrawal	Sub-account	Extent of withdrawals
Upon reaching Retirement Age	A & B	Partial or Full
Pre-retirement withdrawals from Sub-account B of the Scheme	B	Partial or Full
Death of a Member	A & B	Partial or Full
Permanent departure of Member from Malaysia	A & B	Full
Withdrawals due to a Member's permanent total disablement, serious disease or mental disability	A & B	Full
For healthcare purposes	B	Partial or Full
For housing purposes	B	Partial or Full

Please refer to Section 7.5 for more details on withdrawal of Units.

3.6. CLASS A, CLASS B AND CLASS C UNITS

The core funds of the Scheme have 3 classes of Units: Class A, Class B and Class C. The non-core fund of the Scheme has 1 class of Unit: Class C.

Class A, Class B and Class C Units are distinguished by the amount of Sales Charge, Redemption Charge, switching fee, transfer fee and amount of management fee imposed by the Provider on each of those classes of Units.

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

Note: Detailed information on computation of NAV for Class A, Class B and Class C Units can be found in Section 7.1.

CHAPTER 4: DETAILED INFORMATION ON THE FUNDS

4.1. MANULIFE PRS-GROWTH FUND

4.1.1 Investment Objective

The Fund aims to facilitate accumulation of retirement savings* by providing capital growth over the long-term.

**Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected. Any material change to the investment objective of the Fund would require Members' approval.*

4.1.2 Investment Policy and Strategy

The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 95% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 5% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The Fund may invest in these investments directly or via CIS.

The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.

Further, the Fund may enter into derivative trades solely for hedging purposes only. The derivative trades would not be considered as investments of the Fund but rather a risk management device.

The Fund is actively managed. Any active and frequent trading strategy will depend on market opportunities or valuations.

The Fund Manager will analyse the general economic and market conditions. The top-down approach examines global and local macro-economic factors such as interest rate trends, inflation rates, supply demand trends, commodities trends, industry outlook and trends. The Fund Manager employs an active and opportunistic asset allocation strategy depending upon the market expectations. For example, when the economy bottoms-out from a recession, the Fund Manager will search for a clearer evidence of sustainable economic recovery before overweighting on its equity asset allocation versus fixed income instruments. Likewise, when the economy has peaked and is heading towards a slow growth period, the Fund Manager will then decide to underweight its equity asset allocation versus fixed income instruments.

If and when the Fund invests in any of the CIS operated by the Provider or its related corporation, there will be no "double-charging" of management fees and sales charges; fees and charges will be levied only at the Fund level. Any sales charge usually paid for investment in the CIS being invested into will be waived.

Temporary Defensive Measures

The Fund Manager may lower the equity exposure of the Fund if the Fund Manager is of the opinion that the investment climate is deemed unfavourable or under adverse market conditions; the Fund Manager will then reallocate the Fund's investments into more defensive instruments such as deposits and/or money market instruments.

4.1.3 Asset Allocation

- Maximum 95% of the Fund's NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and
- At least 5% of the Fund's NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.

4.1.4 Performance Benchmark

Median return of all non Shariah-compliant PRS core funds – growth funds established in Malaysia.

Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.

4.2. MANULIFE PRS-MODERATE FUND

4.2.1 Investment Objective

The Fund aims to facilitate accumulation of retirement savings* through a combination of income# and capital growth over the long-term.

**Please note that this Fund is neither capital guaranteed nor capital protected; therefore, a Member's capital is neither guaranteed nor protected.*

#Income declared will be reinvested in the form of additional Units issued to Members.

Any material change to the investment objective of the Fund would require Members' approval.

4.2.2 Investment Policy and Strategy

The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 65% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 35% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The Fund may invest in these investments directly or via CIS.

The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.

Further, the Fund may enter into derivative trades solely for hedging purposes only. The derivative trades would not be considered as investments of the Fund but rather a risk management device.

The Fund is actively managed. Any active and frequent trading strategy will depend on market opportunities or valuations.

The Fund Manager will analyse the general economic and market conditions. The top-down approach examines global and local macro-economic factors such as interest rate trends, inflation rates, supply demand trends, commodities trends, industry outlook and trends. The Fund Manager employs an active and opportunistic asset allocation strategy depending upon the market expectations. For example, when the economy bottoms-out from a recession, the Fund Manager will search for a clearer evidence of sustainable economic recovery before overweighting on its equity asset allocation versus fixed income instruments. Likewise, when the economy has peaked and is heading towards a slow growth period, the Fund Manager will then decide to underweight its equity asset allocation versus fixed income instruments.

If and when the Fund invests in any of the CIS operated by the Provider or its related corporation, there will be no "double-charging" of management fees and sales charges; fees and charges will be levied only at the Fund level. Any sales charge usually paid for investment in the CIS being invested into will be waived.

Temporary Defensive Measures

The Fund Manager may lower the equity exposure of the Fund if the Fund Manager is of the opinion that the investment climate is deemed unfavourable or under adverse market conditions; the Fund Manager will then reallocate the Fund's investments into more defensive instruments such as deposits and/or money market instruments.

4.2.3 Asset Allocation

- Maximum 65% of the Fund's NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and
- At least 35% of the Fund's NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.

4.2.4 Performance Benchmark

Median return of all non Shariah-compliant PRS core funds – moderate funds established in Malaysia.

Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.

4.3. MANULIFE PRS-CONSERVATIVE FUND

4.3.1 Investment Objective

The Fund aims to provide steady returns whilst preserving* capital.

**Please note that this Fund is neither capital guaranteed nor capital protected, therefore, a Member's capital is neither guaranteed nor protected.*

Any material change to the investment objective of the Fund would require Members' approval.

4.3.2 Investment Policy and Strategy

The Fund invests in a diversified portfolio of equities, equity-related securities, REITs (via CIS) and/or fixed income instruments. To achieve the investment objective of the Fund, the Fund may invest a maximum of 35% of its NAV in equities, equity-related securities and/or REITs (via CIS). The Fund will invest at least 65% of the Fund's NAV in fixed income instruments such as bonds, money market instruments and deposits with financial institutions. The fixed income instruments which the Fund invests in must be rated at least BBB3/P2 by RAM (or equivalent rating by MARC). Further, the Fund may also invest up to 5% of the Fund's NAV in fixed income instruments which are rated below BBB3/P2 and/or are unrated. The Fund may invest in these investments directly or via CIS.

The Fund may invest up to 100% of the Fund's NAV in foreign investments in the global markets where the regulatory authority is an ordinary or associate member of the IOSCO.

Further, the Fund may enter into derivative trades solely for hedging purposes only. The derivative trades would not be considered as investments of the Fund but rather a risk management device.

The Fund is actively managed. Any active and frequent trading strategy will depend on market opportunities or valuations.

The Fund Manager will analyse the general economic and market conditions. The top-down approach examines global and local macro-economic factors such as interest rate trends, inflation rates, supply demand trends, commodities trends, industry outlook and trends. The Fund Manager employs an active and opportunistic asset allocation strategy depending upon the market expectations. For example, when the economy bottoms-out from a recession, the

Fund Manager will search for a clearer evidence of sustainable economic recovery before overweighting on its equity asset allocation versus fixed income instruments. Likewise, when the economy has peaked and is heading towards a slow growth period, the Fund Manager will then decide to underweight its equity asset allocation versus fixed income instruments.

If and when the Fund invests in any of the CIS operated by the Provider or its related corporation, there will be no “double-charging” of management fees and sales charges; fees and charges will be levied only at the Fund level. Any sales charge usually paid for investment in the CIS being invested into will be waived.

Temporary Defensive Measures

The Fund Manager may lower the equity exposure of the Fund if the Fund Manager is of the opinion that the investment climate is deemed unfavourable or under adverse market conditions; the Fund Manager will then reallocate the Fund’s investments into more defensive instruments such as deposits and/or money market instruments.

4.3.3 Asset Allocation

- Maximum 35% of the Fund’s NAV will be invested in equities, equity-related securities and/or REITs (via CIS); and
- At least 65% of the Fund’s NAV will be invested in fixed income instruments such as bonds, money market instruments and deposits with financial institutions.

4.3.4 Performance Benchmark

Median return of all non Shariah-compliant PRS core funds – conservative funds established in Malaysia.

Note: The performance benchmark above is only used as a reference for investment performance comparison purpose. The risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.

4.4. MANULIFE PRS ASIA-PACIFIC REIT FUND

4.4.1 Investment Objective

The Fund aims to provide long-term capital appreciation and sustainable income[#] by investing in one collective investment scheme, which invests mainly in REITs.

Income declared will be reinvested in the form of additional Units issued to Members. Any material change to the investment objective of the Fund would require Members’ approval.

4.4.2 Investment Policy and Strategy

The Fund will invest at least 95% of the Fund’s NAV in the Manulife Investment Asia-Pacific REIT Fund (“Target Fund”), while the balance will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of not more than 365 days) and placement of deposits with financial institutions for liquidity purposes.

The Fund’s portfolio will be closely monitored and rebalanced from time to time to ensure that the Fund’s asset is allocated in accordance with its prescribed asset allocation.

If the Provider is of the opinion that the Target Fund no longer meets the Fund’s objective, the Provider will, in the interest of the Members, seek the Scheme Trustee’s consultation and subject to the Member’s approval, replace the Target Fund with another CIS of a similar objective.

4.4.3 Asset Allocation

- At least 95% of the Fund's NAV will be invested in the Target Fund; and
- Balance of the Fund's NAV will be invested in liquid assets such as money market instruments (including fixed income securities which have remaining maturity period of not more than 365 days) and placement of deposits with financial institutions for liquidity purposes.

4.4.4 Performance Benchmark

The performance benchmark of the Fund is the Manulife Investment Asia REIT Ex Japan Index, which is also the performance benchmark of the Target Fund. The Manulife Investment Asia REIT Ex Japan Index is a customised index which consists of the REIT funds universe within Asia ex Japan markets, which include China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand. The index is a market capitalisation weighted index of REIT funds with market capitalisation of USD5 million or more.

Note: Members should be aware that the risk profile of the Fund is not the same as the risk profile of the performance benchmark. The performance benchmark information is available at www.manulifeinvestment.com.my.

4.5. PERMITTED INVESTMENTS OF THE FUNDS

4.5.1 Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objectives of the Funds, the Funds may invest in the following:

- (a) securities of companies listed on Bursa Malaysia and any other exchanges of countries regulated by an authority which is a member of the IOSCO;
- (b) deposits with financial institutions;
- (c) money market instruments such as negotiable certificates of deposits and bankers acceptances;
- (d) government bonds, treasury bills and other government approved or guaranteed bonds;
- (e) debentures including corporate bonds and commercial papers; for Manulife PRS-Conservative Fund, the debenture must be rated at least BBB3/P2 by RAM (or equivalent rating by MARC);
- (f) structured products and equity linked notes;
- (g) units/ shares in CIS, both local and foreign;
- (h) unlisted securities, including but not limited to 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;
- (i) financial derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps for the purpose of hedging; and
- (j) any other form of investments permitted by SC from time to time.

4.5.2 Manulife PRS Asia-Pacific REIT Fund

Unless otherwise prohibited by the relevant authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund may invest in the following:

- (a) the Target Fund or a CIS having a similar objective;
- (b) money market instruments;
- (c) deposits placed with financial institutions;
- (d) financial derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps, for the purpose of hedging; and
- (e) any other form of investments permitted by SC from time to time.

4.6. INVESTMENT LIMITS AND RESTRICTIONS

4.6.1 Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund

- (a) The value of the Fund's investments in unlisted securities must not exceed 10% of the Fund's NAV, however the limit does not apply to unlisted securities that are:
 - equities not listed and 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;
 - debentures traded on an organised OTC market; and
 - structured products.
- (b) The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV.
- (c) The value of the Fund's investments in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV.
- (d) The value of the Fund's placement in deposits with any single financial institution must not exceed 20% of the Fund's NAV.
- (e) For investment in derivatives:
 - the exposure to the underlying assets must not exceed the investment spread limits stipulated in the Guidelines;
 - the value of the Fund's OTC derivative transaction with any single counterparty must not exceed 10% of the Fund's NAV; and
 - the Fund's exposure from derivatives position must not exceed the Fund's NAV at all times.
- (f) The value of the Fund's investments in structured products issued by a single counterparty must not exceed 15% of the Fund's NAV.
- (g) The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits, OTC derivatives and structured products issued by or placed with (as the case may be) any single issuer/ financial institution must not exceed 25% of the Fund's NAV.
- (h) The value of the Fund's investments in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV.
- (i) The Fund's investments in transferable securities (other than debentures) must not exceed 10% of the securities issued by any single issuer.
- (j) The Fund's investments in debentures must not exceed 20% of the debentures issued by any single issuer.
- (k) The Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. However, this limit does not apply to money market instruments that do not have a pre-determined issue size.
- (l) Investment into one or more CIS (target funds) is permitted in the following circumstances:
 - from the launch of the Scheme, the value of the Fund's investment in any of the target fund must not exceed 95% of the Fund's NAV;
 - upon reaching RM200 million NAV, the value of the Fund's investment in any of the target fund must not exceed 40% of the Fund's NAV; and
 - that the investment objective of the target fund are similar to the Fund.

- (m) The OTC derivative counterparty is a financial institution with a minimum long-term rating provided by any domestic or global rating agency that indicates strong capacity for timely payment of financial obligations.

Further, the following investment limits and restrictions are applicable for Manulife PRS-Conservative Fund:

- (n) The single issuer limit in paragraph (c) and single group limit in paragraph (h) above do not apply to the Fund.
- (o) The value of the Fund's investments in debentures issued by any single issuer must not exceed 20% of the Fund's NAV. This limit may be increased to 30% if the debentures are rated by any domestic or global rating agency to be of the best quality and offer highest safety for timely payment of interest and principal.
- (p) For the purpose of paragraph (g), where the single issuer limit is increased to 30% pursuant to paragraph (o) above, the aggregate value of the Fund's investment must not exceed 30%.
- (q) The value of the Fund's investments in debentures issued by any one group of companies must not exceed 30% of the Fund's NAV.
- (r) The Fund's investment in derivatives is for hedging purposes only.
- (s) The Fund is not permitted to invest in warrants with the exception as a result of the Fund's holdings in equities.
- (t) The Fund is not permitted to invest in products with embedded derivatives.
- (u) Investment in debentures/fixed income instruments must be rated at least BBB3/P2 by RAM (or equivalent rating by MARC). However, debentures/fixed income instruments which are rated below BBB3/P2 and/or are unrated, may comprise up to 5% of the Fund's NAV (the 5% limit) as a result of:
- a downgrade of any debenture/fixed income instrument to below BBB3/P2;
 - an increase in the aggregate value of debentures/fixed income instruments which are rated below BBB3/P2 and/or are unrated; or
 - a decrease in the NAV of the Fund.

In the event the 5% limit is exceeded, the Fund Manager will reduce such investments of the Fund to comply with the 5% limit unless, in the opinion of the Scheme Trustee, the disposal of such investments is not in the best interest of the Members holding Units of the Fund.

The above stated investment limits and restrictions must be complied with at all times based on the most up-to-date value of the Fund's investments. However, a 5% allowance in excess of any limit or restriction is permitted where the limit or restriction is breached through the appreciation or depreciation in value of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the Fund's investments, or as a result of repurchase of Units or payment made out of the Fund). Once the relevant limit is breached, no further acquisitions of the particular investment shall be made and the Fund Manager must, within a reasonable period of not more than three (3) months from the date of the breach, take all necessary steps and actions to rectify the breach.

There are no restrictions and limits imposed on securities/ instruments issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

4.6.2 Manulife PRS Asia-Pacific REIT Fund

- (a) The Fund will not invest in:
- (i) A feeder fund; and
 - (ii) Any sub-fund of an umbrella fund which is a feeder fund.
- (b) For investments in derivatives –
- (i) the exposure to the underlying assets must not exceed the investment spread limits stipulated in the Guidelines;
 - (ii) the value of the Fund's OTC derivative transaction with any single counterparty must not exceed 10% of the Fund's NAV; and
 - (iii) the Fund's exposure from derivatives position must not exceed the Fund's NAV at all times.

- (c) The Fund's investments in 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 a pre-determined size.

4.7. BASES FOR VALUATION OF THE ASSETS OF THE FUNDS

Investment Instruments	Valuation Basis
Quoted/ Listed Investments/ Listed CIS	<ul style="list-style-type: none"> ▪ Quoted investments in Malaysia are valued at the last done market price quoted on the Bursa Malaysia at 5.00 p.m. or such other time as may be specified by the Bursa Malaysia. ▪ Quoted investments in foreign markets are valued based on the last done market price of the respective exchanges. ▪ Where no market value is publicly available or where the use of the quoted market value is inappropriate, or where no market price is available, such investments will be valued at fair value determined in good faith by the Provider, based on methods approved by the Scheme Trustee after appropriate technical consultation.
Unquoted Investments	Unquoted investments pending listing on Bursa Malaysia are valued at fair value as determined in good faith by the Provider, on methods or bases which have been verified by the auditors of the respective Fund and approved by the Scheme Trustee.
Unlisted Investments	In the event the quoted investments/ listed investments held by the Fund becomes unlisted investments, such investments are valued at book cost or at a valuation made by a professional person, verified by the auditors and approved by the Scheme Trustee.
Unlisted Income Securities/ Sukuk	Investments in unlisted fixed income securities such as commercial papers or sukuk denominated in RM will be valued on a daily basis based on fair value prices quoted by a bond pricing agency (BPA) registered with the SC. If the Provider is of the view of that the price quoted by BPA for a specific bond differs from the <i>market price</i> by more than 20 basis points, the Provider may use the <i>market price</i> , provided that the Provider: <ul style="list-style-type: none"> i. Records its basis for using a non-BPA price; ii. Obtains necessary internal approvals to use the non-BPA price; and iii. Keeps an audit trail of all decisions and basis for adopting the market yield.
Unlisted Foreign Fixed Income Securities/Sukuk	Foreign unlisted fixed income securities/sukuk will be valued on a daily basis based on fair value by reference to the average price obtained from at least 3 independent and reputable institutions.
Financial Derivative Instruments/ Islamic Hedging Instruments	Marked-to-market on a daily basis, where possible. Otherwise, the valuation will be based on fair value as determined in good faith by the Provider using methods and bases that have been verified by the Fund's auditor and approved by the Scheme Trustee.
Money Market Instruments	Investments in money market instruments such as bankers' acceptance, negotiable certificate of deposits or Islamic negotiable instruments are valued each day by reference to the value of such investments and the profits or interests accrued thereon for the relevant period, if any.
Fixed Deposits/ General Investment Accounts	Deposits placed with financial institutions and bank bills are valued each day by reference to their principal values and the accrued interest/profits thereon for the relevant period.
Unlisted CIS	Unlisted CIS are valued based on the last published repurchase price per unit. If the last published repurchase price is unavailable, the price will be

determined by the Provider, verified by the auditor and approved by the Scheme Trustee.

**Suspended
Counters**

In the event the quoted investments/ listed investments are suspended, the investments will be valued at their last done price before suspension. In the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Scheme Trustee, then the securities should be valued at fair value, as determined in good faith by the Provider on methods or bases which have been verified by the auditor of the Fund and approved by the Scheme Trustee and adequately disclosed in this Disclosure Document.

Where the value of the Fund's assets are denominated in foreign currency, the assets are translated on a daily basis to RM based on the bid foreign exchange rate quoted by Bloomberg or Reuters at United Kingdom time 4.00 p.m. the same business day in accordance with FiMM's Investment Management Standard, or such other time as may be prescribed from time to time by the relevant laws.

4.8. VALUATION POINT OF THE FUND

The Fund must be valued at least once every Business Day. The Guidelines also requires a valuation of the Fund to be carried out in a fair and accurate manner. The Fund adopts a forward pricing basis which means that prices of Units will be calculated based on the NAV of the Fund at the next valuation point after a request for purchase or redemption is received.

The valuation point of the Fund is at the end of each Business Day.

However, as the Fund has exposures in foreign markets, the valuation point of the Fund will be T+1 at the close of business of the last relevant foreign market in which the Fund invests on that Business Day.

CHAPTER 5: DETAILED INFORMATION ON THE TARGET FUND

5.1. THE MANAGER OF THE TARGET FUND

Manulife Investment Asia-Pacific REIT Fund (“Target Fund”) was launched on 7 June 2007 and domiciled in Malaysia. The regulatory authority which regulates the Target Fund is SC. The manager of the Target Fund is Manulife Investment Management (M) Berhad, which is also the Provider. Please refer to Chapter 8 for more information about the Provider.

As the manager of the Target Fund, Manulife Investment Management (M) Berhad is responsible for the operation and administration of the Target Fund; investment management of the Target Fund in accordance with among others, the implementation of the investment strategy and ensuring compliance with stringent internal procedures and guidelines of relevant authorities and relevant laws.

5.2. INVESTMENT OBJECTIVE

The Target Fund aims to provide long-term capital appreciation and sustainable income through a combined investment in other collective investment schemes, namely REITs and infrastructure funds/ trusts.

5.3. INVESTMENT POLICY AND STRATEGY

The Target Fund invests in REITs and infrastructure funds/ trusts that are listed on Asia-Pacific stock exchanges. The Target Fund focuses on REITs that have historically generated regular income and also expect to generate future income with the potential for capital growth. In evaluating the suitability of a REIT, the investment manager of the Target Fund will review key attributes including but not limited to, the underlying property of the REIT, performance of the REIT’s manager, and its rental yield.

The underlying assets of infrastructure funds/ trusts will comprise of listed equities of companies which focus primarily on but are not limited to utilities, transportation/ logistics and communications:-

- Utilities include facilities for the recycling, treatment, distribution and supply of water, as well as facilities for the generation, transmission, distribution and supply of electricity and gas.
- Transportation/ logistics include toll roads, railways, storage terminals, airports and seaports.
- Communications comprise broadcast transmission infrastructures, satellite systems and terrestrial wireline and wireless network infrastructures.

The countries that the Target Fund may invest in include, but are not limited to Australia, China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand.

5.4. RISK MANAGEMENT

The investment manager of the Target Fund together with its central compliance personnel monitor daily market valuations closely to help manage the risks of the Target Fund. Although the Target Fund primarily invests in REITs and infrastructure funds/ trusts, the investment manager of the Target Fund may take a defensive view by increasing the cash exposure that may be inconsistent with the Target Fund’s principal strategy in attempting to respond to unfavourable market conditions. In addition, the investment manager of the Target Fund also adopts an active and frequent trading strategy to manage the Target Fund. This strategy will

minimise the potential loss that may arise from such adverse conditions. The most prevalent risk would be associated with currencies given that the Target Fund is invested in several different countries. On a day-to-day basis, the investment manager of the Target Fund does not hedge their foreign currency exposure unless it will help mitigate adverse currency movements. The investment manager of the Target Fund also diversifies its investments across a range of funds to spread and minimise specific or unsystematic risk. Diversification across different Asia-Pacific markets also helps to mitigate any country risk that may arise.

5.5. ASSET ALLOCATION OF THE TARGET FUND

- 70% to 98% in CIS with:
 - 50% to 98% of the net asset value of the Target Fund in Asia-Pacific REITs at all times;
 - 0% to 48% of the net asset value of the Target Fund in Asia-Pacific infrastructure funds/ trusts; and
- 2% to 30% of the net asset value of the Target Fund in liquid assets.

5.6. PERMITTED INVESTMENTS AND INVESTMENT RESTRICTIONS OF THE TARGET FUND

Permitted Investments

The Target Fund may invest in the following:

- exchange-traded fund listed on Bursa Malaysia and any other stock exchanges;
- cash at hand, fixed deposits, structured deposits and bankers' acceptance;
- foreign currency balances, deposits and money market instruments placed with local and foreign commercial banks, investment banks and any other approved financial institutions;
- futures and option contracts traded in futures and option market of an exchange approved under the Act;
- warrants;
- units/ shares in CIS;
- REITs and infrastructure funds/ trusts (including initial public offerings) listed on the approved stock exchanges within Asia-Pacific region; and
- any other form of investments as may be permitted by the SC and/or agreed upon by the manager and/or trustee of the Target Fund from time to time.

Investment Restrictions

- The Target Fund must invest in at least five (5) CIS at all times.
- The value of the Target Fund's investments in units/ shares of any CIS must not exceed 30% of the Target Fund's net asset value.
- The Target Fund's investments in CISs must not exceed 25% of the units/ shares in any CIS.
- The Target Fund will not invest in a fund-of-funds, feeder fund and any sub-fund of an umbrella scheme which is a fund-of-funds or a feeder fund.
- The Target Fund's investments in 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 a pre-determined size.

5.7. PERFORMANCE OF THE TARGET FUND

Returns as at 30 November 2021, in RM (%)	1- Month	6- Month	YTD	1- Year	3- Years	5- Years	10- Years
Target Fund	-1.96	-1.68	2.89	5.71	12.29	26.82	143.16
Benchmark	-2.08	-2.70	0.01	1.35	-0.61	6.15	39.67

Source: Lipper Investment Management

Benchmark refers to Manulife Investment Asia REIT ex Japan Index.

Performance growth is in Ringgit Malaysia, data as at 30 November 2021.

Note: Past performance of the Target Fund is not an indication of its future performance.

5.8. FEES CHARGED BY THE TARGET FUND

Sales charge	Waived
Redemption charge	There is no redemption charge.
Annual management fee	Up to 1.75% per annum of the net asset value of the Target Fund. Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of management fee.
Annual trustee fee	0.06% per annum of the net asset value of the Target Fund, excluding foreign custodian fees and charges.
Other expenses	Only fees and expenses that are directly related and necessary to the business of the Target Fund may be charged to the Target Fund. These would include (but are not limited to) the following: (a) commissions/ fees paid to brokers in effecting dealings in the investments of the Target Fund, shown on the contract notes or confirmation notes; (b) taxes and other duties charged on the Target Fund by the government and/or other authorities; (c) costs, fees and expenses properly incurred by the auditors appointed for the Target Fund; (d) fees for the valuation of any investment of the Target Fund by independent valuers for the benefit of the Target Fund; (e) costs, fees and expenses incurred for any modification of the deed of the Target Fund save where such modification is for the benefit of the manager and/or the trustee of the Target Fund; (f) costs, fees and expenses incurred for any meeting of the unit holders of the Target Fund save where such meeting is convened for the benefit of the manager and/or the trustee of the Target Fund; (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Target Fund; (h) costs, fees and expenses incurred in engaging any specialist approved by the trustee of the Target Fund for investigating or evaluating any proposed investment of the Target Fund; (i) costs, fees and expenses incurred in engaging any adviser for the benefit of the Target Fund;

	<ul style="list-style-type: none"> (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Target Fund; (k) costs, fees and expenses incurred in the termination of the Target Fund or the removal of the trustee or the manager of the Target Fund 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 Target Fund or any asset of the Target Fund, including proceedings against the trustee or the manager of the Target Fund by the other for the benefit of the Target 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 Target Fund); (m) remuneration and out-of-pocket expenses of the independent members of the investment committee of the Target Fund, unless the manager of the Target Fund decides otherwise; (n) costs, fees and expenses deemed by the manager of the Target Fund 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; (o) (where the custodial function is delegated by the trustee of the Target Fund) charges or fees paid to sub-custodians in relation to foreign assets of the Target Fund; (p) costs and/or expenses associated with the distributions declared pursuant to the deed of the Target Fund and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer; (q) the costs of printing and despatching to unit holders reports, accounts of the Target Fund, tax certificates, distribution warrants, notice of meeting of unit holders, newspapers advertisements; and (r) any other expenses allowed under the deed of the Target Fund and approved by the trustee of the Target Fund.
--	---

AS THE FUND WILL BE INVESTING IN THE TARGET FUND, THE FUND WILL INCUR CERTAIN INDIRECT FEES CHARGED BY THE TARGET FUND. ACCORDINGLY, MEMBERS SHOULD BE AWARE THAT THEY WILL BE SUBJECT TO HIGHER FEES ARISING FROM THE LAYERED INVESTMENT STRUCTURE.

CHAPTER 6: FEES, CHARGES AND EXPENSES

Fees and charges **directly incurred** when you purchase or redeem Units of the Fund.

6.1. FEES AND CHARGES PAYABLE TO THE ADMINISTRATOR

(a)	PPA account opening fee	RM10.00 (one-off)*
(b)	PPA annual fee	RM8.00 per annum <i>No annual fee will be charged during the 1st year of the opening of a private pension account; there will also be no annual fee payable if no contributions are made during a Calendar Year.</i>
(c)	PPA pre-retirement withdrawal fee	RM25.00 for each withdrawal* <i>The withdrawal fee is applicable to a Member who wants to withdraw from their Sub-account B.</i>
(d)	PPA transfer fee (to another PRS provider)	RM25.00 for each transfer* <i>The transfer fee is applicable to a Member who wants to transfer to another PRS operated by another PRS provider.</i>

*subject to any other circumstances as may be specified by the Administrator.

6.2. FEES AND CHARGES PAYABLE TO THE PROVIDER

6.2.1. Sales Charge

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund	Nil		A Sales Charge of up to 3.00% of NAV per Unit will be imposed.
Manulife PRS-Moderate Fund			
Manulife PRS-Conservative Fund			
Manulife PRS Asia-Pacific REIT Fund	Not applicable		

The Sales Charge is non-negotiable. However, the Provider may at its discretion charge a lower Sales Charge from time to time.

Please refer to Section 7.2 on how the Sales Charge is calculated.

6.2.2. Redemption Charge

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund	A Redemption Charge will be imposed at the following rates: <ul style="list-style-type: none"> • 3.00% of NAV per Unit for withdrawal in the 2nd year after the first contribution to the Fund; • 2.00% of NAV per Unit for withdrawal in the 3rd year after the first contribution to the Fund; 		No Redemption Charge will be imposed on the withdrawal of Class C Units.
Manulife PRS-Moderate Fund			
Manulife PRS-Conservative Fund			

	<ul style="list-style-type: none"> • 1.00% of NAV per Unit for withdrawal in the 4th year after the first contribution to the Fund; and • No Redemption Charge will be imposed for withdrawal from the 5th year after the first contribution to the Fund. 	
Manulife PRS Asia-Pacific REIT Fund	Not applicable	

The Redemption Charge will be retained by the Provider. The Provider has the discretion to waive the Redemption Charge.

Please note that a Redemption Charge is applicable upon any withdrawal from the Scheme (except for upon a Member reaching Retirement Age, permanent departure of a Member from Malaysia or withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability, healthcare purpose or housing purpose). Please refer to Section 7.2 on how the Redemption Charge is calculated.

6.2.3. Transfer Fee

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund Manulife PRS-Moderate Fund Manulife PRS-Conservative Fund	No transfer fee will be imposed on a request to transfer to another PRS operated by another PRS provider. However, a Redemption Charge will be imposed on a Member which rate will depend on the number of years the Member has contributed to the Scheme.		A transfer fee of RM25.00 will be imposed on a request to transfer to another PRS operated by another PRS provider.
Manulife PRS Asia-Pacific REIT Fund	Not applicable		

6.2.4. Switching Fee

Members may switch:

- between Funds of the Scheme;
- between a Fund of the Scheme and any other fund in another scheme operated by the Provider; and
- from Class A or Class B Units to Class C Units.

However, switching from Class C Units to Class A or Class B Units is not allowed.

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund Manulife PRS-Moderate Fund Manulife PRS-Conservative Fund	No switching fee will be imposed on the first 12 switching transactions made during a Calendar Year. For each subsequent switching transaction made during the same Calendar Year, the Provider will impose the following fee on the Member: <ul style="list-style-type: none"> • RM25.00 per switch between Funds of the Scheme or 		No switching fee will be imposed on the first 12 switching transactions made during a Calendar Year. For each subsequent switching transaction made

	<p>between a Fund of the Scheme and any other fund in another PRS operated by the Provider.</p> <ul style="list-style-type: none"> • 3% of the amount switched out from Class A or Class B Units to Class C Units. 	<p>within the same class of Units between Funds of the Scheme and between a Fund of the Scheme and any other fund in another PRS operated by the Provider during the same Calendar Year, the Provider will impose RM25.00 per switch.</p>
Manulife PRS Asia-Pacific REIT Fund	Not applicable	

The Provider may, at its discretion, waive the switching fee based on the terms and conditions as may be determined from time to time.

6.2.5. Policy On Rounding Adjustments

In calculating your Units in the Fund, the NAV per Unit of the Fund which is also the Selling Price and Redemption Price of the Fund will be rounded to 4 decimal places.

Units allocated to you will be rounded to 2 decimal places.

Fees and expenses indirectly incurred when you invest in the Fund.

6.3. ANNUAL MANAGEMENT FEE

The annual management fee chargeable to each class of Units of the Funds of the Scheme are as follows:

Fund Name	Class A Units	Class B Units	Class C Units
	(% per annum of the NAV attributable to this class of Units of the Fund)		
Manulife PRS-Growth Fund	1.80%	1.50%	1.50%
Manulife PRS-Moderate Fund	1.50%	1.25%	1.25%
Manulife PRS-Conservative Fund	1.20%	1.00%	1.00%
Manulife PRS Asia-Pacific REIT Fund	Not applicable		Up to 1.75%

Please refer to Section 7.1 on how the management fee is calculated.

6.4. ANNUAL TRUSTEE FEE

The annual trustee fee chargeable to each of the Funds of the Scheme are as follows:

Fund Name	Class A Units	Class B Units	Class C Units
Manulife PRS-Growth Fund			
Manulife PRS-Moderate Fund			0.04% per annum of the NAV of the Fund.
Manulife PRS-Conservative Fund			
Manulife PRS Asia-Pacific REIT Fund		Not applicable.	0.04% per annum of the NAV of the Fund.

The annual trustee fee does not include any foreign sub-custodian fees and charges (if any).

Please refer to Section 7.1 on how the trustee fee is calculated.

6.5. PPA ADMINISTRATION FEE

0.04% per annum of the NAV of the Fund will be charged by the Administrator to the Fund.

Please refer to Section 7.1 on how PPA administration fee is calculated.

6.6. OTHER EXPENSES

These include the following:

- commission/ fees paid to brokers;
- foreign sub-custodian charges and fees (if any);
- taxes and other duties imposed on the Fund by the Malaysian government and/or other authorities;
- auditor's fees and expenses;
- valuation fees incurred for the valuation of the Fund's investment by independent valuers for the benefit of the Fund;
- independent investment committee members' fee;
- costs for modification of the Deed other than those for the benefit of the Provider or the Scheme Trustee;
- costs incurred for meetings of Members other than those convened by, or for the benefit of, the Provider or Scheme Trustee; and
- any other expenses as may be allowed under the Deed.

6.7. POLICY ON REBATES AND SOFT COMMISSIONS

It is the policy of the Provider to credit any rebates (if any) into the account of the Funds. The Provider may retain soft commissions received from brokers/dealers for goods and services which are of demonstrable benefit to the Members and advisory services that assist in the decision-making process relating to the investment of the Funds such as research materials, data and quotation services, computer software, investment advisory services and investment related publications which are incidental to the investment management activities of the Funds. Dealings with the brokers/dealers are executed on terms which are the most favourable for the Funds.

Note: Applicable Tax

All fees and charges (e.g. PPA account opening fee, PPA annual fee, PPA pre-retirement withdrawal fee, PPA transfer fee, Sales Charge, Redemption Charge, switching fee, transfer fee, management fee, trustee fee and any other relevant fee(s) and/or charge(s)), where applicable, may be subject to tax that may be introduced by the government of Malaysia from time to time. The Provider, the Scheme Trustee and/or other service providers reserve the right to collect from you and/or the Fund an amount equivalent to the prevailing rate of tax payable for all fees and charges, where applicable. Fees and charges disclosed in this Disclosure Document are exclusive of any taxes.

THERE ARE FEES AND CHARGES INVOLVED AND MEMBERS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND UNDER A SCHEME.

CHAPTER 7: TRANSACTION INFORMATION

7.1. COMPUTATION OF THE NAV AND THE NAV PER UNIT

The NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at the valuation point.

The NAV per Unit of a class of Units is calculated by dividing the NAV of the Fund attributable to that class of Units by the total number of Units in circulation of that class of Units.

An illustration on computation of the NAV and NAV per Unit:

	Manulife PRS-Growth Fund	Class A	Class B	Class C
Ratio between NAV of the classes of Units		60%	20%	20%
	RM	RM	RM	RM
Investments	100,000,000	60,000,000	20,000,000	20,000,000
+ Other Assets (including cash)	100,000	60,000	20,000	20,000
- Liabilities	100,000	60,000	20,000	20,000
NAV before deducting management fee, trustee fee and PPA administration fee for the day	100,000,000	60,000,000	20,000,000	20,000,000
<u>Expenses:</u>				
Management fee		1.80%	1.50%	1.50%
Management fee for the day (at respective rate per annum ÷ 365 days)	4,602.74	2,958.90	821.92	821.92
Trustee fee	0.04%			
Trustee fee for the day (at 0.04% per annum ÷ 365 days)	109.59	65.75	21.92	21.92
PPA administration fee	0.04%			
PPA administration fee for the day (at 0.04% per annum ÷ 365 days)	109.59	65.75	21.92	21.92
Total expenses incurred for the day	4,821.92	3,090.40	865.76	865.76
NAV after deduction of management fee, trustee fee and PPA administration fee	99,995,178.08	59,996,909.60	19,999,134.24	19,999,134.24
÷ Units in circulation		60,000,000	20,000,000	20,000,000
NAV per Unit of a class of Units (rounded to 4 decimal places)		0.9999	1.0000	1.0000

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

7.2. PRICING OF UNITS

The Provider adopts the single pricing policy. Under this regime, both the Selling Price and Redemption Price will be quoted based on a single price i.e. the NAV per Unit. The daily NAV per Unit is valued at the next valuation point on forward pricing basis.

Example:

(a) Sale of Units

Assuming the NAV per Unit on 15 August 202X is RM0.5000 and a Sales Charge of 3.00% of the Selling Price is imposed on the sale of the Units; if you intend to invest a sum of RM10,000.00 in Units of the Fund, the amount that you will have to pay as Sales Charge will therefore be:

$$\begin{aligned}\text{Sales Charge} &= (\text{amount to be invested}) \times 3.00\% \\ &= \text{RM}10,000 \times 3.00\% \\ &= \underline{\text{RM}300}\end{aligned}$$

$$\begin{aligned}\text{The total amount that will have to be paid to us will therefore be:} \\ \text{Total to be paid} &= (\text{amount to be invested}) + \text{Sales Charge} \\ &= \text{RM}10,000 + \text{RM}300 \\ &= \underline{\text{RM}10,300}\end{aligned}$$

$$\begin{aligned}\text{The number of Units that will be allocated to you will therefore be:} \\ \text{Units allocated to you} &= (\text{amount to be invested}) \div \text{NAV per Unit} \\ &= \text{RM}10,000 \div \text{RM}0.5000 \\ &= \underline{20,000 \text{ Units}}\end{aligned}$$

(b) Redemption of Units

Assuming the NAV per Unit on 18 August 202X is RM0.5000 and a Redemption Charge of 3.00% of the Redemption Price is imposed for the withdrawal of Units during the 2nd year after the first contribution to the Scheme; if you intend to redeem 10,000 Units of the Fund, the amount that you will have to pay as Redemption Charge will therefore be:

$$\begin{aligned}\text{Redemption Charge} &= (\text{Redemption Price}) \times (\text{Units to be redeemed}) \times 3.00\% \\ &= \text{RM}0.5000 \times 10,000 \text{ Units} \times 3.00\% \\ &= \underline{\text{RM}150}\end{aligned}$$

$$\begin{aligned}\text{The total amount that will be paid to you (withdrawal proceeds) will therefore be:} \\ \text{Total amount to be paid} &= (\text{Units to be redeemed} \times \text{NAV per Unit}) \\ &\quad - \text{Redemption Charge} \\ &= (10,000 \text{ Units} \times \text{RM}0.5000) - \text{RM}150 \\ &= \text{RM}5,000 - \text{RM}150 \\ &= \underline{\text{RM}4,850}\end{aligned}$$

Incorrect Pricing

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

- (a) if there is an overpricing in relation to the purchase and creation of Units, the Fund shall reimburse you by creating and crediting additional Units into your Sub-account A and Sub-account B;
- (b) if there is an overpricing in relation to the withdrawal of Units, we shall reimburse the Fund;
- (c) if there is an under-pricing in relation to the purchase and creation of Units, we shall reimburse the Fund; and
- (d) if there is an under-pricing in relation to the withdrawal of Units, the Fund shall reimburse you or the former Member.

We retain the discretion whether or not to reimburse if the error is below 0.5% of the NAV per Unit or 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.

7.3. APPLICATION FOR OPENING OF A PRIVATE PENSION ACCOUNT

If an applicant wants to contribute to the Scheme, the applicant may subscribe to any of the Funds under the Scheme.

To be eligible as a Member, the applicant must be above the age of 18 years and is required to have a private pension account with the Administrator. Applicants may register for a private pension account by completing a private pension account application form which can be obtained either from the Administrator or any of our branch offices listed in the *Corporate Directory* section.

An applicant will receive a life-time account number and a password from the Administrator upon payment of a one-off account opening fee of RM10.00 to the Administrator. The one-off account opening fee is subject to any other circumstances as may be specified by the Administrator.

An annual fee of RM8.00 per annum will also be levied by the Administrator. This annual fee is not payable during the 1st year of the opening of the private pension account and if no contributions were made during a Calendar Year.

Please note that the Funds under the Scheme are not offered for sale to any U.S. person.

7.4. SALE OF UNITS

Application for Units may be made on any Business Day and Units will be issued at the NAV per Unit as at the next valuation point (i.e. "forward pricing").

The price of Units for applications received before 12.30 p.m. (cut-off time) will be calculated based on the valuation of the Units on the same Business Day subject to the clearance of payment.

Where an application is received after the cut-off time, the request will be processed based on the NAV per Unit on the following Business Day.

The minimum initial investment is RM100 or such other lower amount as the Provider may decide from time to time. Any additional investment can be made with a minimum of RM100 or such other lower amount as the Provider may decide from time to time.

Note: We reserve the right to request for additional documentation before we process the application. In addition, we also reserve the right to accept or reject any application in whole or in part thereof without assigning any reason.

MEMBERS ARE ADVISED NOT TO MAKE PAYMENT IN CASH WHEN PURCHASING UNITS OF A FUND UNDER A SCHEME VIA INSTITUTIONAL OR RETAIL AGENTS.

7.5. WITHDRAWAL OF UNITS

Members holding Units of the Fund may make a request for withdrawal of the Vested units on any Business Day. Units will be redeemed at the NAV per Unit of the Fund as at the next valuation point (i.e. "forward pricing"). For request following the death of a Member, the request for withdrawal will only be processed after the authorisation from the Administrator has been received by the Provider. For withdrawal request due to permanent total disablement, serious disease and mental disability of a Member, the request will only be processed after the Provider

has received a completed withdrawal request (either received directly or through a notification from the Administrator).

Where the request from the Member or authorisation from the Administrator is received before 12.30 p.m. (cut-off time), the price of Units for the withdrawal request will be calculated based on the valuation of the Units on the same Business Day.

And if the request from the Member or authorisation from the Administrator is received after the cut-off time, the request will be processed based on the NAV per Unit on the following Business Day.

The minimum withdrawal amount for each Fund is 200 Units or such other lower amount as the Provider may decide from time to time.

If, upon a Member reaching the Retirement Age, a withdrawal request leaves the Member with a total of less than 100 Units (minimum holdings in each Fund) in his Sub-account A, the Provider will not process the withdrawal request. In this instance, the Member holding Units of the Fund will be required to make an application for the Provider to liquidate all his holdings in the Fund.

Withdrawal proceeds will be paid within 10 days of the receipt of request from the Member or authorisation from the Administrator by the Provider.

Please note that withdrawal of Units are only applicable to Vested units held by the Member.

7.5.1. Full Withdrawals

A full withdrawal from the Scheme may be requested and made only in the following circumstances:

- (a) when a Member has reached the Retirement Age;
- (b) prior to the Member reaching the Retirement Age (from Sub-account B only);
- (c) subject to prior authorisation of the Administrator, when a Member has passed away (regardless whether a nomination has been made or not);
- (d) when a Member is departing Malaysia permanently;
- (e) due to permanent disablement, serious disease or mental disability of a Member;
- (f) for healthcare purposes (from Sub-account B only);
- (g) for housing purposes (from Sub-account B only); or
- (h) any other circumstance expressly authorised by the Administrator, where applicable.

Members would need to provide evidence or relevant documentation proof of the above circumstances to the Provider or the Administrator.

For avoidance of doubt, withdrawal for healthcare purposes as disclosed in item (f) above can be made for Member's own healthcare purposes or a Member's immediate family's healthcare purposes. Please refer to the Administrator's website at www.ppa.my or Schedule J of the Guidelines for the list of illnesses.

Note: The exercise of any cooling-off right by a Member and/or the withdrawal of Units following a request by a Member to transfer the proceeds of such withdrawal to another PRS operated by another PRS provider is not to be considered as a withdrawal from the Scheme.

7.5.2. Partial Withdrawals

A partial withdrawal from the Scheme may also be requested and made when a Member has reached Retirement Age, upon the death of a Member, for healthcare purpose or for housing purpose. Partial withdrawals are not allowed when a Member is departing Malaysia permanently or the withdrawals are due to permanent total disablement, serious disease and mental disability.

A Member may also request partial withdrawals from the Scheme subject to the following conditions:

- the first request for a partial withdrawal from one or more PRS (including the Scheme) may only be made after one (1) year has elapsed from the date the first contribution to the Scheme by or for the Member has vested in the Member;
- subsequent requests for partial withdrawals from one or more PRS (including the Scheme) may only be made once every Calendar Year beginning with the Calendar Year immediately following the Calendar Year in which the first request for a partial withdrawal was made; and
- in respect of any withdrawal prior to the Member reaching the Retirement Age, for healthcare purposes or for housing purposes, partial withdrawals may be made only in respect of all or some of the Member's Units held in Sub-account B.

For avoidance of doubt, withdrawal for healthcare purposes can be made for a Member's own healthcare purposes or a Member's immediate family's healthcare purposes. Please refer to the Administrator's website at www.ppa.my or Schedule J of the Guidelines for the list of illnesses.

7.5.3. Procedure upon Withdrawal

Withdrawals from the Scheme, whether in full or partially can only be made in respect of Units purchased from contributions which have already vested in a Member and effected by way of withdrawal of Units. The Provider will deduct the 8% tax penalty (or such other applicable tax penalty) and Redemption Charge from the withdrawn amount before paying out the proceeds from the Scheme.

However, the tax penalty and Redemption Charge would not apply for withdrawals under the following circumstances:

- (a) when a Member has reached Retirement Age;
- (b) permanent departure of a Member from Malaysia;
- (c) withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability;
- (d) for healthcare purposes; or
- (e) for housing purposes.

7.6. TRANSFER TO ANOTHER PRIVATE RETIREMENT SCHEME

A Member may request for a withdrawal of any of the Vested units of the Funds of the Scheme held by him and then transfer the proceeds of such withdrawal to another PRS operated by another PRS provider approved by the SC; if the Member has not yet attained the Retirement Age, subject to the following terms and conditions:

- the first request for transfer may only be made after one (1) year has elapsed from the date the first contribution to the Scheme by or for the Member has vested in the Member;
- subsequent requests for transfers may only be made once every Calendar Year beginning with the Calendar Year immediately following the Calendar Year in which the first request for a transfer was made;
- the proceeds of withdrawal from a Fund must all be utilised for the creation of units in only one fund of the other PRS operated by another PRS provider;
- the proceeds of withdrawal from a Fund, if realised from a withdrawal of Units in Sub-account A, must be utilised for the creation of units in the Member's sub-account A of the other PRS operated by another PRS provider; and
- the proceeds of withdrawal from a Fund, if realised from a withdrawal of Units in Sub-account B, must be utilised for the creation of units in the Member's sub-account B of the other PRS operated by another PRS provider.

A Member may also consolidate all his contributions from Funds managed by the Provider to be transferred to another fund managed by other PRS provider. For avoidance of doubt, the withdrawal proceeds from a Fund cannot be split into 2 or more funds.

Where the completed transfer request is received before 12.30 p.m. (cut-off time), the price of Units for the withdrawal request will be calculated based on the valuation of the Units on the same Business Day.

And if the completed transfer request is received after the cut-off time, the request will be processed based on the NAV per Unit on the following Business Day.

The minimum amount for effecting such transfer is 200 Units from a Fund or such other lower amount as the Provider may decide from time to time.

If a transfer request leaves the Member with a total of less than 100 Units (minimum holdings in each Fund) in his Sub-account A, the Provider will not process the transfer request. In this instance, the Member holding Units of the Fund will be required to make an application for the Provider to redeem all his holdings in the Fund and transfer the withdrawal proceeds to one or more funds of another PRS operated by another PRS provider.

Please note that transfer to another PRS operated by another PRS provider is not permitted for conditionally Vested units.

Note: All transfers are effected by way of a withdrawal of Units and the payment of the withdrawal proceeds to another PRS provider and are subject to the payment of a Redemption Charge to the Provider and a transfer fee to the Administrator.

7.7. SWITCHING OF UNITS

Switching of Vested units and/or conditionally Vested units in a Fund may only be done with the Units of any other Funds within the Scheme or funds in another PRS operated by the Provider. For Class C Units, however, switching of Units can only be done within the same class of units; Members are not permitted to switch their Vested units and/or conditionally Vested units from Class C Units to Class A or Class B Units.

The price of Units for a switching request received before 12.30 p.m. (cut-off time) will be calculated based on the valuation of the Units on the same Business Day.

Where a switching request is received after the cut-off time, the request will be processed based on the NAV per Unit on the following Business Day.

The minimum switching amount is 200 Units from a Fund or such other lower amount as the Provider may decide from time to time.

7.8. COOLING-OFF PERIOD

A cooling-off right refers to the right of an individual, who makes a contribution in PRS for the first time, to obtain a refund of his/her contribution if he/she so requests within the cooling-off period (within 6 Business Days from the date of receipt of application). This is to allow that individual the opportunity to reverse his/her investment decision that could have been unduly influenced by certain external elements or factors.

However, once an individual is a member of a PRS and has exercised his/ her cooling-off right, the cooling-off right is no longer available for contributions made in other PRS.

The cooling-off right is only given to an individual, other than those listed below, who makes a contribution in a PRS for the first time:

- (a) a staff of the Provider;
- (b) persons registered with a body approve by the SC to deal in PRSs; and

(c) contributions made to the Scheme by an employer on behalf of the employee.

Within the cooling-off period, the refund for Units held by the Member will be:

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

Members will be refunded their full contributions within ten (10) days of receipt of the authorisation from the Administrator by the Provider.

7.9. CONDITIONALLY VESTED UNITS

Subject to the paragraph below, a Member holding conditionally Vested units shall have the same rights in respect of those Units as though the Units were Vested units (including, for the avoidance of doubt, the right to switch the Units of a Fund of the Scheme into the Units of another Fund of the Scheme (including any other fund of a PRS operated by the Provider), the right to have his name registered in the register of Members, and the right to attend Members' meetings and to vote in respect of those Units).

In addition to anything contained in the preceding principal and supplemental disclosure documents, in respect of conditionally Vested units held by a Member, the Member shall not be entitled to, and the Provider shall not allow, a withdrawal of those Units for the purpose of any withdrawal from the Scheme, for transfer to another PRS operated by another PRS provider, or for any other purpose whatsoever until the conditionally Vested units shall have vested unconditionally in the Member.

7.10. NOMINATION

A Member who is a Malaysian citizen and a foreigner having a permanent residence status in Malaysia may nominate any individual to receive his accrued benefits upon his death. A Member may nominate up to six (6) nominees.

Nomination can be made by a Member at any time after the PRS account has been opened. A nomination is made by submitting a duly completed and witnessed nomination form to the Provider or the Administrator. A Member can download the nomination form from the Administrator's website or obtain the form from the Provider.

A nomination shall be revoked:

- by the death of all nominees during the lifetime of a Member;
- by written notice of revocation made in a revocation form to be specified by the Administrator;
- by any subsequent nomination made in a new nomination form; or
- where a nominee fails to submit the relevant withdrawal form within one year from the death of a Muslim Member.

7.11. SUSPENSION OF DEALING IN UNITS

In accordance with the Guidelines, the Scheme Trustee may suspend dealing in Units of the Fund:

- (a) where requests are made by PRS Provider to cancel Units to satisfy a repurchase request and the Scheme Trustee considers that it is not in the best interest of Members to permit the Fund's assets to be sold or that the Fund's assets cannot be liquidated at an appropriate price or on adequate terms; or
- (b) due to exceptional circumstances, where there is good and sufficient reason to do so, considering the interests of Members.

7.12. UNCLAIMED MONIES

Any monies payable to Member which remain unclaimed after twelve (12) months from the date of payment will be handled by the Provider in accordance with the requirements of the Unclaimed Moneys Act, 1965.

In the event a Member of a Scheme has not made any transaction or given any instruction in relation to any PRS for more than twelve (12) months subsequent to attaining the age of 100 years, the Scheme Trustee may pay any unclaimed monies held by the Scheme Trustee to the Registrar of Unclaimed Moneys, in accordance with the requirements of the Unclaimed Moneys Act, 1965. Prior to paying the unclaimed monies to the Registrar of Unclaimed Moneys, the Provider must obtain prior approval of the Administrator.

CHAPTER 8: THE PROVIDER

8.1. BACKGROUND

The Provider, Manulife Investment Management (M) Berhad, was incorporated in Malaysia on 30 September 2008 under the Companies Act, 1965 (now known as Companies Act 2016). The Provider commenced operations as a unit trust management company in late 2009.

In 2012, pursuant to the rationalisation and re-organisation of the asset and unit trust management businesses of the Manulife group of companies where the business and assets of Manulife Asset Management (Malaysia) Sdn Bhd were transferred to the Provider, the Provider varied its Capital Markets and Services Licence for the regulated activity of “dealing in securities restricted to unit trust” to allow them to also conduct the regulated activity of “fund management” under the Act. With effect from 1 September 2014, the Provider is the holder of a Capital Markets Services Licence for the regulated activities of fund management, dealing in securities restricted to unit trusts, dealing in PRS and financial planning.

On 13 November 2013, Manulife Holdings Berhad (“MHB”) entered into an agreement to fully acquire MAAKL Mutual Bhd (“MAAKL”). Following the completion of the acquisition by MHB of the entire share capital of MAAKL on 31 December 2013, MAAKL became a wholly owned subsidiary of MHB. Pursuant to a vesting order granted by the High Court of Malaya, the business and assets of MAAKL has been merged with the Provider. The merged entity has more than 15 years of experience in the unit trust industry.

The investment professionals of the Provider form part of the Manulife group of companies’ asset management global network of investment professionals with more than 300 fund managers, analysts and traders who together provide comprehensive asset management solutions.

8.2. ROLE OF THE PROVIDER

The Provider is responsible for the operation and administration of the Funds; investment management and marketing of the Scheme and the Funds; servicing Members’ needs; keeping proper administrative records of Members and accounting records of the Scheme and the Funds; ensuring that the Funds/ Units are correctly priced; ensuring compliance with stringent internal procedures and guidelines of relevant authorities and relevant laws.

8.3. ROLE OF DIRECTORS

The board of directors of the Provider (“Board”) are responsible for the overall management of the Provider, the Scheme and the Funds of the Scheme. The Board not only ensures corporate governance is practised but policies and guidelines are adhered to. The Board meets once every quarter of the year to discuss and decide on business strategies, operational priorities and ways of managing risk within the Provider.

The Board of the Provider consists of 6 members of whom 2 of them are independent.

Name	Directorship
Dato’ Dr. Zaha Rina binti Zahari	Independent Director
Edmond Cheah Swee Leng	Independent Director
Gianni Fiacco	Non-Independent Director
Vibha Hamsi Coburn	Non-Independent Director
Wong Boon Choy	Non-Independent Director
Chong Soon Min (Jason)	Non-Independent Executive Director

8.4. ROLE OF THE INVESTMENT COMMITTEE

The investment committee of the Funds (the “Investment Committee”) formulates, establishes and implements investment strategies and policies. The Investment Committee will continually review and monitor the success of these strategies and policies using predetermined benchmarks towards achieving a proper performance for the Funds. The Investment Committee will also ensure investment guidelines and regulations are complied with. The Investment Committee will meet at least once every quarterly or more should the need arise.

8.5. ROLE OF THE AUDIT COMMITTEE

The group audit committee of MHB (the “Audit Committee”) is responsible for audit oversight of the Provider. As at LPD, the Audit Committee is comprised of 2 independent members. The Audit Committee’s role includes reviewing the objectives of the internal audit framework and whether the internal audit findings have been satisfactorily resolved. The Audit Committee also reviews the functions, competency and resources of the internal audit function and whether it has the authority to conduct its work. All interim and annual reports of the Scheme and the Provider, any related-party transaction and conflict of interest situations will be reviewed by the Audit Committee. The Audit Committee meets a minimum of 4 times in a year. All reviews and deliberations by the Audit Committee on the Provider are then reported to the Board. The term of office and performance of the Audit Committee and its members are reviewed by the board of directors of MHB at least once every 3 years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

8.6. THE AUDIT COMMITTEE MEMBERS

Renzo Christopher Viegas (*Independent member and Chairman*) holds a Bachelor of Commerce from the University of Bombay, India. He is a Chartered Accountant and Fellow Member of the Institute of Chartered Accountants of India.

Mr. Renzo Viegas started his career with Citibank in year 1985, where he progressively held senior positions in various Asia Pacific countries including regional responsibilities until year 2008. His last held position was Chief Operating Officer and Chief Financial Officer of Citibank Malaysia.

In year 2008, Mr. Renzo Viegas joined RHB Bank Berhad as Director of Retail Banking where he managed the consumer, insurance, hire purchase and small and medium enterprises businesses. In year 2011, he was appointed as the Principal Officer overseeing overall operation of RHB Bank Berhad. His last held position was Deputy Chief Executive Officer (“CEO”) of the bank with direct covers for the Consumer and International businesses.

Mr. Renzo Viegas was the Deputy CEO and Executive Director of CIMB Bank from year 2012 to year 2015 with direct oversight over the Consumer and Commercial businesses and CEO of Group Consumer Banking from year 2015 to year 2016. He was responsible for the development of overall business strategies of consumer banking for the smooth implementation of the strategies, and transformed the consumer bank of the Group to become its growth engine. He provided support to the Group Chief Executive and other senior management, leveraging on the regional platform to better reap synergies and accelerate business delivery. He also served as Adviser to the Group CEO of CIMB Bank, where he was responsible for the development of overall Group business strategies until March 2019. He was also a non-independent director of CIMB Bank (Vietnam) Ltd. from August 2018 to July 2019, and non-independent director for CIMB Cambodia Bank PLC from November 2017 to July 2019.

Mr. Renzo Viegas served as non-executive director of Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad from May 2013 to July 2017.

Mr. Renzo Viegas is presently an independent non-executive director on the board of Astro Malaysia Holdings Bhd. He is also the Chairman of Audit and Risk Committee, Chairman of Strategy and Business Transformation Committee and member of the Remuneration Committee of Astro Malaysia Holdings Bhd.

Mr. Renzo is the Chairman of the Group Audit Committee and is a member of the Group Risk Management Committee and Group Nominating/Remuneration Committee of Manulife Holdings Berhad. He is also the Director and the Chairman of the Audit Committee and is a member of the Risk Management Committee and Nominating/Remuneration Committee of Manulife Insurance Berhad.

Mrs. Vijayam Nadarajah (*Independent member*) holds a Master degree in Business Administration and a Bachelor degree in Economics (with a major in accounting) from Monash University in Melbourne, Australia. She has also acquired a law degree from University of London, United Kingdom. She is a Fellow Member of CPA Australia, a Chartered Accountant under the Malaysian Institute of Accountants and a Fellow Member of the Institute of Internal Auditors Malaysia ("IIAM").

Mrs. Vijayam Nadarajah was the president of the IIAM from year 1996 to year 1997 and was then re-appointed as a governor to the Board of Governors of IIAM in year 2016. She co-chaired the taskforce on Guidance for Effective Internal Audit Function.

Mrs. Vijayam Nadarajah was the Independent Non-Executive Director of The Bank of Nova Scotia Berhad. Prior to her appointment to the board of The Bank of Nova Scotia Berhad, she was a consultant for China Construction Bank Malaysia Berhad. She was in charge of overseeing the incorporation of a public company to set up the bank in Malaysia and application for a bank license. During this process, she liaised with Bank Negara Malaysia on matters related to application of license and operational readiness audit. Furthermore, she advised on the structure and nomination of independent directors for the board, and also drafted the board charter and terms of reference of board committees, on top of other governance policies.

From year 2013 to 2016, Mrs. Vijayam Nadarajah served as a Specialist for the Research and Development/Corporate Program of the Financial Accreditation Agency, which is an initiative supported by Bank Negara Malaysia and the SC. She also served as Financial Controller at CIMB Aviva Assurance Berhad and CIMB Aviva Takaful Berhad, Assistant General Manager of Finance at Oriental Capital Assurance Berhad, as well as senior roles in RHB Bank Berhad and Sime Bank Berhad/UMBC Bank Berhad.

Mrs. Vijayam Nadarajah presently sits on the boards of BNP Paribas Malaysia Berhad, MPI Generali Insurans Berhad and Monash University Malaysia Sdn Bhd. She is a consultant and trainer in topics such as risk management, compliance, internal audit and board governance.

Mrs. Vijayam Nadarajah is the Chairperson of the Group Risk Management Committee and is a member of the Group Audit Committee and Group Nominating/Remuneration Committee of the Manulife Holdings Berhad. She is also a Director and Chairperson of the Risk Management Committee, and a member of Audit Committee and Nominating/Remuneration Committee of Manulife Insurance Berhad.

Mr. Matthew Edward Lawrence (*Non-Independent member*) graduated from the London School of Economics and Political Science with a Bachelor of Science in Economics. He is a member and Fellow of the Institute of Chartered Accountants in England and Wales.

Mr. Lawrence has over twenty (20) years of experience in the insurance industry, holding leadership positions in both the corporate and professional services fields that span across North America, Europe and Asia. He joined Manulife Holdings Berhad as Regional Controller, Asia in year 2019. In this role, he is responsible for the Asia regional finance team, overseeing financial planning and analysis, management reporting, expense management and accounting policy.

Prior to joining Manulife Holdings Berhad, he worked at Prudential where he held a series of progressive roles; his last held position was Finance Director of Prudential Assurance Company Singapore, where he was responsible for strategic planning and analysis, financial reporting, finance operations and finance innovation. Prior to his time with Prudential, he spent many years at KPMG and has experience that covers accounting advisory, audit and transaction services. He speaks frequently at industry events on the subject of accounting change for insurance.

Mr. Lawrence is a member of the Group Audit Committee, Group Risk Management Committee and Group Nominating/Remuneration Committee of Manulife Holdings Berhad.

8.7. FUND MANAGEMENT FUNCTION OF THE PROVIDER

Ms. Lim Chwee Mee has more than 16 years of experience in the fund management industry, where she was involved in fund management, portfolio analytics, quantitative strategies and product development. Ms. Lim holds a Master of Business Administration degree from University of Central Oklahoma. She also holds the Capital Markets Services Representative's Licence in fund management.

She is the designated fund manager for Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund.

Mr. Lee Ta Wei (Portfolio Manager, Equity) joined the Provider in 2021 as a Portfolio Manager. He manages the Provider's unit trust equity strategies. He has more than 6 years of experience in the asset management industry. Prior to joining the Provider, he was a fund manager in one of the boutique asset management companies in Malaysia, managing various local and foreign equity and balance funds including provident fund, unit trust funds and discretionary mandates.

Mr. Lee graduated with a Bachelor's Degree in Mechanical Engineering (Materials) from the University of Technology Malaysia. He is a Chartered Financial Analyst (CFA) charter holder. He is also a holder of the Capital Markets Services Representative's Licence in fund management.

Mr. Lee is the designated fund manager for Manulife PRS Asia-Pacific REIT Fund.

8.8. MATERIAL LITIGATION

As at LPD, the Provider 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 Provider and any of its delegates.

Investors may obtain further and updated information on the Provider, Board of the Provider, investment committee and investment team from our website at www.manulifeinvestment.com.my.

CHAPTER 9: THE FUND MANAGER

The Provider has appointed Manulife Investment Management (Hong Kong) Limited (“Manulife IM (HK)”) as the fund manager for the Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund. The function of the Fund Manager is to actively manage the investments of the Fund in accordance with its investment objectives. Manulife IM (HK) was incorporated in Hong Kong on 21 June 1994 and it commenced operations as an investment manager in June 2000. Manulife IM (HK)’s ultimate parent company is Manulife Financial Corporation. Manulife IM (HK) is part of Manulife Investment Management, the asset management arm of Manulife Financial Corporation. Manulife IM (HK) provides comprehensive asset management solutions for institutional investors, investment funds and individuals in key markets around the world.

Manulife IM (HK) is licensed with the Securities and Futures Commission of Hong Kong under the Securities and Futures Ordinance to conduct the following regulated activities in Hong Kong: Type 1 - Dealing in securities, Type 2 - Dealing in futures contracts, Type 4 - Advising on securities, Type 5 - Advising on futures contracts and Type 9 - Asset management.

Manulife IM (HK) has more than 18 years of experience in the investment management industry. The investment professionals of Manulife IM (HK) form part of Manulife Investment Management’s global network of more than 360 professionals in 16 countries and territories.

9.1. DESIGNATED FUND MANAGER

Bonnie Sit, CFA

Senior Investment Analyst, Multi Asset Solutions Team, Asia

Bonnie Sit, CFA, a senior director and senior investment analyst for asset allocation within the Multi-Asset Solutions Team (“MAST”) at Manulife Investment Management (“MIM”). MAST is tasked with the delivery of cross-asset class investment solutions that include pension and retirement solutions, risk management- and outcome-oriented solutions, and multi-manager portfolios including both public and private assets. Solutions may be absolute return, peer- or benchmark-relative and are delivered in many formats including mutual fund (including fund-of-fund), pooled, segregated and customized.

MAST designs bespoke solutions on behalf of retail and institutional clients around the world and includes asset allocation, Liability-Driven Investing, Liquid Alternative, Beta Management and OCIO / Fiduciary Solutions for pension plans. Asset solutions include target risk, target date and a wide array of strategic, tactical and absolute return multi-asset class portfolios that are highly customizable depending on client objectives.

Bonnie has more than sixteen years experience in a variety of roles, most recently as investment strategist at the Australian Government Future Fund. Prior to this, she held analyst roles at Medley Capital and Thomas Weisel Partners in the U.S.

Bonnie holds a Bachelor of Arts in International Relations and Economics from Wellesley College in the U.S. and is a CFA charterholder.

Further information on the Fund Manager is provided in our website at www.manulifeinvestment.com.my.

CHAPTER 10: THE SCHEME TRUSTEE

10.1. BACKGROUND INFORMATION

HSBC (Malaysia) Trustee Berhad is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13th Floor, Bangunan HSBC, South Tower, No. 2, Leboh Ampang, 50100 Kuala Lumpur.

10.2. FINANCIAL POSITION

The following is a summary of the past performance of the Scheme Trustee based on audited accounts for the past 3 financial years ended 31 December:

Financial Year Ended 31 December	2020 (RM'000)	2019 (RM'000)	2018 (RM'000)
Paid-up Capital	500	500	500
Shareholders' Funds	88,712	101,305	90,343
Revenue	50,119	47,693	48,834
Profit before Tax	16,310	17,772	20,924
Profit after Tax	12,369	13,417	16,199

10.3. EXPERIENCE IN TRUSTEE BUSINESS

Since 1993, the Scheme Trustee has acquired experience in the administration of unit trust funds and as at LPD, is the trustee for 181 unit trust funds (including exchange-traded funds and wholesale funds) and has been appointed as trustee for unit trust funds, exchange-traded funds, wholesale funds and funds under private retirement scheme.

10.4. BOARD OF DIRECTORS

Name	Directorship
Kong Chan Keong	Non-Independent Director & Chairman
Lee Kooi Yoke	Non-Independent Director, Chief Executive Officer
Ashok Paul Lopez	Non-Independent Director

10.5. DUTIES AND RESPONSIBILITIES OF THE SCHEME TRUSTEE

The Scheme Trustee's main functions are to act as trustee and custodian of the assets of the Funds in the Scheme and to safeguard the interests of Members of the Scheme. In performing these functions, the Scheme Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the Act and the Guidelines. Apart from being the legal owner of the Scheme's assets, the Scheme Trustee is also responsible for ensuring that the Provider performs its duties and obligations in accordance with the provisions of the Deed, the Act and the Guidelines. In respect of monies paid by a Member for the application of Units, the Scheme Trustee's responsibility arises when the monies are received in the relevant account of the Scheme Trustee for the Funds and in respect of redemption, the Scheme Trustee's responsibility is discharged once it has paid the redemption amount to the Provider.

10.6. SCHEME TRUSTEE'S STATEMENT OF RESPONSIBILITY

The Scheme 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 Scheme Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Scheme Trustee in performing any or its duties or exercising any of its powers under the Deed. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Scheme Trustee having regard to the provisions of the Deed.

10.7. SCHEME TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION

As at LPD, the Scheme 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 Scheme Trustee or any of its delegate.

10.8. SCHEME TRUSTEE'S DELEGATE

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

The Scheme Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Scheme Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Scheme Trustee to deal or hold any asset of the Fund through such third parties.

Particulars of the Scheme Trustee's Delegates

For foreign asset:

The Hongkong And Shanghai Banking Corporation Limited
6/F, Tower 1, HSBC Centre,
1 Sham Mong Road, Hong Kong
Telephone No: (852)2288 1111

For local asset:

The Hongkong And Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No.: 199301004117 (258854-D))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

The Hongkong And Shanghai Banking Corporation Limited (as custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No.: 198401015221 (127776-V))
Level 21, Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Telephone No: (603)2075 3000 Fax No: (603)8894 2588

10.9. ANTI-MONEY LAUNDERING AND ANTI-TERRORISM FINANCING PROVISIONS

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

10.10. STATEMENT OF DISCLAIMER

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

10.11. CONSENT TO DISCLOSURE

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

CHAPTER 11: SALIENT TERMS OF THE DEED

11.1. RIGHTS AND LIABILITIES OF MEMBERS

11.1.1 Rights of Members

The Member shall have the right, amongst others, to the following:

- (a) to attend Members' meetings in respect of the Scheme and of the Funds in which the Member holds Units and convened pursuant to the Deed;
- (b) to exercise cooling-off rights;
- (c) to participate in any increase in the value of the Units held by him; and
- (d) to enjoy such other rights and privileges as are provided for in the Deed.

However, no Member shall be entitled to require the transfer to him of any of the assets of any Fund or be entitled to interfere with or question the exercise by the Scheme Trustee, or the Provider on its behalf, of the rights of the Scheme Trustee as the registered owner of such assets.

A Member holding conditionally Vested units shall have the same rights in respect of those Units as though the Units were Vested units (including, for the avoidance of doubt, the right to switch the Units of a Fund of the Scheme into the Units of another Fund of the Scheme, the right to have his name registered in the register of Members, and the right to attend Members' meetings and to vote in respect of those Units).

However, in respect of conditionally Vested units held by a Member, the Member shall not be entitled to, and the Provider shall not allow, a withdrawal of those Units for the purpose of any withdrawal from the Scheme, for transfer to another PRS operated by another PRS provider, or for any other purpose whatsoever until the conditionally Vested units shall have vested unconditionally in the Member.

11.1.2 Liabilities of Members

No Member shall be liable for any amount in excess of the purchase price paid for the Units as determined in accordance with the Deed at the time the Units were purchased and any charges payable in relation there to.

A Member shall not be under any obligation to indemnify the Provider and/or the Scheme Trustee in the event that the liabilities incurred by the Provider and/or the Scheme Trustee in the name of or on behalf of any Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of assets of the Fund, any right of indemnity of the Provider and/or the Scheme Trustee shall be limited to recourse to the Fund.

11.2. MAXIMUM FEES AND CHARGES PERMITTED BY THE DEED

	Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund			Manulife PRS Asia-Pacific REIT Fund
Class of Units	Class A	Class B	Class C	Class C
Maximum Rate of Sales Charge	5.00% of the NAV per Unit			5.00% of the NAV per Unit

	Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund and Manulife PRS-Conservative Fund			Manulife PRS Asia-Pacific REIT Fund
Class of Units	Class A	Class B	Class C	Class C
Maximum Rate of Redemption Charge	<ul style="list-style-type: none"> • 3.00% of NAV per Unit for withdrawal in the 2nd year after the first contribution to the Fund; • 2.00% of NAV per Unit for withdrawal in the 3rd year after the first contribution to the Fund; • 1.00% of NAV per Unit for withdrawal in the 4th year after the first contribution to the Fund; and • No Redemption Charge will be imposed for withdrawal from the 5th year after the first contribution to the Fund. 		Nil	Nil
Maximum Rate of Management Fee	3.00% per annum of the NAV attributable to this class of Units of the Fund	2.00% per annum of the NAV attributable to this class of Units of the Fund	1.50% per annum of the NAV attributable to this class of Units of the Fund	3.00% per annum of the NAV attributable to this class of Units of the Fund

	Manulife PRS-Growth Fund and Manulife PRS-Moderate Fund	Manulife PRS-Conservative Fund	Manulife PRS Asia-Pacific REIT Fund
Maximum Rate of Trustee Fee	Class A, Class B and Class C Units: 0.20% per annum of the NAV of the Fund (excluding foreign sub-custodian fee)	Class A, Class B and Class C Units: 0.20% per annum of the NAV of the Fund	Class C Units: 0.20% per annum of the NAV of the Fund

11.3. INCREASE IN FEES AND CHARGES FROM THE LEVEL DISCLOSED IN THE DISCLOSURE DOCUMENT

Sales and Redemption Charge

A higher Sales Charge and/or Redemption Charge than that disclosed in the Disclosure Document may only be imposed if:

- the Provider has notified the Scheme Trustee and the SC in writing of and the effective date for the higher charge;
- a supplemental disclosure document or replacement disclosure document in respect of the Fund setting out the higher charge is registered, lodged and issued; and
- such time as may be prescribed by the relevant laws has elapsed since the effective date of the supplemental disclosure document or replacement disclosure document.

Management Fee

The Provider may not charge an annual management fee at a rate higher than that disclosed in the Disclosure Document unless:

- the Provider has come to an agreement with the Scheme Trustee on the higher rate in accordance with Clause 15.1.3 of the Deed;

- (b) the Provider has notified the Members of the higher rate and the date on which such higher rate is to become effective; such time as may be prescribed by the relevant laws shall have elapsed since the notice is sent;
- (c) a supplemental disclosure document or replacement disclosure document stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by the relevant laws has elapsed since the supplemental disclosure document or replacement disclosure document is issued.

Trustee Fee

The Scheme Trustee may not charge an annual trustee fee at a rate higher than that disclosed in the Disclosure Document unless:

- (a) the Provider has come to an agreement with the Scheme Trustee on the higher rate;
- (b) the Provider has notified the Members of the higher rate and the date on which such higher rate is to become effective; such time as may be prescribed by the relevant laws shall have elapsed since the notice is sent;
- (c) a supplemental disclosure document or replacement disclosure document stating the higher rate is registered, lodged and issued; and
- (d) such time as may be prescribed by the relevant laws has elapsed since the supplemental disclosure document or replacement disclosure document is issued.

11.4. INCREASE IN FEES AND CHARGES FROM THE MAXIMUM RATE PROVIDED IN THE DEED

The maximum Sales Charge, Redemption Charge, annual management fee or annual trustee fee set out in the Deed may not be increased unless a Members' meeting has been held in accordance with the Deed. A supplemental deed proposing a modification to the Deed to increase such fees and charges is required to be submitted for registration with the SC accompanied by a Special Resolution sanctioning the proposed modification to the Deed.

11.5. PERMITTED EXPENSES

Only the expenses (or part thereof) which are directly related and necessary in operating and administering a Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commission/ fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- taxes and other duties charged on the Fund by the government and/or other authorities;
- costs, fees and expenses properly incurred by the auditor of the Fund;
- costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Provider and/or the Scheme Trustee;
- costs, fees and expenses incurred for any meeting of the Members save where such meeting is convened for the benefit of the Provider and/or Scheme Trustee;
- costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- costs, fees and expenses incurred in engaging any specialist approved by the Scheme Trustee for investigating or evaluation any proposed investment of the Fund;
- costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- costs, fees and expenses incurred in the preparation and audit of the taxation returns and accounts of the Fund;
- costs, fees and expenses incurred in the termination of the Fund or the removal of the Scheme Trustee or the Provider and the appointment of a new trustee or PRS provider;

- 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 Scheme Trustee or the Provider 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);
- remuneration and out-of-pocket expenses of the independent members of the investment committee of the Fund, unless the Provider decides otherwise;
- costs, fees and expenses deemed by the Provider 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) or any governmental or regulatory authority;
- costs, fees and charges payable to the Administrator by the Fund; and
- costs, fees and charges payable to a foreign custodian of the foreign assets or investments of the Funds duly appointed by the Scheme Trustee.

11.6. RETIREMENT OF THE PROVIDER

Subject to the approval of the SC, the Provider shall have the power to retire in favour of some other corporation and as necessary under any relevant law upon giving to the Scheme Trustee three (3) months' (or such other period as the Provider and the Scheme Trustee may agree upon) notice in writing of its desire to do so, and subject to the fulfilment of the following conditions:

- (a) the retiring Provider shall appoint such corporation by writing under the seal of the retiring Provider as the PRS provider of the Scheme in its stead and assign and transfer to such corporation all its rights and duties as the PRS provider of the Scheme;
- (b) such corporation shall enter into such deed or deeds with the Scheme Trustee as the Scheme Trustee may consider to be necessary or desirable to secure the due performance by the corporation of its duties as the PRS provider of the Scheme; and
- (c) upon the payment to the Scheme Trustee of all sums due from the retiring Provider to the Scheme Trustee hereunder at the date of such retirement, the retiring Provider shall be absolved and released from all further obligations hereunder but without prejudice to the rights of the Scheme Trustee or any Member or other person in respect of any act omission on the part of the retiring Provider prior to such retirement and the new PRS provider may and shall thereafter exercise all the powers and enjoy all the rights and shall be subject to all the duties and obligations of the Provider hereunder as fully as though such new PRS provider had originally been a party to the Deed.

11.7. REMOVAL, REPLACEMENT AND RETIREMENT OF THE SCHEME TRUSTEE

Provided always that the Provider has in place a corporation approved by the SC to act as the trustee of the Scheme and the Funds, the Scheme Trustee may retire upon the expiration of at least three (3) months' notice in writing to the Provider of its desire to do so.

The Provider shall notify the SC and replace the Scheme Trustee as soon as practicable after becoming aware that:

- (a) the Scheme Trustee has not been validly appointed;
- (b) the Scheme Trustee was not eligible to be appointed or to act as trustee under any relevant law;
- (c) the approval granted to the Scheme Trustee to act as trustee for the Scheme has been revoked;
- (d) the Scheme Trustee has failed or refused to act as trustee in accordance with the provisions of the Deed or any relevant law;
- (e) a receiver has been appointed over the whole or a substantial part of the assets or undertaking of the Scheme Trustee and has not ceased to act under that appointment;

- (f) a petition has been presented for the winding up of the Scheme Trustee (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, the Scheme Trustee becomes or is declared insolvent); or
- (g) the Scheme Trustee has contravened the Trust Companies Act 1949, the Trustee Act 1949, the Companies Act 2016 or any relevant law.

11.8. TERMINATION OF THE SCHEME AND/OR FUNDS OF THE SCHEME

The Scheme may only be terminated with the prior written approval of the SC. If the Scheme is terminated for any reason, all the Funds of the Scheme shall be wound-up.

The Scheme shall be terminated if the SC's approval of the Scheme is withdrawn for any reason.

Any Fund of the Scheme shall be wound-up if the SC's authorisation of the Fund is revoked for any reason.

Any non-core fund of the Scheme shall be wound-up if:

- (a) the Members holding Units of the non-core fund pass a Special Resolution at a Members' meeting to wind-up the non-core fund;
- (b) the non-core fund has a maturity date and such maturity date has been reached;
- (c) there are no longer any Units in circulation in respect of the non-core fund; or
- (d) the non-core fund no longer holds any assets, whether as a result of withdrawals or as a result of the transfer of assets of the non-core fund to another Fund of the Scheme pursuant to a transfer scheme approved by the SC.

Upon the termination or winding-up of the Scheme and/or any of the Funds, the Provider shall, as soon as practicable, give to each Member of Scheme or of the Fund, wound-up notice of such termination or winding-up; the Provider shall notify such Members in writing of the following options:

- (a) to transfer to another PRS whether operated by the Provider or by another PRS provider upon such terms and conditions as shall be set out in the written notification; or
- (b) to choose any other alternative as may be proposed by the Provider and as shall not contravene any relevant law.

The Provider must also as soon as practicable after the termination of a Fund, publish the aforesaid notice:

- (a) on the Administrator's website; and
- (b) in one (1) national Bahasa Malaysia newspaper and one (1) national English newspaper.

The Provider shall also as soon as practicable after the winding-up of a Fund inform the SC of the same in such manner as may be prescribed by any relevant law.

Where the Scheme or a Fund is being terminated or wound-up, the Scheme Trustee shall arrange for a final review and audit of the final accounts of the Funds or the Fund, as the case may be, by the auditor of the Funds or the Fund.

Termination of class of Units

One class of Units of a Fund shall not be capable of being terminated by itself.

11.9. MEMBERS' MEETING

11.9.1. Meetings Requested by Members

Unless otherwise required or allowed by the relevant laws, the Provider shall, within twenty-one (21) days of receiving a request from not less than fifty (50) or one-tenth (1/10) of the Members of the Scheme or holding Units of a Fund of the Scheme, as the case may be, at the registered office of the Provider, summon a meeting of the Members of the Scheme or holding Units of the Fund, as the case may be, by:

- (a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to every Member of the Scheme or holding Units of the Fund, as the case may be, at the Member's last known address;
- (b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the SC; and
- (c) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

The Members of the Scheme or holding Units of a Fund, as the case may be, may direct the Provider to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Scheme Trustee;
- (b) considering the most recent financial statements of the Scheme or the Fund;
- (c) giving to the Provider and/or the Scheme Trustee such directions as the meeting thinks proper;
- (d) considering any matter in relation to the Scheme of the Fund, as the case may be; or
- (e) considering any matter in relation to the Deed,

provided always that the Provider shall not be obliged to summon such a meeting unless a request has been received from not less than fifty (50) or one-tenth (1/10) of all the Members of the Scheme or holding Units of the Fund, as the case may be.

11.9.2. Meetings Summoned by the Scheme Trustee

Unless otherwise required or allowed by the relevant laws, any meeting of the Members of the Scheme or holding Units of a Fund, as the case may be, summoned by the Scheme Trustee shall be summoned by:

- (a) giving at least fourteen (14) days written notice of the meeting to the Members of the Scheme or holding Units of the Fund, as the case may be; and
- (b) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

11.9.3. Meetings Summoned by the Provider

The Provider may summon a meeting of the Members of the Scheme or holding Units of a Fund, as the case may be, for any purpose whatsoever by:

- (a) giving at least fourteen (14) days written notice of the meeting to the Members of the Scheme or holding Units of the Fund, as the case may be; and
- (b) specifying in the notice the place and time of the meeting and the terms of the resolutions to be proposed at the meeting.

11.10. PERMITTED WITHDRAWALS AND PRE-RETIREMENT WITHDRAWALS

A full withdrawal from the Scheme may be requested and made only in the following circumstances:

- (a) upon the production of proof satisfactory to the Provider or the Administrator that a Member has attained the Retirement Age;
- (b) subject to the prior authorisation of the Administrator, upon the production of proof by a nominee, a trustee, an executor or an administrator of a deceased Member's estate, as the case may be, satisfactory to the Provider or the Administrator that a Member has passed away;
- (c) upon the production of proof satisfactory to the Provider or the Administrator that a Member is departing Malaysia permanently;
- (d) upon the production of proof satisfactory to the Provider or the Administrator that a Member has permanent total disablement, serious disease or mental disability;
- (e) upon the production of proof satisfactory to the Provider or the Administrator that the withdrawal is made either for a Member's own healthcare purposes or a Member's immediate family's healthcare purposes; or

- (f) upon the production of proof satisfactory to the Provider or the Administrator that the withdrawal is made for housing purposes.

A partial withdrawal from the Scheme may also be requested and made in the circumstances described in paragraphs (a), (b), (e) and (f) above.

When requested by a Member other than in the circumstances described in paragraphs (c) and (d) above, partial withdrawals from the Scheme shall only be allowed subject to the following conditions:

- (a) the first request for a partial withdrawal may only be made after one (1) year has elapsed from the date the first contribution to the Scheme by or for the Member has vested in the Member;
- (b) subsequent requests for partial withdrawals may only be made once every Calendar Year beginning with the Calendar Year immediately following the Calendar Year in which the first request for a partial withdrawal was made; and
- (c) in respect of any withdrawal prior to the Member reaching the Retirement Age, for healthcare purposes or for housing purposes, partial withdrawals may be made only in respect of all or some of the Member's Units held in Sub-account B.

Notwithstanding anything contained in the Deed, the Provider shall allow withdrawals from the Scheme only in respect of Units purchased from contributions which have already vested in a Member.

All withdrawals from the Scheme are effected by way of a redemption of Units; all withdrawals (except for withdrawals pursuant to having reached the Retirement Age, permanent departure of a Member from Malaysia or withdrawals due to a Member's death, permanent total disablement, serious disease or mental disability) are subject to the payment of such Redemption Charge to the Provider as shall be adequately disclosed in the Disclosure Document.

Before paying out the proceeds of any withdrawal from the Scheme, the Provider shall deduct or withhold from such proceeds an amount which the Provider may be obliged by any written law to deduct for the payment of any tax, whether in the form of a penalty or otherwise, which may be payable to the relevant tax authorities on account of the withdrawal from the Scheme. For the avoidance of doubt, no tax penalty would apply to withdrawal made prior to the Retirement Age in the following circumstances:

- (a) the death of a Member;
- (b) the permanent departure of a Member from Malaysia;
- (c) the suffering of permanent total disablement, serious disease or mental disability by a Member;
- (d) for healthcare purpose; and
- (e) for housing purpose.

11.11.CIRCUMSTANCES WHEN MEMBERS MAY SWITCH FUNDS

Subject to such terms and conditions as shall be adequately disclosed in the Disclosure Document, a Member may switch the Units of any Fund of the Scheme purchased with the contributions held by him with the Units of any other Fund of the Scheme or any other fund of a PRS operated Provider.

Units of a Fund of the Scheme shall only be capable of being switched with the units of any other Fund of the Scheme or any other fund of any other PRS operated by the Provider.

For the avoidance of doubt, the switching of the Units of a Fund with the Units of any other Fund of the Scheme is not a withdrawal from the Scheme and, accordingly no prior approval of the Administrator shall be required for such switching.

11.12. CIRCUMSTANCES WHEN MEMBERS MAY TRANSFER UNITS IN A FUND UNDER A SCHEME TO ANOTHER PRS PROVIDER

A Member may request a withdrawal of any of the Vested units of the Funds of the Scheme held by him and then transfer the proceeds of such withdrawal to another PRS operated by another PRS provider approved by the SC; if the Member has not yet attained the Retirement Age, the following terms and conditions shall also apply:

- (a) the first request for transfer may only be made after one (1) year has elapsed from the date the first contribution to the Scheme by or for the Member has vested in the Member;
- (b) subsequent requests for transfers may only be made once every Calendar Year beginning with the Calendar Year immediately following the Calendar Year in which the first request for a transfer was made;
- (c) the proceeds of withdrawal from a particular Fund must all be utilised for the creation of units in only one fund of the other PRS operated by another PRS provider;
- (d) the proceeds of withdrawal from a particular Fund, if realised from a withdrawal of Units in Sub-account A, must be utilised for the creation of units in the Member's sub-account A of the other PRS operated by another PRS provider; and
- (e) the proceeds of withdrawal from a particular Fund, if realised from a withdrawal of Units in Sub-account B, must be utilised for the creation of units in the Member's sub-account B of the other PRS operated by another PRS provider.

The Provider shall be entitled to charge a Member such fee as shall be adequately disclosed in the Disclosure Document to cover the Provider's costs of the Member's transfer to another PRS.

If required to by the Administrator, the Provider shall also on behalf of the Administrator collect from a Member such transfer fee as the Administrator may impose in respect of the Member's transfer to another PRS.

CHAPTER 12: APPROVALS AND CONDITIONS

The SC has, on 22 November 2019, approved the Provider's application for exemption to the Paragraph (6)(a) of Schedule B – Appendix III of the Guidelines:
"A Feeder Fund must not invest in –

(a) a Fund-of-Funds;"

Exemption of the aforesaid paragraph was obtained from SC to allow Manulife PRS Asia-Pacific REIT Fund to invest in Manulife Investment Asia-Pacific REIT Fund, which is a fund-of-funds.

However, please note that the requirement to the above-mentioned Paragraph (6)(a) of Schedule B – Appendix III of the Guidelines has been removed.

CHAPTER 13: RELATED-PARTY TRANSACTIONS / CONFLICT OF INTEREST

POLICIES AND PROCEDURES ON DEALING WITH CONFLICT OF INTEREST

Provider

Save for the transactions as disclosed below, as at LPD, the Provider is not aware of any existing or potential related-party transactions involving the Fund, the Provider, promoters, vendors and/or persons connected to them:

Name of Party involved in the transaction	Nature of Transaction	Name of Related Party	Relationship
The Provider	Providing internal audit and corporate secretarial services to the Provider	Manulife Holdings Berhad (MHB)	The Provider is a wholly owned subsidiary of MHB.
The Provider	Providing human resources services and other supporting services to the Provider.	Manulife Insurance (Malaysia) Berhad (MIB)	Both the Provider and MIB are within the same group of companies.
The Provider	Providing investment back-office services to the Provider	Manulife Data Services Inc. (MDSI)	Both the Provider and MDSI are within the same group of companies.
The Provider	Providing fund management services to the Provider.	Manulife Investment Management (Hong Kong) Limited (Manulife IM (HK))	Both the Provider and Manulife IM (HK) are within the same group of companies.

It is the Provider's policy that all transactions with any related parties are entered in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties, and dealings with the related parties are transacted at arm's length basis.

The Provider has in place policies and procedures to prevent and deal with any conflict of interest situations that may arise such as the regular disclosure of securities dealings by all employees, directors and members of the investment committee to the compliance unit for verification. In addition, there are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, sales administration and marketing. Policies and procedures are also in place to deal with any potential conflict of interest where members of the investment committee are also directors of other asset management companies. Where conflicts of interest arise, members of the investment committee will abstain from making a decision. As at 30 November 2021, each member of the Funds' investment committee do not hold any position as: (i) a director of another management company outside the Manulife group of companies and/or (ii) an investment committee member of a fund managed by another management company outside the Manulife group of companies.

Subject to any legal requirement, the Provider, or any related corporation of the Provider, or any officers or directors of any of them, may invest in the Funds. The directors of the Provider will receive no payments from the Funds other than distributions that they may receive as a result of investment in the Funds. No fees other than the ones set out in this Disclosure Document have been paid to any promoter of the Funds or the Provider for any purpose.

The Provider also has internal policies which regulates its employee's securities dealings.

None of the directors or the sole shareholder of the Provider have any direct or indirect interest in other corporations carrying on a similar business as the Provider.

Advisers

The auditors, tax adviser, and solicitor have confirmed that they have no interest/ potential interest or conflict of interest/ potential conflict of interest with the Provider and the Funds.

Cross Trade

Cross trade is defined as a buy and sell transaction of the same security between two or more clients' accounts managed by the Provider.

The Provider may conduct cross trades provided the following conditions imposed by the regulators are met:-

- the cross trade is in the best interests of both portfolios;
- the cross trade is executed on an arm's length and fair value basis;
- the reason for such trades are documented and approval of the Chief Executive Officer is obtained prior to execution; and
- the cross trade transaction is disclosed to clients of both funds.

The cross trade will be executed in accordance to the Provider's policy which is in line with the regulatory requirements, monitored by the compliance officer and reported to the investment committee.

Cross trades between the personal account of an employee of the Provider and the Fund's account or between the Provider's proprietary accounts and clients' accounts are strictly prohibited.

CHAPTER 14: ADDITIONAL INFORMATION

14.1. HOW MEMBERS CAN KEEP ABREAST OF DEVELOPMENTS IN THE FUNDS

Members will/ can receive regular updates on the Funds and on their investment through:

- (a) **The Provider's Website**
Members can obtain information pertaining to the Scheme and the Funds and monitor the NAV per Unit of the Funds by referring to the Provider's website at www.manulifeinvestment.com.my.
- (b) **Administrator's Website**
Members can access their personal details and information of their account's transactions from the Administrator's website at www.ppa.my.
- (c) **Customer Service**
Members can seek assistance from the customer service personnel at the Provider's office or at any location listed in the Corporate Directory section from 8.45 a.m. to 5.30 p.m. from Monday to Friday. Alternatively, Members can communicate with the Provider at: 03-2719 9271, fax to 03-2093 7654 or email to PRSinfo_MY@manulife.com.
- (d) **Annual and interim reports**
The Funds' annual and interim reports will be made available in the Provider's website at www.manulifeinvestment.com.my. The annual report will be available within two (2) months of the Funds' financial year end and the interim report within two (2) months from the end of the period covered, e.g. for a financial year/ period ending 31 August, the annual/ interim report will be available by end of October.

The Fund's annual report is available upon request.

14.2. HOW TO MAKE A COMPLAINT?

A Member may lodge a complaint in writing to the Provider at:

Manulife Investment Management (M) Berhad

13th Floor, Menara Manulife	Tel : 03-2719 9228
No. 6, Jalan Gelenggang	Fax : 03-2094 7654
Damansara Heights	Customer Service Hotline : 03-2719 9271
50490 Kuala Lumpur.	Email : MY_CustomerService@manulife.com
	Website : www.manulifeinvestment.com.my

If the Member is dissatisfied with the outcome of the dispute, the Member may refer his dispute to the Securities Industry Dispute Resolution Center (SIDREC):

Securities Industry Dispute Resolution Center (SIDREC)

Unit A-9-1, Level 9, Tower A	Phone : 03-2282 2280
Menara UOA Bangsar	Fax : 03-2282 3855
No. 5, Jalan Bangsar Utama 1	Email : info@sidrec.com.my
59000 Kuala Lumpur.	

Even if the Member has initiated a dispute resolution process with SIDREC, the Member may also direct his complaint to the SC. To make a complaint, please contact the SC's Consumer & Investor Office:

Consumer & Investor Office
Securities Commission Malaysia
No. 3, Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur.

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

Complaints may also be directed to the Federation of Investment Managers Malaysia (FiMM)'s Complaints Bureau:

Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers
Malaysia
19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur.

Phone : 03-2092 3800
Fax : 03-2093 2700
Email : complaints@fimm.com.my
Online complaint form available at
www.fimm.com.my

14.3. ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

In order to comply with the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLATF) and the relevant policies, procedures, guidelines and/or regulations aimed at the prevention of money laundering, the Provider will be required to obtain satisfactory evidence of customer's identity and have effective procedures for verifying the information of customers. The Provider conducts ongoing due diligence and scrutinizes its customers' identity and their investment objective which may be undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the Provider's knowledge of its customers, their business and their risk profile.

The Provider also reserves the right to request such information as is necessary to verify the source of the payment. The Provider may refuse to accept the application and the subscription monies if an applicant delays in producing or fails to produce any information required for the purposes of verification of identity or source of funds.

A transaction or a series of transactions shall be considered as 'suspicious' if the transaction in question is inconsistent with the customer's known transaction profile or does not make economic sense. Suspicious transactions shall be submitted directly to the Financial Intelligence and Enforcement Department of Bank Negara Malaysia.

CHAPTER 15: CONSENTS

The consent of the Scheme Trustee and the Fund Manager for the inclusion of their names in the Disclosure Document in the manner and form in which such names appear have been given before the issuance of this Disclosure Document and none of them have subsequently withdrawn their written consents.

The consent of the tax advisers for the inclusion of their name and their tax adviser's letter in this Disclosure Document in the manner, context and form in which such names and letters appear, have been given before the issuance of this Disclosure Document and the tax advisers have not subsequently withdrawn their written consent.

CHAPTER 16: DOCUMENTS AVAILABLE FOR INSPECTION

Members may inspect without charge the following documents or copies of them at the registered office of the Provider, where applicable:

- (a) the Deed and supplemental deeds;
- (b) each contract disclosed in the Disclosure Document and, in the case of contracts not reduced into writing, a memorandum which gives full particulars of the contract;
- (c) the latest annual and interim reports of the Funds;
- (d) the audited financial statements of the Funds and the Provider for the current financial year and the last three (3) financial years;
- (e) all reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in the Disclosure Document, the corresponding full expert's report must be made available for inspection;
- (f) writ and relevant cause papers for all current material litigation and arbitration disclosed in the Disclosure Document; and
- (g) all consents given by experts disclosed in the Disclosure Document.

CHAPTER 17: TAXATION OF THE FUNDS

3 December 2021

The Board of Directors
Manulife Investment Management (M) Berhad
13th Floor, Menara Manulife
No. 6, Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur.

Manulife PRS NESTEGG Series (“the Scheme”) which consists of **Manulife PRS-Growth Fund, Manulife PRS-Moderate Fund, Manulife PRS-Conservative Fund and Manulife PRS Asia-Pacific REIT Fund** (individually hereinafter referred to as “the Fund”)
– Taxation of the Scheme and Members

1. This letter has been prepared for inclusion in the Disclosure Document (hereinafter referred to as “the Disclosure Document”) in connection with the offer of units in the funds under the Scheme.

The following is general information based on Malaysian tax law in force at the time of lodging the Disclosure Document with the Securities Commission Malaysia (“SC”) and Members should be aware that the tax law may be changed at any time. To an extent, the application of tax law depends upon a Member’s individual circumstances. The information provided below does not constitute tax advice. The Private Retirement Scheme (“PRS”) Provider therefore recommends that a member consult his accountant or tax adviser on questions about his individual tax position.

2. Taxation of the Scheme

2.1 Income Tax

The Scheme is an approved scheme under the Malaysian Income Tax Act, 1967 (“MITA”) pursuant to Section 2 of the MITA. Section 2 defines approved scheme as the Employees Provident Fund, PRS or any pension or provident fund, scheme or society approved by the Director General of the Inland Revenue (“DGIR”) under Section 150 of the MITA. PRS is further defined as a retirement scheme approved by the SC in accordance with the Capital Markets and Services Act, 2007.

Based on the above, income received by the Funds of the Scheme is exempted from income tax (“income tax” or “tax”) pursuant to Paragraph 20 of Schedule 6 to the MITA.

2.2 Gains on Disposal of Investments

Gains on disposal of investments by the Fund will not be subject to income tax but where the investments represent shares in real property companies, such gains may be subject to Real Property Gains Tax (“RPGT”) under the RPGT Act, 1976. A real property company is a controlled company which owns or acquires real properties or shares in real property companies with a market value of not less than 75% of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

2.3 Service Tax

The issuance of units by the Fund to Members will not be subject to Service Tax. Any distributions made by the Fund to Members are also not subject to Service Tax. The Fund would not be required to pay Service Tax on the acquisition of fund management services from the Fund Manager.

To the extent that the Fund invests in any financial services products (e.g. securities, derivatives, units in a fund or unit trust), the acquisition of these interests will also not be subject to Service Tax.

If the Fund acquires any imported taxable services for a service provider outside of Malaysia, these services would be subject to 6% Service Tax. The Fund would be required to file an SST-02A return on an ad hoc basis and report and pay this amount of tax to the Royal Malaysian Customs Department.

3. Taxation of Members

3.1 Taxable Distribution

The amount determined by the PRS Provider to be distributed shall be distributed to all members in proportion to the number of units held by them in the Fund as of the date that the distribution is declared. The distribution shall be effected by the creation of additional units of the Fund in favour of and to the credit of the member.

Distribution of income in the form of units of the Fund to member which are reinvested in the PRS are not liable to tax as the member does not made any withdrawals from the Fund.

3.2 Withdrawal from the Scheme

Pursuant to Section 109G of the MITA, where withdrawal of contributions from the Scheme by a member is made prior to the member attaining the age of 55 (other than by reason of permanent total disablement, serious disease, mental disability, death, permanently leaving Malaysia, healthcare or housing, for which such withdrawal shall be in compliance with the criteria as set out in the relevant guidelines of the Securities Commission Malaysia) the amount of contribution withdrawn will be taxed at the rate of 8%. The PRS Provider is required to deduct tax at the rate of 8% from the withdrawn amount before making payment to the member. The tax withheld has to be remitted to the DGIR within one month after making the payment to the member. In the event that the PRS Provider fails to remit any amount of the tax withheld, a penalty of a sum equivalent to 10% of the amount not remitted shall be imposed on the PRS Provider and the increased sum shall be a debt due from the PRS Provider to the government.

3.3 Switching Fund

If a member switches a fund to another fund either managed by the same or a different PRS provider, no withholding tax would be imposed as the member does not make any withdrawal in cash when the switch is made.

3.4 Unit Splits

Unit splits issued by the Fund are not taxable in the hands of the Members.

4. Tax Relief and Deduction on Contributions to the Scheme

Pursuant to Section 49(1D) of the MITA, a member who is tax resident for the basis period for a year of assessment is entitled to a tax relief of up to RM3,000 in respect of contributions made to a PRS or deferred annuity. This is effective from year of assessment 2012 to year of assessment 2025.

Employers are given a tax deduction of up to 19% of the employees' remuneration under Section 34(4) of the MITA for contributions made by the employers to an approved scheme which is defined in (3.1) above. The tax deduction on contributions made by employers on behalf of employees to a PRS is effective from year of assessment 2012.

With respect to employers' contributions to a PRS on behalf of employees that are subject to a vesting schedule, upon termination of employment of an employee, unvested benefits (to which the employee is not entitled in the member's account) returned to the employer may be subject to tax in the hands of the employer pursuant to Section 22(2) of the MITA.

Yours faithfully

Mark Chan Keat Jin
Executive Director

Manulife Investment Management (M) Berhad
200801033087 (834424-U)
13th Floor, Menara Manulife
6, Jalan Gelenggang, Damansara Heights
50490 Kuala Lumpur
Tel: (03) 2719 9228 Fax: (03) 2094 7654
Customer Service Hotline: (03) 2719 9271
E-mail: PRSinfo_MY@manulife.com
www.manulifeinvestment.com.my