

Second Replacement Disclosure Document for AmPRS

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015.

Core Funds : AmPRS - Growth Fund | AmPRS - Moderate Fund | AmPRS - Conservative Fund

Non-Core Funds : AmPRS - Islamic Equity Fund | AmPRS - Islamic Balanced Fund
AmPRS - Islamic Fixed Income Fund | AmPRS - Tactical Bond | AmPRS - Dynamic* Sukuk
AmPRS - Asia Pacific REITs | AmPRS - Dynamic Allocator

*The word "Dynamic" in this context refers to the Fund's investment strategy which is active management, not buy-and-hold strategy.



Second Replacement Disclosure Document Dated 7 October 2016

PRS Provider

AmFunds Management Berhad

company number: 154432-A

Trustee

Deutsche Trustees Malaysia Berhad

company number: 763590-H

THE SCHEME IS CONSTITUTED ON 29 JANUARY 2013.



AmInvest

DISCLAIMER

Responsibility Statements

This Second Replacement Disclosure Document has been reviewed and approved by the directors of AmFunds Management Berhad, and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Second Replacement 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 Second Replacement Disclosure Document has been registered with the Securities Commission Malaysia.

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

The Securities Commission Malaysia is not liable for any non-disclosure on the part of AmFunds Management Berhad, the PRS Provider responsible for the Scheme and the Funds under the Scheme, and takes no responsibility for the contents in this Second Replacement Disclosure Document. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Second Replacement 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 Second Replacement Disclosure Document is directly available through section 92A(3) of the Capital Markets and Services Act 2007.

This Second Replacement Disclosure Document does not constitute an offer or solicitation to 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.

An investment in the Fund(s) under the Scheme carries with it a degree of risk. The value of units and the income from it, if any, may go down as well as up, and Members may not get back the amount invested. Members should consider the risk factors set out under the heading Risk Factors in this Second Replacement Disclosure Document.

Statements made in this Second Replacement Disclosure Document are based on the law and practices currently in force in Malaysia and are subject to changes in such law and practices.

Any reference to a time or day in this Second Replacement Disclosure Document shall be a reference to that time or day in Malaysia, unless otherwise stated.

An investment in Fund(s) under the Scheme is not a deposit of any bank. Neither returns nor repayments of capital are guaranteed by any member of the AmBank Group or its group of companies.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, contribution, purchase, subscription, sale, switching or redemption of units in the Fund under the Scheme other than those contained in this Second Replacement Disclosure Document or any supplemental therein and, if issued, given or made, such advertisement, information or representations must not be relied upon by a Member. Any purchase or contribution made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Second Replacement Disclosure Document or any supplemental therein will be solely at the risk of the Member.

Members may wish to consult their independent professional adviser about the suitability of this Scheme or Funds under the Scheme for their investment needs.

Members in the Scheme agree that personal details contained on the application form and data relating to them may be stored, modified and used in any other way by the Scheme or the PRS Provider or the PRS Provider's associated companies within the AMMB Holdings Berhad or its group of companies for the purposes of administering and developing the business relationship with the Member.

AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund and AmPRS – Dynamic Sukuk have been certified as being Shariah Compliant by the Shariah Adviser appointed for the Funds.

The Funds have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States persons, except in a transaction which does not violate the securities laws of the United States of America.

Personal Data

As part of our day to day business, we collect your personal information when you apply to open an account with us, subscribe to any of our products or services or communicate with us. In return, we may use this information to provide you with our products or services, maintain our records or send you relevant information. We may use your personal information for one or more of the following purposes, whether in Malaysia or otherwise:

- a. Access and manage your application(s) for our products and services so that we can provide you with more and up to-date information such as improvements and new features to the existing products and services, development of new products and service and promotions by AmFunds Management Berhad and/or AmBank Group, which may be of interest to you;

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- b. Manage and maintain your account through regular updates, consolidation and improving the accuracy of our records. In this manner we can respond to your enquiries, complaints and to generally resolve disputes quickly so that we can improve our business and your relationship with us;
- c. Conduct research for analytical purposes, data mining and analyses of your transactions /use of products and services to better understand your current financial/investment position and future needs. We will also produce data, reports and statistics from time to time, however such information will be aggregated so that your identity will remain confidential. Sometimes it may be necessary if required, to verify your financial standing through credit reference/reporting checks;
- d. Comply with the requirements of any law binding on us such as conducting anti-money laundering checks, crime detection or prevention, prosecution, protection or enforcement of our rights to recover any debt owing to us including transferring or assigning our rights, interests and obligations under any of your agreement with us;
- e. Perform shared services within AmBank Group such as audit, compliance, legal, human resource, risk management including assessing financial risks;
- f. Outsourcing of business and back-room operations within AmBank Group; and
- g. Any other purpose(s) that is required or permitted by any law, regulations, guidelines and/or relevant regulatory authorities including the respective trustee of the fund you invest in.

Investors are advised to read our latest or updated Privacy Notice (notice provided as required under Personal Data Protection Act 2010) available on our website at www.aminvest.com. Our Privacy Notice may be revised from time to time and if there is/are any revision(s), it will be posted on our website and/or other means of communication deemed suitable by us. However any revision(s) will be in compliance with the Personal Data Protection Act 2010.

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1. DEFINITIONS

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| accrued benefits | means the amount of a Member's beneficial interest in a private retirement scheme |
| AFM, AmFunds Management Berhad, PRS Provider, us, our or we | AmFunds Management Berhad (<i>formerly known as AmInvestment Services Berhad</i>) |
| AHB | AMMB Holdings Berhad and its group of companies |
| AIFM | AmIslamic Funds Management Sdn Bhd |
| AmBank | AmBank (M) Berhad |
| AmBank Group | Refers to AMMB Holdings Berhad and all its direct and indirect subsidiaries, including, but not limited to: AmBank (M) Berhad, AmIslamic Bank Berhad, AmInvestment Bank Berhad, AmInvestment Group Berhad, AmFunds Management Berhad, AmIslamic Funds Management Sdn Bhd, AmFutures Sdn Bhd, AmCard Services Berhad, AmGeneral Insurance Berhad, AmMetLife Insurance Berhad & AmMetLife Takaful Berhad. |
| AmInvestment Bank | AmInvestment Bank Berhad |
| AmInvest | The brand name for the funds management business of AMMB Holdings Berhad comprising AmFunds Management Berhad and AmIslamic Funds Management Sdn Bhd. |
| AmInvestment Group Berhad | AmInvestment Group Berhad and its group of companies |
| AmPRS – Dynamic Sukuk and AmDynamic Sukuk | The word “Dynamic” in this context refers to the Target Fund's investment strategy which is active management, not buy-and-hold strategy. |
| Auditor | An auditor registered under section 310 of the Securities Commission Act 1993 |
| BNM | Bank Negara Malaysia |
| BPAM | Bond Pricing Agency Malaysia |
| Business Day | A day on which the Bursa Malaysia is open for trading unless otherwise provided for in this Second Replacement Disclosure Document |
| Class(es) | Any number of class(es) of unit(s) representing similar interests in the assets of the Fund under the Scheme and such class(es) of unit(s) that may be issued by the Fund under the Scheme from time to time and “Class” means any one class of units |
| CMSA 2007, the Act | Capital Markets and Services Act 2007 and any amendments made thereto |
| CIS | Collective investment schemes |
| CRC | Credit Risk Committee |
| Core Fund(s) | AmPRS – Growth Fund, AmPRS – Moderate Fund and AmPRS – Conservative Fund |
| Deed | The deed dated 4 December 2012 as modified by the supplemental deed dated 22 October 2013, the second supplemental deed dated 2 April 2014, the third supplemental deed dated 29 October 2014, the fourth supplemental deed dated 6 March 2015 and the fifth supplemental deed dated 9 October 2015 all entered into between the Trustee and the PRS Provider in respect of the Funds under the Scheme |
| Default Option | Core Funds that will be selected automatically for a Member who does not specify his or her fund option upon participating in a Scheme |
| Employer-Sponsored Retirement Scheme | means a retirement scheme established by a corporation for the purpose, or having the effect of providing retirement benefits to employees of that corporation or for its related corporation |
| ETF | Exchange traded fund |
| FATCA | Foreign Account Tax Compliance Act |
| FTSE | Financial Times and the London Stock Exchange |
| Funds | Means the following Funds; AmPRS – Growth Fund; or AmPRS – Moderate Fund; or AmPRS – Conservative Fund; or AmPRS – Islamic Equity Fund; or AmPRS – Islamic Balanced Fund; or AmPRS – Islamic Fixed Income Fund; or AmPRS – Tactical Bond; or AmPRS – Dynamic Sukuk; or AmPRS – Asia Pacific REITs; and AmPRS – Dynamic Allocator “Fund” where the context appears, shall refer to any one of them |
| Fitch | Fitch Ratings |
| GII | Government Investment Issue |
| GST | Goods and Services Tax, which includes any tax payable on the supply of goods, services, or other things in accordance with the provisions of GST Law |
| GST Law | The Goods and Services Tax Act 2014, subsidiary legislations, statutory orders and regulations governing the application of GST, as amended from time to time |

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| Initial Offer Period | A period of up to twenty one (21) days commencing from the date units of the Fund are being offered for sale, whereby units are created, cancelled, sold and redeemed at a fixed price per unit |
| Institutional PRS Adviser, IPRA | Institutional PRS Adviser registered with the Federation of Investment Managers Malaysia (FiMM) to market and distribute private retirement schemes |
| Investment Manager | AmFunds Management Berhad as the investment manager for: <ul style="list-style-type: none"> ▪ AmPRS – Growth Fund; ▪ AmPRS – Moderate Fund; ▪ AmPRS – Conservative Fund; ▪ AmPRS – Tactical Bond; ▪ AmPRS – Dynamic Sukuk; ▪ AmPRS – Asia Pacific REITs; and ▪ AmPRS – Dynamic Allocator. Amlslamic Funds Management Sdn Bhd as the investment manager for: <ul style="list-style-type: none"> ▪ AmPRS – Islamic Equity Fund; ▪ AmPRS – Islamic Balanced Fund; and ▪ AmPRS – Islamic Fixed Income Fund. |
| Islamic Liquid Assets | Islamic money market instruments which can be converted into cash within seven (7) Business Days |
| Latest Practicable Date | 31 January 2016 |
| Liquid Assets | Money market instruments which can be converted into cash within seven (7) Business Days |
| Long Term | The investment horizon should be at least five (5) years |
| MARC | Malaysia Rating Corporation Berhad |
| MCR | Multi-Class Ratio |
| Medium to Long Term | The investment horizon should be at least three (3) years |
| Member(s), applicant, you | means an individual who has a private pension account, in respect of whom a contribution to the Scheme has been made, who holds units in any one or more Funds of the Scheme, and is registered as such in the Register of Members |
| MGS | Malaysia Government Securities |
| Moody's | Moody's Investors Service |
| MSCI AC Asia Pacific ex Japan Index | Morgan Stanley Capital International All Country Asia Pacific excluding Japan Index |
| MSCI AC Asia Pacific Islamic ex Japan Index | Morgan Stanley Capital International All Country Asia Pacific Islamic excluding Japan Index |
| NAV per unit | Net Asset Value of a Fund at a particular valuation point divided by the number of units in circulation at the same valuation point. Where a Fund has more than one class of units, there shall be a Net Asset Value per unit for each Class of units. The Net Asset Value per unit of a Class of units at a particular valuation point shall be the Net Asset Value of the Fund attributable to that class of units divided by the number of units in circulation of that Class of units at the same valuation point |
| Net Asset Value (NAV) of the Fund | The value of all the assets of a Fund less the value of all the liabilities of the Fund at a valuation point. For the purpose of computing the annual management fee and annual trustee fee, the NAV of a Fund is inclusive of the management fee and trustee fee for the relevant day. Where a Fund has more than one Class of units, there shall be a NAV of the Fund attributable to each Class of units. The NAV of the Fund attributable to a class of units at a particular valuation point shall be the NAV of the Fund multiplied by the proportion that the number of units in circulation of that Class of units bears to the number of units in circulation of the Fund at the same valuation point |
| Non-Core Fund(s) | AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund, AmPRS – Tactical Bond, AmPRS – Dynamic Sukuk, AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator |
| PRC | Portfolio Risk Committee |
| Private Pension Administrator (PPA) | means the private retirement scheme administrator as defined under section 139C of the Act, who performs 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 |
| 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: <ul style="list-style-type: none"> (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 <i>Note: * Please note that Members' capital is neither guaranteed nor protected</i> |
| PRS Guidelines | Guidelines on Private Retirement Scheme issued by the Securities Commission Malaysia, and shall include any amendments and revisions contained therein or made pursuant thereto |
| RAM | RAM Rating Services Berhad |

| | |
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| Real Estate Investment Trust (REIT) | A unit trust investment trust scheme that invests or proposes to invest primarily in income-generating real estate. |
| redemption charge | means exit penalty which will be charged (if applicable) to reduce the negative impact suffered by the Fund as a result of redemption of units. This is to protect the interests of remaining Members |
| Second Replacement Disclosure Document | refers to this Second Replacement Disclosure Document for AmPRS |
| Retirement Age | means the age of 55 years or any another age as may be specified by the SC |
| RM | Malaysian Ringgit |
| SACSC | Shariah Advisory Council of the Securities Commission |
| S&P | Standard & Poor's |
| SC | Securities Commission Malaysia |
| Scheme | AmPRS |
| Shariah Adviser | Amanie Advisors Sdn Bhd |
| Shariah Compliant | Securities that are approved by the SACSC and/or the Shariah Adviser based on the interpretation of the Shariah by the SACSC and/or Shariah Adviser |
| Shariah Compliant Equities | Securities that are approved by Shariah Advisory Council of SC (SACSC") and/or the Shariah Adviser based on the interpretation of the Shariah by the SACSC and/or the Shariah Adviser of the Fund |
| Shariah Investment Guidelines | The Shariah Investment Guidelines are based on Principles of Islamic Law which are embodied in the Qur'an, Sunnah of the Prophet Muhammad as well as the interpretations of the Muslim jurists. |
| Shariah Principles | Principles of Islamic Law which are embodied in the Qu'ran and Sunnah of the Prophet Muhammad and the views of the Muslim jurists as interpreted by the Shariah Adviser |
| Short to Medium Term | The investment horizon should not be more than three (3) years |
| Sub-Account A | refers to a sub-account maintained by PRS Provider for each Member which holds 70% of all contributions made to any Fund under the Scheme which is reflected in units |
| Sub-Account B | refers to a sub-account maintained by PRS Provider for each Member which holds 30% of all contributions made to any Fund under the Scheme which is reflected in units |
| Sukuk | refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts approved by the SACSC. |
| Target Fund(s) | The Target Fund refers to AmTactical Bond and AmDynamic Sukuk respectively, while the Target Funds refers to both of the funds i.e. AmTactical Bond and AmDynamic Sukuk. |
| Trustee | Deutsche Trustees Malaysia Berhad |
| Trustee's Delegate (Custodian) | Deutsche Bank (Malaysia) Berhad |
| US (United States) Person | A citizen or resident of the United States of America, a partnership organized or existing under the laws of any state, territory or possession of the United States of America, or a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which from sources outside the United States of America is not includable in gross income for purpose of computing United States income tax payable by it. If a member subsequently becomes a "United States Person" and such fact comes to the attention of the PRS Provider, units owned by that person may be compulsorily repurchased by the PRS Provider. |
| Vesting Schedule | Refers to the schedule that determines the entitlement of an employee's accrued benefits based on terms of service |
| Withdrawal | Redemptions or repurchases of units of the Fund |

2. CORPORATE DIRECTORY

PRS PROVIDER / INVESTMENT MANAGER

AmFunds Management Berhad

Company number: 154432-A

Registered office

22nd Floor, Bangunan AmBank Group
No.55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: (03) 2036 2633

Head office

9th & 10th Floor, Bangunan AmBank Group
No.55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: (03) 2032 2888 Fax: (03) 2031 5210
Email : aminvestprs@aminvest.com
Website: www.aminvest.com

Board of Directors

Pushparani A/P A Moothathamby (*non-independent*)

Mustafa Bin Mohd Nor (*independent*)

Tai Terk Lin (*independent*)

Madam Sum Leng Kuang (*independent*)

Datin Maznah Mahbob (*non-independent*)

Investment Committee

Mustafa Bin Mohd Nor (*independent*)

Tai Terk Lin (*independent*)

Dr. Frank Richard Ashe (*independent*)

Madam Sum Leng Kuang (*independent*)

Datin Maznah Mahbob (*non-independent*)

Audit Committee

Pushparani A/P A Moothathamby (*non-independent*)

Mustafa Bin Mohd Nor (*independent*)

Tai Terk Lin (*independent*)

Madam Sum Leng Kuang (*independent*)

Secretary

Koh Suet Peng (MAICSA 7019861)

22nd Floor, Bangunan AmBank Group

No.55, Jalan Raja Chulan

50200 Kuala Lumpur

PRS PROVIDER'S DELEGATE (INVESTMENT MANAGER)

(For AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund)

AmIslamic Funds Management Sdn Bhd

Company number: 830464-T

Registered office

22nd Floor, Bangunan AmBank Group
No.55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: (03) 2036 2633

Head office

9th & 10th Floor, Bangunan AmBank Group
No.55, Jalan Raja Chulan
50200 Kuala Lumpur
Tel: (03) 2032 2888 Fax: (03) 2031 5210

PRS PROVIDER'S DELEGATE (FUND ACCOUNTING AND VALUATION SERVICE PROVIDER)

Deutsche Bank (Malaysia) Berhad

Company number: 312552-W

Registered office

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (03) 2053 6788 Fax: (03) 2031 8710

Business address

Level 18-20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (03) 2053 6788 Fax: (03) 2031 8710

SHARIAH ADVISER

(For AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund and AmPRS – Dynamic Sukuk)

Amanie Advisors Sdn Bhd

Company number: 684050-H

Level 33 Menara Binjai

No.2 Jalan Binjai, Off Jalan Ampang,

50450 Kuala Lumpur

Tel: (03) 2181 8228 Fax: (03) 2181 8219

TRUSTEE

Deutsche Trustees Malaysia Berhad

Company number: 763590-H

Registered office / Business address

Level 20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (03) 2053 7522 Fax: (03) 2053 7526

TRUSTEE'S DELEGATE (CUSTODIAN)

Deutsche Bank (Malaysia) Berhad

Company number: 312552-W

Registered office

Level 18, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (03) 2053 6788 Fax: (03) 2031 8710

Business address

Level 18-20, Menara IMC
No. 8, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (03) 2053 6788 Fax: (03) 2031 8710

TAXATION ADVISOR

Deloitte Tax Services Sdn Bhd

Company number: 36421-T

Level 16, Menara LGB

No.1, Jalan Wan Kadir

Taman Tun Dr Ismail

60000 Kuala Lumpur

Tel: (03) 7610 8888 Fax: (03) 7725 7768

AUDITOR
Ernst & Young
AF 0039

Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: (03) 7495 8000 Fax: (03) 2095 9076

FEDERATION OF INVESTMENT MANAGERS MALAYSIA (FIMM)

19-06-1, 6th Floor, Wisma Tune,
No. 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

3. KEY DATA OF THE SCHEME

The description on the following pages introduces you to AmPRS and helps you decide whether the Scheme and Funds under the Scheme best fits your investment needs. Keep in mind, however that no fund can guarantee it will meet its investment objective at all times, and no fund should be relied upon as a complete investment program.

THIS SECTION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT THE SCHEME AND FUNDS UNDER THE SCHEME AND MEMBERS SHOULD READ AND UNDERSTAND THE WHOLE SECOND REPLACEMENT DISCLOSURE DOCUMENT BEFORE MAKING AN INVESTMENT DECISION.

3.1 SCHEME'S INFORMATION

| | |
|--|--|
| Name of Scheme | AmPRS |
| General information on the Scheme | <p>AmPRS is a private retirement scheme that aims to provide Malaysians and foreigners (excluding US Citizen), whether employed or self-employed, an opportunity to enhance their retirement savings* by making additional voluntary Long Term contributions under a well-structured and regulated environment.</p> <p>AmPRS is offered to the public and is accessible by a wide cross-section of the population. It is a Long Term retirement savings* plan that enables you to save* money for your retirement. You can make voluntary contributions to AmPRS. When you reach your Retirement Age, you can access your savings* in PRS either in one lump sum or partially, or you can continue your contributions in AmPRS.</p> <p>In addition, AmPRS provides you with greater flexibilities as follows:</p> <ul style="list-style-type: none"> • you can always decide on your contribution amount; • you can determine the frequency of your contribution (i.e. monthly, yearly or anytime); • you can decide the Fund that you wish to invest according to your investment appetite and retirement goal; • you can access your retirement funds before your Retirement Age (subject to terms and conditions as stated in the Second Replacement Disclosure Document). <p>The AmPRS aims to provide a range of funds suiting an individual's retirement needs, goals and risk appetite. The Scheme currently has three (3) Core Funds and seven (7) Non-Core Funds. To enhance investment choices for investing individuals, the Scheme will also include more non-Core Funds in the future which will broaden your investment opportunities. You may opt to invest in any Funds under the Scheme.</p> <p><i>Note: * Please note that Members' capital is neither guaranteed nor protected.</i></p> |
| Brief description on the operations of the Scheme | <p><u>Contributions</u></p> <p>Contributions to Funds under the AmPRS can be received from an employer (who contributes for its employees) or from any individual who has attained the age of 18 years as of the date of opening of a private pension account with the PPA.</p> <p>All contributions made by a Member will be maintained in two separate sub-accounts by the PRS Provider as follows:</p> <ol style="list-style-type: none"> a) Sub-Account A which will not be made available for pre-retirement withdrawal, except for death of a Member or permanent departure of a Member from Malaysia; and b) Sub-Account B which would be available for pre-retirement withdrawal, subject to payment of tax penalty set by the Inland Revenue Board ("IRB"), which will be deducted by the PRS Provider from the redeemed amount. However, the tax penalty is not applicable for withdrawals due to death of a Member and permanent departure of a Member from Malaysia. <p>If you do not specify your investment option when making an investment, we will automatically allocate your investment into Core Funds under the Default Option of the Scheme according to your age.</p> <p>The Default Option of this Scheme consists of the following Core Funds:</p> <ol style="list-style-type: none"> a) AmPRS – Conservative Fund, for Members aged 50 years and above; b) AmPRS – Moderate Fund, for Members aged 40 years and above but have not reached 50 years; and c) AmPRS – Growth Fund, for Members below 40 years old. <p>A Member may actively select one or more Core Funds notwithstanding that the Core Funds do not correspond with the age of the Member.</p> <p>If a Member contributes under the Default Option and he/ she makes his/her first contribution to the Scheme a month before he/she attains the age of 40 or 50 years old as the case may be, the PRS Provider will allocate such contribution to the AmPRS – Moderate Fund or AmPRS – Conservative Fund respectively.</p> <p><u>Withdrawals</u></p> <p>Request for payment for withdrawals from any of the Funds under the Scheme may be made in the following circumstances:</p> <ol style="list-style-type: none"> a) after the day the Member reaches the Retirement Age, withdrawals may be made in part or in full; b) following the death of a Member, only full withdrawals may be made; c) for pre-retirement withdrawal, withdrawal from Sub-Account B may be made in part or in full; or d) permanent departure of a Member from Malaysia, only full withdrawals may be made. |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Upon receiving a Member's request to withdraw some or all of the accrued benefits in any Fund under a Scheme, the PRS Provider or PPA (as the case may be) may require the Member to provide evidence of the facts necessary to establish the Member's right to withdraw monies from any Fund under the Scheme. For withdrawals following the death of a Member where only full withdrawal may be made, a PRS Provider must obtain prior authorisation from PPA before issuing instructions to the Trustee to cancel units. The PRS Provider must pay the proceeds within ten (10) days after PPA's authorisation is received. However, prior authorisation from PPA is not required for pre-retirement withdrawal from Sub-Account B, permanent departure of a Member from Malaysia or upon reaching the Retirement Age. Upon receiving the withdrawal request, the PRS Provider will process and pay the withdrawal proceeds within ten (10) days.

For the first pre-retirement withdrawal, it can be requested by a Member one year after making the first contribution to the Scheme (whether by Member or employer). As for the subsequent pre-retirement withdrawal from the Scheme, it can only be requested by a Member once every calendar year from the PRS Provider. Members who have contributed to funds of multiple PRS providers may request for multiple pre-retirement withdrawals in a year provided only one pre-retirement withdrawal request is made to each PRS provider. A PRS Provider will deduct the applicable tax penalty of eight percent (8%) or such other applicable tax penalty from the withdrawn amount before making payment to the Member. However, for pre-retirement withdrawals due to death, permanent departure of a Member from Malaysia or upon reaching the Retirement Age, a Member shall be entitled to withdraw the full amount accumulated in all of the Funds under the Scheme held by the Member as accrued benefits without payment of any tax. For units issued under or pursuant to Employer-Sponsored Retirement Schemes which are subject to Vesting Schedules, withdrawal is not permitted until such units are unconditionally vested in a member.

Kindly refer to page 60 to 62 for details on how to make an application or withdrawal.

Transfer

For pre-retirement transfer from one or multiple Funds under the Scheme to another PRS providers, can be requested by a Member one year after making the first contribution to the Scheme and all accrued benefit to be transferred from the Fund must be transferred to only one (1) other fund. The PRS Provider must pay the proceeds to the other PRS provider within five (5) Business Days upon receiving a complete transfer form from PPA.

| Funds under the Scheme | Name of Fund | Fund Category |
|------------------------|-----------------------------------|-----------------------------|
| | AmPRS – Growth Fund | Core (Growth) |
| | AmPRS – Moderate Fund | Core (Moderate) |
| | AmPRS – Conservative Fund | Core (Conservative) |
| | AmPRS – Islamic Equity Fund | Equity (Islamic) |
| | AmPRS – Islamic Balanced Fund | Balanced (Islamic) |
| | AmPRS – Islamic Fixed Income Fund | Fixed Income (Islamic) |
| | AmPRS – Tactical Bond | Feeder Fund (Bond) |
| | AmPRS – Dynamic Sukuk | Feeder Fund (Sukuk) |
| | AmPRS – Asia Pacific REITs | Real estate (REITs) |
| | AmPRS – Dynamic Allocator | Fund-of-Funds (Mixed asset) |

3.2 FUNDS' INFORMATION

| Name of Fund | AmPRS – Growth Fund | AmPRS – Moderate Fund | AmPRS – Conservative Fund |
|-----------------------------|---|---|--|
| Fund Category | Core (Growth) | Core (Moderate) | Core (Conservative) |
| Investment Objective | AmPRS – Growth Fund aims to provide Long Term capital growth by investing primarily in equities, equity-related securities and/or REITs. | AmPRS – Moderate Fund aims to provide Medium to Long Term capital growth by investing in equities, fixed income securities and/or REITs. | AmPRS – Conservative Fund aims to preserve* capital by investing primarily in fixed income securities and money market instruments. <i>Note: * Please note that Members' capital is neither guaranteed nor protected.</i> |
| | <i>Note: Any material change to the investment objective of the Fund(s) would require Members' approval.</i> | | |
| Investment Strategy | The AmPRS – Growth Fund may invest its assets into a well-diversified portfolio comprising the following asset classes: <ul style="list-style-type: none"> Equities; Fixed income instruments; REITs; and Liquid Assets. For AmPRS – Growth Fund, the securities that the AmPRS – | The AmPRS – Moderate Fund may invest its assets into a well-diversified portfolio comprising the following asset classes: <ul style="list-style-type: none"> Equities; Fixed income instruments; REITs; and Liquid Assets. For AmPRS – Moderate Fund, the securities that the AmPRS – | The AmPRS – Conservative Fund may invest its assets into a well-diversified portfolio comprising the following asset classes: <ul style="list-style-type: none"> Fixed income instruments; Liquid Assets; Equities; and REITs. Investments in the AmPRS – Conservative Fund will be restricted |

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| Name of Fund | AmPRS – Growth Fund | AmPRS – Moderate Fund | AmPRS – Conservative Fund |
|--|---|---|--|
| | <p>Growth Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Growth Fund, foreign investments (if any) will be limited to 50% of the Fund’s NAV.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via collective investment schemes of AFM or other CIS such as ETF.</p> <p>The AmPRS – Growth Fund may also invest in derivatives for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.</p> | <p>Moderate Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Moderate Fund, foreign investments (if any) will be limited to 40% of the Fund’s NAV.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via collective investment schemes of AFM or other CIS such as ETF.</p> <p>The AmPRS – Moderate Fund may also invest in derivatives for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.</p> | <p>to investments in Malaysia and local currency investments. The AmPRS – Conservative Fund will not be invested in any RM-denominated foreign investments.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via collective investment schemes of AFM or other CIS such as ETF.</p> |
| Asset Allocation | <ul style="list-style-type: none"> Up to 70% of the Fund’s NAV in equities and/or equity-related securities, where a maximum of 20% of the Fund’s NAV will be in REITs A minimum of 30% of the Fund’s NAV in fixed income securities and/or money market instruments. A minimum of 1% of the Fund’s NAV in Liquid Assets | <ul style="list-style-type: none"> Up to 60% of the Fund’s NAV in equities and/or equity-related securities, where a maximum of 20% of the Fund’s NAV will be in REITs A minimum of 40% of the Fund’s NAV in fixed income securities and/or money market instruments. A minimum of 1% of the Fund’s NAV in Liquid Assets | <ul style="list-style-type: none"> A minimum of 80% of the Fund’s NAV in fixed income securities, where a minimum of 20% of the Fund’s NAV will be in money market instruments. 0% to 20% of the Fund’s NAV in equities, equity-related securities and/or REITs A minimum of 1% of the Fund’s NAV in Liquid Assets |
| Base Currency | Ringgit Malaysia | | |
| Performance Benchmark | <ul style="list-style-type: none"> 30% FTSE Bursa Malaysia Top 100 Index 30% MSCI AC Asia Pacific ex Japan Index 40% RAM Quantshop Medium* MGS Index | <ul style="list-style-type: none"> 25% FTSE Bursa Malaysia Top 100 Index 25% MSCI AC Asia Pacific ex Japan Index 50% RAM Quantshop Medium* MGS Index | 1-year Malayan Banking Berhad Conventional Fixed Deposit Rate |
| | <p><i>Note: * Medium means the duration is between three (3) years to seven (7) years.</i></p> <p><i>For further details on the Fund’s performance benchmark, please refer to page 33.</i></p> | | |
| Specific Risks associated with the Fund | <ul style="list-style-type: none"> Company specific risk Credit and default risk Interest rate risk Risk associated with investment in REITs Liquidity risk Currency risk Risk associated with the default option | <ul style="list-style-type: none"> Company specific risk Credit and default Risk Interest rate risk Risk associated with investment in REITs Liquidity risk Currency risk Risk associated with the default option | <ul style="list-style-type: none"> Company specific risk Credit and default risk Interest rate risk Risk associated with investment in REITs Liquidity risk Risk associated with the default option |
| Member Profile | <p>AmPRS – Growth Fund is suitable for Members who seek:</p> <ul style="list-style-type: none"> capital growth on their investment a diversified portfolio of equities with strong emphasis on growth a Long Term retirement savings* plan <p>This Fund is also suitable for Members aged below 40 years if they contribute under the Default Option.</p> <p><i>Note: * Please note that Members’ capital is neither guaranteed nor protected.</i></p> | <p>AmPRS – Moderate Fund is suitable for Members who seek:</p> <ul style="list-style-type: none"> capital growth on their investment a balanced portfolio that includes equities and fixed income securities a Long Term retirement savings* plan <p>This Fund is also suitable for Members aged below 40 years and above but have not reached 50 years if they contribute under the Default Option.</p> | <p>AmPRS – Conservative Fund is suitable for Members who seek:</p> <ul style="list-style-type: none"> capital growth on their investment to preserve* investment capital a Long Term retirement savings* plan <p>This Fund is also suitable for Members aged 50 years and above if they contribute under the Default Option.</p> <p><i>Note: * Please note that Members’ capital is neither guaranteed nor protected.</i></p> |

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| Name of Fund | AmPRS – Growth Fund | AmPRS – Moderate Fund | AmPRS – Conservative Fund |
|--|---|---|---------------------------|
| | | <i>Note: * Please note that Members' capital is neither guaranteed nor protected.</i> | |
| Launch Date | 8 April 2013 | | |
| Initial Offer Price | Class D and Class I: RM0.5000 per unit | | |
| Description on the Class of units | Class D is only available for certain distributors appointed by the PRS Provider. Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider. | | |
| Income Distribution | Subject to availability of income, distribution (if any) is incidental. <i>Note: Income distribution (if any) will be in the form of units. Please refer to the mode of distribution on page 64.</i> | | |
| Financial Year End | 31 August | 31 August | 31 August |

| Name of Fund | AmPRS – Islamic Equity Fund | AmPRS – Islamic Balanced Fund | AmPRS – Islamic Fixed Income Fund |
|-----------------------------|--|--|--|
| Fund Category | Equity (Islamic) | Balanced (Islamic) | Fixed Income (Islamic) |
| Investment Objective | AmPRS – Islamic Equity Fund aims to provide Long Term capital growth by investing primarily in Shariah Compliant equities and/or equity-related securities. | AmPRS – Islamic Balanced Fund aims to provide Medium to Long Term capital growth by investing in Shariah Compliant equities, Sukuk and Shariah Compliant money market instruments. | AmPRS – Islamic Fixed Income Fund aims to provide Short to Medium Term capital growth by investing primarily in Sukuk and Shariah Compliant money market instruments. |
| | <i>Note: Any material change to the investment objective of the Fund(s) would require Members' approval.</i> | | |
| Investment Strategy | <p>The AmPRS – Islamic Equity Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:</p> <ul style="list-style-type: none"> • Shariah Compliant equities; • Sukuk and Shariah Compliant money market instruments; • Shariah Compliant REITs; and • Islamic Liquid Assets. <p>For AmPRS – Islamic Equity Fund, the Shariah Compliant securities that the AmPRS – Islamic Equity Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Islamic Equity Fund, foreign investments (if any) will be limited to 50% of the Fund's NAV.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles.</p> <p>The AmPRS – Islamic Equity Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.</p> | <p>The AmPRS – Islamic Balanced Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:</p> <ul style="list-style-type: none"> • Shariah Compliant equities; • Sukuk and Shariah Compliant money market instruments; • Shariah Compliant REITs; and • Islamic Liquid Assets. <p>For AmPRS – Islamic Balanced Fund, the Shariah Compliant securities that the AmPRS – Islamic Balanced Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Islamic Balanced Fund, foreign investments (if any) will be limited to 40% of the Fund's NAV.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles.</p> <p>The AmPRS – Islamic Balanced Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.</p> | <p>The AmPRS – Islamic Fixed Income Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:</p> <ul style="list-style-type: none"> • Sukuk and Shariah Compliant money market instruments; • Islamic Liquid Assets; • Shariah Compliant equities; and • Shariah Compliant REITs. <p>For AmPRS – Islamic Fixed Income Fund, the Shariah Compliant securities that the AmPRS – Islamic Fixed Income Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Fixed Income Fund, foreign investments (if any) will be limited to 20% of the Fund's NAV.</p> <p>In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles.</p> <p>The AmPRS – Islamic Fixed Income Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.</p> |
| Asset Allocation | <ul style="list-style-type: none"> • A minimum of 70% of the Fund's NAV in Shariah Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a | <ul style="list-style-type: none"> • 40% to 60% of the Fund's NAV in Shariah Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a maximum of 20% of | <ul style="list-style-type: none"> • A minimum of 70% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments; • A maximum of 30% of the Fund's NAV in Shariah |

| Name of Fund | AmPRS – Islamic Equity Fund | AmPRS – Islamic Balanced Fund | AmPRS – Islamic Fixed Income Fund |
|--|---|--|---|
| | maximum of 20% of the Fund's NAV will be in Shariah Compliant REITs; <ul style="list-style-type: none"> A maximum of 30% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments; and A minimum of 1% of the Fund's NAV in Islamic Liquid Assets. | the Fund's NAV will be in Shariah Compliant REITs; <ul style="list-style-type: none"> 40% to 60% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments; and A minimum of 1% of the Fund's NAV in Islamic Liquid Assets. | Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a maximum of 20% of the Fund's NAV will be in Shariah Compliant REITs; and <ul style="list-style-type: none"> A minimum of 1% of the Fund's NAV in Islamic Liquid Assets. |
| Base Currency | Ringgit Malaysia | | |
| Performance Benchmark | <ul style="list-style-type: none"> 40% FTSE Bursa Malaysia Emas Shariah Index 30% MSCI AC Asia Pacific Islamic ex Japan Index 30% RAM Quantshop Medium* GII Index | <ul style="list-style-type: none"> 25% FTSE Bursa Malaysia Emas Shariah Index 25% MSCI AC Asia Pacific Islamic ex Japan Index 50% RAM Quantshop Medium* GII Index | 1-year Malayan Banking Berhad General Investment Account Rate <i>Note: As the risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. However, there is no guarantee that the Fund will outperform the benchmark.</i> |
| | <i>Note:</i> * Medium means the duration is between three (3) years to seven (7) years. For further details on the Fund's performance benchmark, please refer to page 34. | | |
| Specific Risks associated with the Fund | <ul style="list-style-type: none"> Company specific risk Credit and default risk Interest rate risk Risks associated with investment in REITs Liquidity risk Currency risk Shariah non-compliance risk | <ul style="list-style-type: none"> Company specific risk Credit and default risk Interest rate risk Risks associated with investment in REITs Liquidity risk Currency risk Shariah non-compliance risk | <ul style="list-style-type: none"> Company specific risk Credit and default Risk Interest rate risk Risks associated with investment in REITs Liquidity risk Currency risk Shariah non-compliance risk |
| Member Profile | AmPRS – Islamic Equity Fund is suitable for Members who seek: <ul style="list-style-type: none"> Long Term capital growth on their Shariah Compliant investment; a diversified portfolio of Shariah Compliant equities with strong emphasis on growth; and a Long Term retirement savings* plan. | AmPRS – Islamic Balanced Fund is suitable for Members who seek: <ul style="list-style-type: none"> Medium to Long Term capital growth on their Shariah Compliant investment; a balanced portfolio that includes Shariah Compliant equities, Sukuk and Shariah Compliant Money Market Instruments; and a Long Term retirement savings* plan. | AmPRS – Islamic Fixed Income Fund is suitable for Members who seek: <ul style="list-style-type: none"> Short to Medium Term capital growth on their Shariah Compliant investment; a portfolio investing primarily in Sukuk and Shariah Compliant Money Market Instruments; and a Long Term retirement savings* plan. |
| | <i>Note: * Please note that Members' capital is neither guaranteed nor protected.</i> | | |
| Launch Date | 25 November 2013 | | |
| Initial Offer Price | Class D and Class I: RM0.5000 per unit | | |
| Description on the Class of units | Class D is only available for certain distributors appointed by the PRS Provider. Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider. | | |
| Income Distribution | Subject to availability of income, distribution (if any) is incidental. <i>Note: Income distribution (if any) will be in the form of units. Please refer to the mode of distribution on page 64.</i> | | |
| Financial Year End | 31 August | 31 August | 31 August |

| Name of Fund | AmPRS – Tactical Bond | AmPRS – Dynamic* Sukuk |
|-----------------------------|--|---|
| | | <i>*The word "Dynamic" in this context refers to the Target Fund's investment strategy which is active management, not buy-and-hold strategy.</i> |
| Fund Category | Feeder Fund (Bond) | Feeder fund (Sukuk) |
| Investment Objective | The Fund aims to provide returns through income* and to a lesser extent capital appreciation by investing in the AmTactical Bond. <i>Note: *Income distribution (if any) will be reinvested in the form of units.</i> | The Fund aims to provide capital appreciation by investing in the AmDynamic Sukuk. |

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| Name of Fund | AmPRS – Tactical Bond | AmPRS – Dynamic* Sukuk |
|--|---|---|
| | <i>*The word "Dynamic" in this context refers to the Target Fund's investment strategy which is active management, not buy-and-hold strategy.</i> | |
| | <i>Any material change to the investment objective of the Fund would require Members' approval.</i> | |
| Investment Strategy | The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the AmTactical Bond ("Target Fund") at all times. This implies that the Fund has a passive strategy. <i>Note: A replacement of the Target Fund would require Members' approval.</i> | The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the AmDynamic Sukuk ("Target Fund") at all times. This implies that the Fund has a passive strategy. <i>Note: A replacement of the Target Fund would require Members' approval.</i> |
| Name of Target Fund | AmTactical Bond | AmDynamic Sukuk |
| Asset Allocation | <ul style="list-style-type: none"> A minimum of 95% of the Fund's NAV will be invested into the Target Fund; and Up to 5% of the Fund's NAV in Liquid Assets. | <ul style="list-style-type: none"> A minimum of 95% of the Fund's NAV will be invested into the Target Fund; and Up to 5% of the Fund's NAV in Islamic Liquid Assets. |
| Base Currency | Ringgit Malaysia | |
| Performance Benchmark | RAM Quantshop All MGS Index, which is also the performance benchmark of the Target Fund. | BPAM Corporates Sukuk Index, which is also the performance benchmark of the Target Fund. <i>Note: Effective 25 July 2015, the performance benchmark has been changed from Bloomberg AIBIM Bursa Malaysia Sovereign Shariah Index (BMSSI) to BPAM Corporates Sukuk Index.</i> |
| | <i>For further details on the Fund's performance benchmark, please refer to page 34.</i> | |
| Specific Risks associated with the Fund | <ul style="list-style-type: none"> Risks of a passive strategy Risk of not meeting the Fund's investment objective Income distribution risk Liquidity risk Related party transaction risk | <ul style="list-style-type: none"> Risks of a passive strategy Risk of not meeting the Fund's investment objective Shariah non-compliance risk Liquidity risk Related party transaction risk |
| Member Profile | The Fund is suitable for Members who: <ul style="list-style-type: none"> are willing to assume risks associated with investing in securities with long duration (i.e. there will be no portfolio maturity limitation) and low credit ratings (i.e. there will be no minimum rating for the securities purchased or held by the Target Fund). | The Fund is suitable for Members who: <ul style="list-style-type: none"> want steady growth in value by investing in Sukuk as an asset class; and are willing to assume additional interest rate risk, duration risk and liquidity risk associated with investing in Sukuk with long duration (i.e. there will be no portfolio maturity limitation) and low credit ratings (i.e. there will be no minimum rating for Sukuk purchased or held by the Target Fund). |
| Launch date | 25 November 2013 | |
| Initial Offer Period (IOP) | Not Applicable | |
| Initial Offer Price | Class D and Class I: RM0.5000 per unit | |
| Description on the Class of units | Class D is only available for distributors appointed by the PRS Provider. Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider. | |
| Income Distribution | Subject to availability of income, distribution is paid twice every year and will be reinvested. <i>Note: Income distribution (if any) will be in the form of units. Please refer to the mode of distribution on page 64.</i> | Subject to availability of income, distribution (if any) is incidental. <i>Note: Income distribution (if any) will be in the form of units. Please refer to the mode of distribution on page 64.</i> |
| Financial Year End | 31 August | 31 August |

| Name of Fund | AmPRS – Asia Pacific REITs | AmPRS – Dynamic Allocator |
|-----------------------------|--|---|
| Fund Category | Real estate (REITs) | Fund-of-Funds (Mixed asset) |
| Investment Objective | The Fund aims to provide income* and to a lesser extent capital appreciation over the Medium to Long Term by primarily investing in real estate investment trusts (REITs). <i>* Income distribution (if any) will be reinvested in the form of units.</i> | The Fund aims to achieve capital growth over the Medium to Long Term and at the same time provide income* by investing primarily in collective investment schemes. <i>* Income distribution (if any) will be in the form of units.</i> |
| | <i>Any material change to the investment objective of the Fund would require Members' approval.</i> | |

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| Name of Fund | AmPRS – Asia Pacific REITs | AmPRS – Dynamic Allocator |
|--|--|---|
| Investment Strategy | <p>To achieve the investment objective, 70% to 98% of the Fund's NAV will be invested in REITs listed in the Asia Pacific region, which includes but not limited to Australia, Hong Kong, Japan, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. In addition to country diversification, the Fund will also diversify into different REITs sectors such as residential, commercial and industrial. The Fund will hold between 2% to 30% of its NAV in liquid assets.</p> <p>The Investment Manager employs an active allocation strategy, which means the asset allocation decisions will be made after reviewing the macroeconomic trends and REITs market outlook of the respective countries in the Asia Pacific region. The Investment Manager will be targeting REITs that have been generating regular income returns and have potential for capital growth. In evaluating the suitability of a REIT, the Investment Manager, amongst other factors, will review the track record, investment portfolio, financial status, income distribution policy and cost factors of the REIT.</p> <p>In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as liquid assets to safeguard the investment of the Fund. During this period, the Fund's investment may differ from the stipulated investment strategy.</p> <p>In order to achieve the investment objective, the Investment Manager will invest in REITs directly. However, the Fund may opt to invest at least 95% of its NAV in a REITs fund managed by AFM i.e. AmAsia Pacific REITs, which has similar investment objective with the Fund, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, whichever is earlier.</p> | <p>The Fund will be managed with the aim of achieving positive investment returns over the medium to long term regardless of market conditions. To achieve the investment objective, the Investment Manager applies a strategy that seeks to generate returns through investments in CIS, which has exposure to various asset classes including but not limited to equity, fixed income securities and money market instruments.</p> <p>In selecting the asset classes for the Fund, the Investment Manager will adopt an active asset allocation process. The Investment Manager will first review the macroeconomic trends in the global and local markets. Under general market conditions, the Fund's investment will be tilted towards equities. When the Investment Manager believes that the equity markets are overvalued, experiencing excessive volatility or expected prolonged declines, the Fund may invest a substantial portion of its assets in fixed income securities and/or money market CIS to achieve the Fund's investment objective in bearish or nonperforming equity markets.</p> <p>Once the asset allocation has been decided, the Investment Manager will then select CIS to fit the asset classes. In evaluating the suitability of a CIS for investment, the Investment Manager will, amongst other factors, review the track record, investment objective, investment policies and strategies, fund performance, income distribution policy and cost factors of the CIS. The Investment Manager will review the asset allocation of the Fund at least on a monthly basis. The Fund may invest in CIS that are managed by AFM or other CIS such as ETF listed and/or traded in the global markets, where the regulatory authority is an ordinary or associate member of the International Organisation of Securities Commissions (IOSCO). Should the Fund invest in CIS managed by AFM, there will be no crossholding between the Fund and CIS.</p> <p>The Fund will maintain a maximum of 5% of the Fund's NAV in liquid assets for liquidity purposes.</p> <p>In order to achieve the investment objective, the Investment Manager will invest in CIS directly. However, the Fund may opt to invest at least 95% of its NAV in AmDynamic Allocator, a CIS managed by AFM, which has similar investment objective of the Fund, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million. The switch to CIS directly may be performed on a staggered basis to facilitate a smooth transition. Hence during the transition period, the Fund's investment may differ from the stipulated investment strategies.</p> |
| Name of Target Fund | Not applicable | |
| Asset Allocation | <ul style="list-style-type: none"> 70% to 98% of the Fund's NAV will be invested in REITs; and A minimum of 2% to 30% of the Fund's NAV in liquid assets. | <ul style="list-style-type: none"> A minimum of 95% of the Fund's NAV will be invested in equity, fixed income and/or money market CIS; and A maximum of 5% of the Fund's NAV in Liquid Assets. |
| Base Currency | Ringgit Malaysia | |
| Performance Benchmark | <p>S&P Pan Asia REITs Index (obtainable from: www.aminvest.com and Bloomberg L.P.)</p> <p><i>For further details on the Fund's performance benchmark, please refer to page 34.</i></p> | <p>AmBank (M) Berhad 12-months fixed deposit rate (obtainable from: www.ambankgroup.com) + 3.00% p.a.</p> |
| Specific Risks associated with the Fund | <ul style="list-style-type: none"> Risk of a passive strategy Risks associated with investment in REITs Concentration risk Income distribution risk | <ul style="list-style-type: none"> Liquidity risk Income distribution risk Currency risk Related party transaction risk |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

| Name of Fund | AmPRS – Asia Pacific REITs | AmPRS – Dynamic Allocator |
|--|--|---|
| Member Profile | <ul style="list-style-type: none"> • Currency risk The Fund is suitable for Members who seek: <ul style="list-style-type: none"> • an investment exposure through a diversified portfolio of REITs in Asia Pacific region; and • income* and to a lesser extent capital appreciation over the Medium to Long Term; <p><i>* Income distribution (if any) will be in the form of units.</i></p> | <p>The Fund is suitable for Members who seek:</p> <ul style="list-style-type: none"> • wish to have capital growth with yearly income*; • have a Medium to Long Term investment horizon; and • wish to invest in a fund that potentially gives higher return than fixed deposit rates. |
| Launch date | 19 November 2014 | 7 October 2016 |
| Initial Offer Period (IOP) | Not Applicable | A period commencing from 7 October 2016 to 27 October 2016 |
| Initial Offer Price | Class D and Class I: RM0.5000 per unit | |
| Description on the Class of units | <p>Class D is only available for distributors appointed by the PRS Provider.</p> <p>Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider.</p> | |
| Income Distribution | <p>Subject to availability of income, distribution (if any) is paid at least once a year and will be reinvested.</p> <p><i>Note: Income distribution (if any) will be in the form of units. Please refer to the mode of distribution on page 64.</i></p> | |
| Financial Year End | 31 August | 31 August |

3.3 TARGET FUNDS' INFORMATION

| Name of Fund | AmPRS – Tactical Bond | AmPRS – Dynamic* Sukuk <i>The word "Dynamic" in this context refers to the Target Fund's investment strategy which is active management, not buy-and-hold strategy.</i> |
|-----------------------------|--------------------------------|--|
| Name of Target Fund | AmTactical Bond | AmDynamic* Sukuk <i>* The word "Dynamic" in this context refers to the Target Fund's investment strategy which is active management, not buy-and-hold strategy.</i> |
| Manager | AmFunds Management Berhad | AmFunds Management Berhad |
| Investment Manager | AmFunds Management Berhad | AmIslamic Funds Management Sdn Bhd |
| Domicile | Malaysia | Malaysia |
| Regulatory Authority | Securities Commission Malaysia | Securities Commission Malaysia |
| Launch Date | 29 October 2012 | 12 June 2012 |

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE MEMBERS, SEE RISK FACTORS COMMENCING ON PAGE 18.

3.4 FEES AND CHARGES

Charges

This table describes the charges that you may **directly** incur when you purchase or redeem units of Fund(s) under the Scheme:

| Name of Fund | Sales Charge* | | Redemption Charge | |
|--|--|---|--|---------|
| | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Moderate Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Conservative Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Islamic Equity Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Islamic Balanced Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Islamic Fixed Income Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

| | | | | |
|-----------------------------------|--|---|--|--|
| AmPRS – Tactical Bond | Up to 2.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Dynamic Sukuk | Up to 2.00% of NAV per unit of the Class | There is no sales charge for this Class | Up to 1.00% of NAV per unit of the Class <i>All redemption charge will be placed back into the Fund</i> | Up to 1.00% of NAV per unit of the Class <i>All redemption charge will be placed back into the Fund</i> |
| AmPRS – Asia Pacific REITs | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |
| AmPRS – Dynamic Allocator | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class | There is no redemption charge for this Class | |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

* All sales charges will be rounded up to two (2) decimal places.

Members are advised that they may negotiate for lower sales charge prior to the conclusion of sales.

The PRS Provider reserves the right to waive or reduce the sales charge from time to time at its absolute discretion.

There is no double charging of sales charge.

| Name of Fund | Other Charges (payable to the PRS Provider) | | Other Charges (payable to PPA) | |
|------------------------------------|--|---------|--|---------|
| | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | Other charges that you may incur which are payable to the PRS Provider are as follows: | | Other charges that you may incur which are payable to the PPA are as follows: | |
| AmPRS – Moderate Fund | <i>Switching fee</i> Switching is allowed only if it is between the same Class between the Funds under the Scheme. You may be charged up to 3.00% of amount switched. | | <i>PPA Account Opening fee</i> A one-off account opening fee of RM10 upon the first contribution made in private retirement scheme. | |
| AmPRS – Conservative Fund | <i>Transfer fee</i> Transfer of units from the Scheme to another scheme offered by another PRS provider is allowed at a fee of RM25, per transfer. This fee is payable to the PRS Provider. | | <i>PPA Annual fee</i> An annual fee of RM8 on a yearly basis when there is contribution to the Fund per PRS Provider. However, this annual fee will be waived for the year the account was opened with the PPA and for the year which there is no contribution with the PRS Provider. | |
| AmPRS – Islamic Equity Fund | <i>Bank charges/fees</i> Bank charges/fees are incurred only upon withdrawals (if any). | | <i>PPA Pre-Retirement Withdrawal fee</i> Pre-retirement withdrawal is allowed at a fee of RM25, per withdrawal (subject to changes as may be determined by PPA from time to time). | |
| AmPRS – Tactical Bond | | | | |
| AmPRS – Dynamic Sukuk | | | | |
| AmPRS – Asia Pacific REITs | | | | |
| AmPRS – Dynamic Allocator | | | <i>PPA Transfer fee</i> Transfer of units from the Scheme to another scheme offered by another PRS provider is allowed at a fee of RM25, per transfer (subject to changes as may be determined by PPA from time to time). | |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

Fees and Expenses

This table describes the fees and expenses that you may **indirectly** incur when you invest in Fund(s) under the Scheme:

| Name of Fund | Annual Management Fee | | Annual Scheme Trustee Fee | | PPA Administrative Fee | |
|--|---|---|---|---------|-----------------------------------|---------|
| | Class D | Class I | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Moderate Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Conservative Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Equity Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Balanced Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Fixed Income Fund | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Tactical Bond | Up to 1.00% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.00% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Dynamic Sukuk | Up to 1.00% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.00% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Asia Pacific REITs | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Dynamic Allocator | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund | Up to 0.04% p.a. of the NAV of the Fund (excluding foreign sub – custodian fee) | | 0.04% p.a. of the NAV of the Fund | |

Where the Fund invests in target fund(s) managed by AmlInvestment Group's FMD, there will be no double charging of management fee.

| | Fund Expenses | |
|--------------|--|---------|
| | Class D | Class I |
| Funds | <p>A list of the Fund's expenses directly related to the Fund(s) under the Scheme are as follows :</p> <ul style="list-style-type: none"> • audit fee; • tax agent's fee; • printing and postages of annual and interim reports; • bank charges; • taxes and duties charged to the Fund by the relevant authority or government; • investment committee fee for independent members; • lodgement fee for Fund's reports (if any); • sub-custodian fee (for foreign assets; if any); • commission fee paid to brokers/dealers (if any); • valuation fee of any investment of the Fund by an independent valuer; • cost, fees and charges payable to PPA; and • other expenses as permitted by the Deed. | |

Please refer to page 52 to 54 for details on Fees, Charges and Expenses.

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Note: All the fees and charges above may be increased. A supplementary or the Third Replacement disclosure document disclosing the new fees and charges will be issued should the fees and charges be increased. A notice period of 90 days will be given to the Members prior to the effective date of the new fees and charges, which is in accordance with the PRS Guidelines as may be amended and/ or updated from time to time.

3.5 TRANSACTION DETAILS

For all Funds under AmPRS:

| | | |
|---|----------------|---|
| Minimum Contribution | Initial | <p>Class D and Class I:</p> <p>For lump sum investment: RM500 or lower amount as the PRS Provider may from time to time decide</p> <p>For regular savings plan: RM100 or lower amount as the PRS Provider may from time to time decide</p> <p><i>Note: For Employer-Sponsored Retirement Scheme, the minimum contribution can be met by combining all contributions made by employers for their employee.</i></p> |
| Minimum Additional Contribution | | <p>Class D and Class I:</p> <p>For lump sum investment: RM100 or lower amount as the PRS Provider may from time to time decide</p> <p>For regular savings plan: RM100 or lower amount as the PRS Provider may from time to time decide</p> <p><i>Note: For Employer-Sponsored Retirement Scheme, the minimum contribution can be met by combining all contributions made by employers for their employee.</i></p> |
| Minimum Withdrawal / Switching | | <p>Class D and Class I: 500 units or such units as the PRS Provider may from time to time decide. <i>Please refer to page 61 for further details.</i></p> |
| Minimum holding / balance (applicable for post-retirement withdrawal only) | | <p>Class D and Class I: 200 units or such units as the PRS Provider may from time to time decide.</p> <p><i>Note: In the case of partial redemption request after Retirement Age, the PRS Provider may elect to redeem the entire account should the units held in your account of the Fund would be less than 200 units.</i></p> |
| Switching Facility | | <p>Switching is allowed only if it is between the same Class between the Funds under the Scheme, subject to a fee. <i>Please refer to page 62 for further details.</i></p> <p><i>Note: Switching from a Shariah Compliant fund to any other non-Shariah Compliant fund(s) is discouraged for Muslim Members.</i></p> |
| Transfer Facility | | <p>Transfer of units is allowed subject to a fee and conditions. <i>Please refer to page 63 for further details.</i></p> |
| Cooling-off Rights | | <p>If you make a contribution and later decide that the investment does not suit your needs, you may withdraw your money within the cooling-off period. You should be aware that the cooling-off right is only available on your first contribution in any private retirement schemes. Subsequent contributions will not enjoy this right. The cooling-off right is not available to staff of the PRS Provider and persons registered with a body approved by the SC to deal in private retirement schemes.</p> |
| Cooling-off Period | | <p>You may exercise cooling-off rights within six (6) Business Days of making the contribution. This is however, only available on your first contribution in any private retirement scheme. The PRS Provider will process and pay the cooling-off proceeds to the Member within ten (10) days after the PPA's authorisation is received by the PRS Provider.</p> |

Please refer to page 60 to 613 for details on how to make an application or withdrawal.

3.6 SUMMARY OF THE DIFFERENCES BETWEEN CLASS D AND CLASS I

A summary table for the differences between unit classes:

AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Conservative Fund, AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund, AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator

| Class | Class D | Class I |
|------------------------------|--|---|
| Brief Description | Class D is only available for distributors appointed by the PRS Provider. | Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider. |
| Sales Charge | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| Annual Management Fee | Up to 1.50% p.a. of the NAV attributable to this Class of units of the Fund | Up to 1.25% p.a. of the NAV attributable to this Class of units of the Fund |

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AmPRS – Tactical Bond and AmPRS – Dynamic Sukuk

| Class | Class D | Class I |
|--------------------------|--|---|
| Brief Description | Class D is only available for distributors appointed by the PRS Provider. | Class I is only available for Employer-Sponsored Retirement Scheme and also employees of any employers with prior arrangement with the PRS Provider. |
| Sales Charge | Up to 2.00% of NAV per unit of the Class | There is no sales charge for this Class |

3.7 OTHER INFORMATION

| | |
|--------------------------------|---|
| Deed | The Deed relating to the Scheme and Funds under the Scheme is dated 4 December 2012, as modified by the supplemental deed dated 22 October 2013, the second supplemental deed dated 2 April 2014, the third supplemental deed dated 29 October 2014, the fourth supplemental deed dated 6 March 2015 and the fifth supplemental deed dated 9 October 2015. |
| Need an Advice? | The Scheme is distributed by AmBank Group channels and selected IPRA distributors. The AmBank Group channels consist of AmBank (M) Berhad with extensive branch network of around 190 branches nationwide. You may contact the PRS Provider at (03) 2032 2888 for the list of distributors. <i>For further details, please refer to page 88.</i> |
| Complaints and Feedback | <p>1. For internal dispute resolution, you may contact our customer service representative:</p> <p>(a) via phone to : 03-2032 2888 (b) via fax to : 03-2031 5210 (c) via e-mail to : aminvestprs@aminvest.com (d) via letter to : AmFunds Management Berhad 9th Floor, Bangunan AmBank Group No. 55, Jalan Raja Chulan 50200 Kuala Lumpur</p> <p>2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):</p> <p>(a) via phone to: 03-2282 2280 (b) via fax to : 03-2282 3855 (c) via e-mail to: info@sidrec.com.my (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC) Unit A-9-1, Level 9, Tower A Menara UOA Bangsar No.5, Jalan Bangsar Utama 1 59000 Kuala Lumpur</p> <p>3. You can also direct your complaint to the Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:</p> <p>(a) via phone to the Aduan Hotline at : 03-6204 8999 (b) via fax to : 03-6204 8991 (c) via e-mail to : aduan@seccom.com.my (d) via online complaint form available at www.sc.com.my (e) via letter to : Investor Affairs & Complaints Department Securities Commission Malaysia No 3 Persiaran Bukit Kiara Bukit Kiara 50490 Kuala Lumpur</p> |

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

UNIT PRICES AND DISTRIBUTIONS PAYABLE, IF ANY, MAY GO DOWN AS WELL AS UP. PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE MEMBERS, SEE RISK FACTORS COMMENCING ON PAGE 18.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

4. RISK FACTORS

All investments carry some degree of risk. The role of the investment manager in a fund is to choose assets and mitigate risks as much as possible while working to achieve the investment objective of the fund.

Therefore, before making an investment decision, Members should consider the different types of risk that may affect the Fund under the Scheme or the Member individually.

4.1 GENERAL RISKS OF INVESTING IN THE FUND(S) UNDER THE SCHEME

Market Risk

This is the risk of prices of assets falling in response to general market factors as opposed to company-specific factors, which may affect the Fund's underlying investments and hence the NAV of the Fund. Factors influencing the performance of markets include:

- (a) Economic factors such as changes in interest rates, inflation and foreign exchange rates;
- (b) Socio-political environment;
- (c) Regulatory factors; and
- (d) Broad investor sentiment.

Inflation Risk

This is the risk that Members' investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' purchasing power even though the value of the investment in monetary terms has increased.

Investment Manager Risk (except for AmPRS – Tactical Bond and AmPRS – Dynamic Sukuk)

This is the risk of the Investment Manager making poor investment decisions which may adversely affect the performance of the Fund. Poor investment decisions could be due to incorrect view of markets or because of the chosen investment style.

Country Risk

Investments of the Fund 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 Fund invests in. For example, the deteriorating economic condition of the countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the net asset value or prices of units to fall.

Non-Compliance Risk

This is the risk of the PRS Provider, its delegates or the Trustee not complying with their respective internal policies, the Deed and its Supplemental Deed, securities law or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund when the Investment Manager takes action to rectify the non-compliance. For example, non-compliance could occur due to internal factors such as human error or shortfalls in operational and administrative processes, or external factors such as market movements.

This risk may be mitigated by having sufficient internal controls in place to ensure compliance with all applicable requirements at all times.

Capital and Returns Not Guaranteed

Investors should take note that the Fund under the Scheme is neither a capital guaranteed fund nor a capital protected fund. There is no guarantee of income distribution and capital appreciation.

4.2 SPECIFIC RISKS UNIQUELY ASSOCIATED WITH THE INVESTMENT PORTFOLIO OF THE FUND(S) UNDER THE SCHEME

Specific risks uniquely associated with the investment portfolio of AmPRS – Growth Fund and AmPRS – Moderate Fund

Company Specific Risk

This is the risk of prices of securities falling due to circumstances affecting individual companies. If company-specific factors deteriorate, the prices of the respective securities held by the Fund may possibly decline over short or extended periods despite positive market conditions. As a consequence, the NAV of the Fund may be adversely affected.

This risk is mitigated via careful selection of securities as well as through diversification (by spreading investments and hence risk across a basket of securities).

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit or interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Fund.

Interest Rate Risk

This is the risk of an increase in interest rates causing the value of fixed income instruments held by the Fund to generally decline. In particular, fixed income instruments with longer maturity and lower coupon/profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher coupon/profit rates.

In order to mitigate interest rate risk, the Investment Manager will need to manage the fixed income portfolio taking into account the coupon or profit rate and time to maturity of the fixed income instruments.

Risks associated with investment in REITs

Investing in REITs involves many of the same risks associated with direct ownership of real estate, including but not limited to possible declines in real estate's value, declines in real estate's ability in generating rental income, increase in interest rates, changes in property taxes and higher operating expenses, which may adversely affect the NAV of the Fund.

Liquidity Risk

Liquidity is defined as the ease with which securities can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Liquidity risk may be mitigated by investing in a portfolio of securities with reasonable* trading volumes and avoiding securities with poor liquidity.

* The Investment Manager determines what is deemed to be reasonable trading volume for the Fund.

Currency Risk

As the Fund may invest in foreign currency denominated securities (i.e. foreign investments), the Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Fund. When the currency of foreign investments depreciates against the base currency of the Fund, the NAV of the Fund will be adversely affected when the foreign investments are expressed in the base currency of the Fund.

The Investment Manager may at its discretion hedge the currency of its foreign investments against the base currency of the Fund to mitigate currency risk for the benefit of the Fund. Note that while hedging protects the Fund against depreciation in the currency of foreign investments against the base currency of the Fund, it also caps the Fund from benefiting from an appreciation in the currency of foreign investments against the base currency of the Fund.

Risk associated with the Default Option

Under Default Option, upon attaining the age group as stipulated in the PRS Guidelines, the PRS Provider will automatically redeem Members' units in the existing Core Fund and allocate Members' contribution into another Core Fund. For example, Members' units in AmPRS – Growth Fund will be switched to AmPRS – Moderate Fund when Members attain the age 40 years. At the point of switching, the NAV per unit of the AmPRS – Growth Fund may be lower than the NAV per unit of the AmPRS – Growth Fund that the members initially contributed into. Hence, Members may realize losses upon disposal of units held by the Members. However, the PRS Provider will notify the Members at least one (1) month before Members attaining the next age group, where Members are given an option to stay on at the particular Core Fund.

Specific risks uniquely associated with the investment portfolio of AmPRS – Conservative Fund

Company Specific Risk

This is the risk of prices of securities falling due to circumstances affecting individual companies. If company-specific factors deteriorate, the prices of the respective securities held by the Fund may possibly decline over short or extended periods despite positive market conditions. As a consequence, the NAV of the Fund may be adversely affected.

This risk is mitigated via careful selection of securities as well as through diversification (by spreading investments and hence risk across a basket of securities).

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit or interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Fund.

Interest Rate Risk

This is the risk of an increase in interest rates causing the value of fixed income instruments held by the Fund to generally decline. In particular, fixed income instruments with longer maturity and lower coupon/profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher coupon/profit rates.

In order to mitigate interest rate risk, the Investment Manager will need to manage the fixed income portfolio taking into account the coupon or profit rate and time to maturity of the fixed income instruments.

Risks associated with investment in REITs

Investing in REITs involves many of the same risks associated with direct ownership of real estate, including but not limited to possible declines in real estate's value, declines in real estate's ability in generating rental income, increase in interest rates, changes in property taxes and higher operating expenses, which may adversely affect the NAV of the Fund.

Liquidity Risk

Liquidity is defined as the ease with which securities can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Liquidity risk may be mitigated by investing in a portfolio of securities with reasonable* trading volumes and avoiding securities with poor liquidity.

* The Investment Manager determines what is deemed to be reasonable trading volume for the Fund.

Risk associated with the Default Option

Under Default Option, upon attaining the age group as stipulated in the PRS Guidelines, the PRS Provider will automatically redeem Members' units in the existing Core Fund and allocate Members' contribution into another Core Fund. For example, Members' units in AmPRS – Growth Fund will be switched to AmPRS – Moderate Fund when Members attain the age 40 years. At the point of switching, the NAV per unit of the AmPRS – Growth Fund may be lower than the NAV per unit of the AmPRS – Growth Fund that the members initially contributed into. Hence, Members may realize

losses upon disposal of units held by the Members. However, the PRS Provider will notify the Members at least one (1) month before Members attaining the next age group, where Members are given an option to stay on at the particular Core Fund.

Specific risks uniquely associated with the investment portfolio of AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund

Company Specific Risk

This is the risk of prices of securities falling due to circumstances affecting individual companies. If company-specific factors deteriorate, the prices of the respective securities held by the Fund may possibly decline over short or extended periods despite positive market conditions. As a consequence, the NAV of the Fund may be adversely affected.

This risk is mitigated via careful selection of securities as well as through diversification (by spreading investments and hence risk across a basket of securities).

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Fund.

Interest Rate Risk

This is the risk of an increase in interest rates in the broader economy causing the value of fixed income instruments held by the Fund to generally decline. In particular, fixed income instruments with longer maturity and lower profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher profit rates.

In order to mitigate interest rate risk, the Investment Manager will need to manage the fixed income portfolio taking into account the profit rate and time to maturity of the fixed income instruments.

Note that the term structure of interest rate is a general economic indicator that will have an impact on the Fund. It does not in any way suggest that the Fund will invest in conventional financial instruments.

Risks associated with investment in REITs

Investing in REITs involves many of the same risks associated with direct ownership of real estate, including but not limited to possible declines in real estate's value, declines in real estate's ability in generating rental income, increase in interest rates, changes in property taxes and higher operating expenses, which may adversely affect the NAV of the Fund.

Liquidity Risk

Liquidity is defined as the ease with which securities can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Liquidity risk may be mitigated by investing in a portfolio of securities with reasonable* trading volumes and avoiding securities with poor liquidity.

* The Investment Manager determines what is deemed to be reasonable trading volume for the Fund.

Currency Risk

As the Fund may invest in foreign currency denominated securities (i.e. foreign investments), the Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Fund. When the currency of foreign investments depreciates against the base currency of the Fund, the NAV of the Fund will be adversely affected when the foreign investments are expressed in the base currency of the Fund.

The Investment Manager may at its discretion hedge the currency of its foreign investments against the base currency of the Fund to mitigate currency risk for the benefit of the Fund. Note that while hedging protects the Fund against depreciation in the currency of foreign investments against the base currency of the Fund, it also caps the Fund from benefiting from an appreciation in the currency of foreign investments against the base currency of the Fund.

Shariah Non-Compliance Risk

This is the risk of the Fund not conforming to Shariah Investment Guidelines. The appointed Shariah Adviser for the Fund would be responsible for ensuring that the Fund is managed and administered in accordance with Shariah principles. Note that as the Fund can only invest in Shariah compliant instruments, non-compliance may adversely affect the NAV of Fund when the rectification of non-compliance results in losses.

When an investment (i.e. equity security) of the Fund is reclassified from Shariah compliant to Shariah non-compliant, any losses due to rectification of non-compliance (i.e. disposal of the Shariah non-compliant investment) will be assumed by the Fund. Losses could occur if the disposal of the Shariah non-compliant investment is at a price lower than the initial purchase price of the previously Shariah compliant investment.

If the non-compliance is due to active breach by the fund manager (i.e. buying a Shariah non-compliant investment, then any capital gain received arising from the disposal of the Shariah non-compliant investment shall be channeled to charity; however, if there is a loss arising from the disposal, the fund manager shall bear the loss.

Specific risks uniquely associated with the investment portfolio of AmPRS – Tactical Bond

Risk of a Passive Strategy

As the Fund adopts a passive strategy of investing a minimum of 95% of its NAV into the Target Fund at all times, this strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's NAV declines. This is because the Fund is closely mirroring the performance of the Target Fund and will not be adopting any temporary defensive strategies in response to such declines. All investment decisions are left with the fund manager of the Target Fund.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Risk of not meeting the Fund's Investment Objective

This is the risk that the Fund may deviate from the intended investment objective, the Investment Manager may liquidate the investments in the Target Fund and hold 100% of the Fund's NAV in cash, in order to protect the Members' interest, under circumstances including but not limited to the following:

- (a) there is an adverse change to the regulatory and political regime in which the Target Fund operates;
- (b) there is a material change to the investment objective of the Target Fund; and
- (c) there is an unfavorable change to the feature of the Target Fund (e.g. fees, distribution policy).

Subsequently, the PRS provider and/or its delegates in consultation with the Trustee and Investment Committee of the Fund will call for a Member's meeting to decide on whether to terminate the Fund or replace the Target Fund with a new target fund.

Note: A replacement of the Target Fund or termination of the Fund would require Members' approval.

Income Distribution Risk

It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, insufficient realized returns to enable income distribution. As per the SC Guidelines, distribution of income should only be made from realized gains or realized income.

Liquidity Risk

The Fund will be investing a minimum of 95% of its assets in the Target Fund. There may be exceptional circumstances, which could cause delays in the redemption of shares of the Target Fund and units of the Fund. In the event of exceptional circumstance such as suspension of calculation of net asset value of the Target Fund, no shares of the Target Fund will be redeemed and hence, the Fund may be suspended.

Related Party Transaction Risk

The Fund may invest in CIS managed by the PRS Provider. The Fund may also have other dealings with parties related to the PRS Provider. Hence, the Fund may be exposed to related party transaction risk, which in this context refers to the risk where the Manager may make certain investment decision for the benefit of the Investment Manager and/or parties related to the PRS Provider which may be at a disadvantage to the Fund and/or the CIS. For example, the Fund may invest in CIS managed by the PRS Provider with the pricing policies, manner of settlement and/ or other terms of the transactions different from those with independent parties.

It is the PRS Provider's policy that all transactions with related parties are to be executed on terms which are not less favorable to the Fund than on arm's length transaction between independent parties. There are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, risk management, compliance, administration and marketing. In the unlikely event that the PRS Provider faces conflicts in respect of its duties to the Fund and its duties to other CIS that it manages, the PRS Provider is obliged to act in the best interests of all its Members and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Investment Committee members will ensure the Fund is managed in the best interests of the Fund's Members.

Specific risks uniquely associated with the investment portfolio of AmPRS – Dynamic Sukuk

Risk of a Passive Strategy

As the Fund adopts a passive strategy of investing a minimum of 95% of its NAV into the Target Fund at all times, this strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's NAV declines. This is because the Fund is closely mirroring the performance of the Target Fund and will not be adopting any temporary defensive strategies in response to such declines. All investment decisions are left with the fund manager of the Target Fund.

Risk of not meeting the Fund's Investment Objective

This is the risk that the Fund may deviate from the intended investment objective, the Investment Manager may liquidate the investments in the Target Fund and hold 100% of the Fund's NAV in cash, in order to protect the Members' interest, under circumstances including but not limited to the following:

- (a) there is an adverse change to the regulatory and political regime in which the Target Fund operates;
- (b) there is a material change to the investment objective of the Target Fund; and
- (c) there is an unfavorable change to the feature of the Target Fund (e.g. fees, distribution policy).

Subsequently, the PRS provider and/or its delegates in consultation with the Trustee and Investment Committee of the Fund will call for a Member's meeting to decide on whether to terminate the Fund or replace the Target Fund with a new target fund.

Note: A replacement of the Target Fund or termination of the Fund would require Members' approval.

Shariah Non-Compliance Risk

This is the risk of the Fund not conforming to Shariah Investment Guidelines. The appointed Shariah Adviser for the Fund would be responsible for ensuring that the Fund is managed and administered in accordance with Shariah Investment Guidelines. Note that as the Fund can only invest in Shariah compliant instruments, non-compliance may adversely affect the NAV of Fund when the rectification of non-compliance results in losses.

If the non-compliance is due to active breach by the fund manager (i.e. buying a Shariah non-compliant investment), then any capital gain received arising from the disposal of the Shariah non-compliant investment shall be channeled to charity; however, if there is a loss arising from the disposal, the fund manager shall bear the loss.

Liquidity Risk

The Fund will be investing a minimum of 95% of its assets in the Target Fund. There may be exceptional circumstances, which could cause delays in the redemption of shares of the Target Fund and units of the Fund. In the event of exceptional circumstance such as suspension of calculation of net asset value of the Target Fund, no shares of the Target Fund will be redeemed and hence, the Fund may be suspended.

Related Party Transaction Risk

The Fund may invest in CIS managed by the PRS Provider. The Fund may also have other dealings with parties related to the PRS Provider. Hence, the Fund may be exposed to related party transaction risk, which in this context refers to the risk where the Manager may make certain investment

decision for the benefit of the Investment Manager and/or parties related to the PRS Provider which may be at a disadvantage to the Fund and/or the CIS. For example, the Fund may invest in CIS managed by the PRS Provider with the pricing policies, manner of settlement and/ or other terms of the transactions different from those with independent parties.

It is the PRS Provider's policy that all transactions with related parties are to be executed on terms which are not less favorable to the Fund than on arm's length transaction between independent parties. There are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, risk management, compliance, administration and marketing. In the unlikely event that the PRS Provider faces conflicts in respect of its duties to the Fund and its duties to other CIS that it manages, the PRS Provider is obliged to act in the best interests of all its Members and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Investment Committee members will ensure the Fund is managed in the best interests of the Fund's Members.

Specific risks uniquely associated with the investment portfolio of AmPRS – Asia Pacific REITs

Risk of a Passive Strategy

For a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, the Fund may adopt a passive strategy by investing a minimum of 95% of its NAV into AmAsia Pacific REITs at all times. This strategy would result in the Fund being exposed to the risk of its NAV declining when NAV of AmAsia Pacific REITs declines. This is because the Fund is closely mirroring the performance of AmAsia Pacific REITs and will not be adopting any temporary defensive strategies in response to such declines. All investment decisions are left with the fund manager of AmAsia Pacific REITs.

Risks associated with investment in REITs

Investing in REITs involves many of the same risks associated with direct ownership of real estate, including but not limited to possible decline in real estate's value, decline in real estate's ability in generating rental income, increase in interest rates, changes in property taxes and higher operating expenses, which may adversely affect the NAV of the Fund.

Concentration Risk

This is the risk that the Fund may be concentrated in a few sectors, countries and/or regions. As such, developments affecting that sector may affect the NAV of the Fund more adversely as compared to the scenario where the Fund is more diversified across many sectors, countries and/or regions.

This risk may be mitigated by diversifying the investment across several sectors, countries and/or regions.

Income Distribution Risk

It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, insufficient realized returns to enable income distribution. As per the SC Guidelines, distribution of income should only be made from realized gains or realized income.

Currency Risk

As the Fund may invest in foreign investments (i.e. foreign currency denominated CIS), the Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Fund. When the currency of foreign investments depreciates against the base currency of the Fund, the NAV of the Fund will be adversely affected when the foreign investments are expressed in the base currency of the Fund.

The Investment Manager may at its discretion hedge the currency of its foreign investments against the base currency of the Fund to mitigate currency risk for the benefit of the Fund. Note that while hedging protects the Fund against depreciation in the currency of foreign investments against the base currency of the Fund, it also caps the Fund from benefiting from an appreciation in the currency of foreign investments against the base currency of the Fund.

Specific risks uniquely associated with the investment portfolio of AmPRS – Dynamic Allocator

Liquidity Risk

Liquidity is defined as the ease with which investments made by the Fund can be bought or sold. For CIS traded on the stock exchange, liquidity depends on the availability of buyers and sellers as well as the trading volume of securities. For CIS which is not traded on the stock exchange, (i.e. unit trust fund), liquidity would depend on the redemption terms of the particular unit trust fund. The Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market (applicable to CIS traded on the stock exchange) or the lengthier time frame in receiving the redemption proceeds (applicable to unit trust funds).

Liquidity risk may be mitigated by avoiding making investments into CIS with poor liquidity. The Investment Manager determines what is deemed to be the appropriate level of liquidity for the Fund.

Income Distribution Risk

It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, insufficient realized returns to enable income distribution. As per the SC Guidelines, distribution of income should only be made from realized gains or realized income.

Currency Risk

As the Fund may invest in foreign investments (i.e. foreign currency denominated CIS), the Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Fund. When the currency of foreign investments depreciates against the base currency of the Fund, the NAV of the Fund will be adversely affected when the foreign investments are expressed in the base currency of the Fund.

The Investment Manager may at its discretion hedge the currency of its foreign investments against the base currency of the Fund to mitigate currency risk for the benefit of the Fund. Note that while hedging protects the Fund against depreciation in the currency of foreign investments against the base currency of the Fund, it also caps the Fund from benefiting from an appreciation in the currency of foreign investments against the base currency of the Fund.

Related Party Transaction Risk

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

The Fund may invest in CIS managed by the PRS Provider. The Fund may also have other dealings with parties related to the PRS Provider. Hence, the Fund may be exposed to related party transaction risk, which in this context refers to the risk where the Manager may make certain investment decision for the benefit of the Investment Manager and/or parties related to the PRS Provider which may be at a disadvantage to the Fund and/or the CIS. For example, the Fund may invest in CIS managed by the PRS Provider with the pricing policies, manner of settlement and/ or other terms of the transactions different from those with independent parties.

It is the PRS Provider's policy that all transactions with related parties are to be executed on terms which are not less favorable to the Fund than on arm's length transaction between independent parties. There are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, risk management, compliance, administration and marketing. In the unlikely event that the PRS Provider faces conflicts in respect of its duties to the Fund and its duties to other CIS that it manages, the PRS Provider is obliged to act in the best interests of all its Members and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Investment Committee members will ensure the Fund is managed in the best interests of the Fund's Members.

As the Fund primarily invests into CIS, the specific risks faced by the collective investment schemes ("CIS") are as follows:

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit or interest and/or principal. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the CIS.

Interest Rate Risk

This is the risk of an increase in interest rates causing the value of fixed income instruments held by the CIS to generally decline. In particular, fixed income instruments with longer maturity and lower coupon/profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher coupon/profit rates.

Liquidity Risk

Liquidity is defined as the ease with which investments can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The CIS holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the CIS to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Currency Risk

As the CIS may invest in foreign investments (i.e. foreign currency denominated investments), the CIS would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the CIS. When the currency of foreign investments depreciates against the base currency of the CIS, the NAV of the CIS will be adversely affected when the foreign investments are expressed in the base currency of the CIS.

The Investment Manager may at its discretion hedge the currency of its foreign investments against the base currency of the CIS to mitigate currency risk for the benefit of the CIS. Note that while hedging protects the CIS against depreciation in the currency of foreign investments against the base currency of the CIS, it also caps the CIS from benefiting from an appreciation in the currency of foreign investments against the base currency of the CIS.

Company Specific Risk

This is the risk of prices of securities falling due to circumstances affecting individual companies. If company-specific factors deteriorate, the prices of the respective securities held by the CIS may possibly decline over short or extended periods despite positive market conditions. As a consequence, the NAV of the CIS and hence the NAV of the fund may be adversely affected.

This risk may be mitigated via careful selection of securities as well as through portfolio diversification.

4.3 SPECIFIC RISKS ASSOCIATED WITH THE TARGET FUND

Specific risks associated with the Target Fund of AmPRS – Tactical Bond

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit or interest and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Target Fund.

Interest Rate Risk

This is the risk of an increase in interest rates causing the value of fixed income instruments held by the Target Fund to generally decline. In particular, fixed income instruments with longer maturity and lower coupon/profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher coupon/profit rates.

In order to mitigate interest rate risk, the manager of the Target Fund will need to manage the fixed income portfolio taking into account the coupon or profit rate and time to maturity of the fixed income instruments.

Income Distribution Risk

It should be noted that the distribution of income is not guaranteed. Circumstances preventing the distribution of income include, among others, capital controls affecting investments in foreign countries, as well as unavailability of sufficient realised returns to enable income distribution (as per the Guidelines on Unit Trust Funds issued by the SC, distribution of income should only be made from realised gains or realised income).

Currency Risk

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

As the Target Fund may invest in foreign currency denominated securities (i.e. foreign investments), the Target Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Target Fund. When the currency of foreign investments depreciates against the base currency of the Target Fund, the NAV of the Target Fund will be adversely affected when the foreign investments are expressed in the base currency of the Target Fund.

The manager of the Target Fund may at its discretion hedge the currency of its foreign investments against the base currency of the Target Fund to mitigate currency risk for the benefit of the Target Fund.

Liquidity Risk

Liquidity is defined as the ease with which securities can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The Target Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Target Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Liquidity risk may be mitigated by investing in a portfolio of securities with reasonable* trading volumes and avoiding securities with poor liquidity.

* The manager of the Target Fund determines what is deemed to be reasonable trading volume for the Target Fund.

Related Party Transaction Risk

The Target Fund may invest in CIS managed by the manager. The Target Fund may also have other dealings with parties related to the manager. Hence, the Target Fund may be exposed to related party transaction risk, which in this context refers to the risk where the manager may make certain investment decision for the benefit of the manager and/ or parties related to the manager which may be at a disadvantage to the Target Fund and/or the CIS. For example, the Target Fund may invest in CIS managed by the manager with the pricing policies, manner of settlement and/ or other terms of the transactions different from those with independent parties.

It is the manager's policy that all transactions with related parties are to be executed on terms which are not less favorable to the Target Fund than on arm's length transaction between independent parties. There are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, risk management, compliance, administration and marketing. In the unlikely event that the manager faces conflicts in respect of its duties to the Target Fund and its duties to other CIS that it manages, the manager is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the deed.

The investment committee members will ensure the Target Fund is managed in the best interests of the Target Fund's investors i.e. the Fund which the PRS Member(s) invested in.

Specific risks associated with the Target Fund of AmPRS – Dynamic Sukuk

Credit and Default Risk

Credit risk relates to the creditworthiness of the issuers of the debt instruments and its expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer may impact the value as well as liquidity of the debt instrument. In the case of rated debt instruments, this may lead to a credit downgrade. Default risk relates to issuer of a debt instrument either defaulting in payments or failing to make payments in a timely manner which will in turn adversely affect the value of the Target Fund.

Interest Rate Risk

This is the risk of an increase in interest rates causing in the broader economy the value of fixed income instruments held by the Target Fund to generally decline. In particular, fixed income instruments with longer maturity and lower profit rates are more sensitive to interest rate changes, and are subject to greater interest rate risk compared to fixed income instruments with shorter maturities and higher profit rates.

In order to mitigate interest rate risk, the manager of the Target Fund will need to manage the fixed income portfolio taking into account the profit rate and time to maturity of the fixed income instruments.

Note that the term structure of interest rate is a general economic indicator that will have an impact on the Target Fund. It does not in any way suggest that the Target Fund will invest in conventional financial instruments.

Liquidity Risk

Liquidity is defined as the ease with which securities can be bought or sold. This depends on the availability of buyers and sellers as well as the trading volume of securities in the market. The Target Fund holding investments that are illiquid or difficult to dispose of would be exposed to liquidity risk, which in this context refers to the inability of the Target Fund to take advantage of potentially better pricing that would be available if there were more buyers and the securities are more actively traded in the market.

Liquidity risk may be mitigated by investing in a portfolio of securities with reasonable* trading volumes and avoiding securities with poor liquidity.

* The manager of the Target Fund determines what is deemed to be reasonable trading volume for the Target Fund.

Emerging Market Risk

The Target Fund may be investing in securities in emerging markets which may be subject to higher political risks, regulatory risks and liquidity risks compared to these risks in developed markets. Due to many emerging markets undergoing rapid growth, there are less regulations and there may be less public information about these securities in such markets as compared to other markets. Investors would have to take into consideration that trading volume in emerging markets may be substantially less than the developed markets and the Target Fund may have to trade at unfavourable prices at that point of time. Investments in emerging markets are also subject to repatriation risks. Many emerging markets have restricted foreign investment policies although liberalization continues. Emerging markets may not have fully developed custodian and settlement services and therefore investments in such markets are subject to a greater degree of risk.

Currency Risk

As the Target Fund may invest in foreign currency denominated securities (i.e. foreign investments), the Target Fund would be exposed to currency risk. This is the risk associated with investments that are denominated in currencies that are different from the base currency of the Target Fund. When the currency of foreign investments depreciates against the base currency of the Target Fund, the NAV of the Target Fund will be adversely affected when the foreign investments are expressed in the base currency of the Target Fund.

The manager of the Target Fund may at its discretion hedge the currency of its foreign investments against the base currency of the Target Fund to mitigate currency risk for the benefit of the Target Fund.

Shariah Non-Compliance Risk

This is the risk of the Target Fund not conforming to Shariah Investment Guidelines. The appointed Shariah Adviser for the Target Fund would be responsible for ensuring that the Target Fund is managed and administered in accordance with Shariah Investment Guidelines. Note that as the Target Fund can only invest in Shariah compliant instruments, non-compliance may adversely affect the NAV of Target Fund when the rectification of non-compliance results in losses.

If the non-compliance is due to active breach by the fund manager (i.e. buying a Shariah non-compliant investment), then any capital gain received arising from the disposal of the Shariah non-compliant investment shall be channeled to charity; however, if there is a loss arising from the disposal, the fund manager shall bear the loss.

Related Party Transaction Risk

The Target Fund may invest in CIS managed by the manager. The Target Fund may also have other dealings with parties related to the manager. Hence, the Target Fund may be exposed to related party transaction risk, which in this context refers to the risk where the manager may make certain investment decision for the benefit of the manager and/ or parties related to the manager which may be at a disadvantage to the Target Fund and/or the CIS. For example, the Target Fund may invest in CIS managed by the manager with the pricing policies, manner of settlement and/ or other terms of the transactions different from those with independent parties.

It is the manager's policy that all transactions with related parties are to be executed on terms which are not less favorable to the Target Fund than on arm's length transaction between independent parties. There are adequate segregation of duties to ensure proper checks and balances are in place in the areas of fund management, risk management, compliance, administration and marketing. In the unlikely event that the manager faces conflicts in respect of its duties to the Target Fund and its duties to other CIS that it manages, the manager is obliged to act in the best interests of all its investors and will seek to resolve any conflicts fairly and in accordance with the deed.

The investment committee members will ensure the Target Fund is managed in the best interests of the Target Fund's investors i.e. the Fund which the PRS Member(s) invested in.

Note: The above mentioned risks which Members should consider before contributing into the Scheme and Funds under the Scheme should not be considered to be an exhaustive list. Members should be aware that investments in the Fund(s) under the Scheme may be exposed to other unforeseeable risks from time to time.

5. THE SCHEME'S AND FUNDS' DETAILED INFORMATION

5.1 SCHEME'S INFORMATION

a. Name of Scheme

AmPRS

b. General information of the Scheme

AmPRS is a private retirement scheme that aims to provide Malaysians and foreigners (excluding US Citizen), whether employed or self-employed, an opportunity to enhance their retirement savings* by making additional voluntary Long Term contribution under a well-structured and regulated environment.

AmPRS is offered to the public and is accessible by a wide cross-section of the population. It is a Long Term retirement savings* plan that enables you to save* money for your retirement. You can make voluntary contributions to AmPRS. When you reach your Retirement Age, you can access your savings* in PRS either in one lump sum or partially, or you can continue your contributions in AmPRS.

In addition, AmPRS provides you with greater flexibilities as follows:

- you can always decide on your contribution amount;
- you can determine the frequency of your contribution (i.e. monthly, yearly or anytime);
- you can decide the Fund that you wish to invest according to your investment appetite and retirement goal;
- you can access your retirement funds before your Retirement Age (subject to terms and conditions as stated in the Second Replacement Disclosure Document).

The AmPRS aims to provide a range of funds suiting individual's retirement needs, goals and risk appetite. The Scheme currently has three (3) Core Funds and seven (7) Non-Core Funds. To enhance investment choices for investing individuals, the Scheme will also include more non-Core Funds in the future which will broaden your investment opportunities. You may opt to invest in any Funds under the Scheme.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

c. Detailed description of the operations of the Scheme

Contributions

Contributions to Funds under the AmPRS can be received from an employer (who contributes for its employee) or from any individual who has attained the age of 18 years as of the date of opening of a private pension account with the PPA.

All contributions made by a Member will be maintained in two separate sub-accounts by the PRS Provider as follows:

- (a) Sub-Account A which holds 70% of all contributions made, reflected in units and not available for pre-retirement withdrawal, except for death of a Member or permanent departure of a Member from Malaysia; and
- (b) Sub-Account B which holds 30% of all contributions made, reflected in units and available for pre-retirement withdrawal, subject to payment of tax penalty of 8% set by the Inland Revenue Board ("IRB"), which will be deducted by the PRS Provider from the redeemed amount. However, the tax penalty is not applicable for withdrawals due to death of a Member and permanent departure of a Member from Malaysia.

If you do not specify your investment option when making an investment, we will automatically allocate your investment into Core Funds under the Default Option of the Scheme, according to your age.

The Default Option of this Scheme consists of the following Core Funds:

- (a) AmPRS – Conservative Fund, for Members aged 50 years and above;
- (b) AmPRS – Moderate Fund, for Members aged 40 years and above but have not reached 50 years; and
- (c) AmPRS – Growth Fund, for Members below 40 years old.

A Member may actively select one or more Core Funds notwithstanding that the Core Funds do not correspond with the age of the Member.

If a Member contributes under the Default Option and he/ she makes his/her first contribution to the Scheme a month before he/she attains the age of 40 or 50 years old as the case may be, the PRS Provider will allocate such contribution to the AmPRS – Moderate Fund or AmPRS – Conservative Fund respectively.

Withdrawals

Request for payment for withdrawals from any Funds under a Scheme may be made in the following circumstances:

- (a) after the day the Member reaches the Retirement Age, withdrawals may be made in part or in full;
- (b) following the death of a Member, only full withdrawals may be made;
- (c) for pre-retirement withdrawal, withdrawal from Sub-Account B may be made in part or in full; or
- (d) permanent departure of a Member from Malaysia, only full withdrawals may be made.

Upon receiving a Member's request to withdraw some or all of the accrued benefits in any Fund under a Scheme, the PRS Provider or Private Pension Administrator (as the case may be) may require the Member to provide evidence of the facts necessary to establish the Member's right to withdraw monies from any Fund under the Scheme. For withdrawals following the death of a Member where only full withdrawal may be made, a PRS Provider must obtain prior authorisation from the Private Pension Administrator before issuing instructions to the Trustee to cancel units. The PRS Provider must pay the proceeds within ten (10) days after the PPA's authorisation is received. However, prior authorisation from PPA is not required for pre-retirement withdrawal from Sub-Account B, permanent departure of a Member from Malaysia or upon reaching the Retirement Age. Upon receiving the withdrawal request, the PRS Provider will process and pay the withdrawal proceeds within ten (10) days.

For the first pre-retirement withdrawal, it can be requested by a Member one year after making the first contribution to the Scheme (whether by Member or employer). As for the subsequent pre-retirement withdrawal from the Scheme, it can only be requested by a Member once every calendar year from the PRS Provider. Members who have contributed to funds of multiple PRS providers may request for multiple pre-retirement

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

withdrawals in a year provided only one pre-retirement withdrawal request is made to each PRS provider. A PRS Provider will deduct the applicable tax penalty of 8% or such other applicable tax penalty from the withdrawn amount before making payment to the Member. However, for pre-retirement withdrawals due to death, permanent departure of a Member from Malaysia or upon reaching the Retirement Age, a Member shall be entitled to withdraw the full amount accumulated in all of the Funds under the Scheme held by the Member as accrued benefits without payment of any tax. For units issued under or pursuant to Employer-Sponsored Retirement Schemes which are subject to Vesting Schedules, withdrawal is not permitted until such units are unconditionally vested in a member

Kindly refer to page 60 to 61 for details on how to make an application or withdrawal.

Transfer

For pre-retirement transfer from one or multiple Funds under the Scheme to another PRS providers, can be requested by a Member one year after making the first contribution to the Scheme and all accrued benefit to be transferred from the Fund must be transferred to only one (1) other fund. The PRS Provider must pay the proceeds to the other PRS provider within five (5) Business Days upon receiving a complete transfer form from PPA.

d. Funds under the Scheme

| Name of Fund | Core Fund | Non-Core Fund | Conventional | Islamic |
|-----------------------------------|-----------|---------------|--------------|---------|
| AmPRS – Growth Fund | √ | | √ | |
| AmPRS – Moderate Fund | √ | | √ | |
| AmPRS – Conservative Fund | √ | | √ | |
| AmPRS – Islamic Equity Fund | | √ | | √ |
| AmPRS – Islamic Balanced Fund | | √ | | √ |
| AmPRS – Islamic Fixed Income Fund | | √ | | √ |
| AmPRS – Tactical Bond | | √ | √ | |
| AmPRS – Dynamic Sukuk | | √ | | √ |
| AmPRS – Asia Pacific REITs | | √ | √ | |
| AmPRS – Dynamic Allocator | | √ | √ | |

5.2 FUNDS' INFORMATION

a. Category

AmPRS – Growth Fund
Core (Growth)

AmPRS – Moderate Fund
Core (Moderate)

AmPRS – Conservative Fund
Core (Conservative)

AmPRS – Islamic Equity Fund
Equity (Islamic)

AmPRS – Islamic Balanced Fund
Balanced (Islamic)

AmPRS – Islamic Fixed Income Fund
Fixed income (Islamic)

AmPRS – Tactical Bond
Feeder Fund (Bond)

AmPRS – Dynamic Sukuk
Feeder Fund (Sukuk)

AmPRS – Asia Pacific REITs
Real estate (REITs)

AmPRS – Dynamic Allocator
Fund-of-Funds (Mixed asset)

b. Investment Objective

AmPRS – Growth Fund

AmPRS – Growth Fund aims to provide Long Term capital growth by investing primarily in equities, equity-related securities and/or REITs.

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

AmPRS – Moderate Fund

AmPRS – Moderate Fund aims to provide Medium to Long Term capital growth by investing in equities, fixed income securities and/or REITs.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

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

AmPRS – Conservative Fund

AmPRS – Conservative Fund aims to preserve* capital by investing primarily in fixed income securities and money market instruments.

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

AmPRS – Islamic Equity Fund

AmPRS – Islamic Equity Fund aims to provide Long Term capital growth by investing primarily in Shariah Compliant equities and/or equity-related securities.

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

AmPRS – Islamic Balanced Fund

AmPRS – Islamic Balanced Fund aims to provide Medium to Long Term capital growth by investing in Shariah Compliant equities, Sukuk and Shariah Compliant money market instruments.

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

AmPRS – Islamic Fixed Income Fund

AmPRS – Islamic Fixed Income Fund aims to provide Short to Medium Term capital growth by investing primarily in Sukuk and Shariah Compliant money market instruments.

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

AmPRS – Tactical Bond

The Fund aims to provide returns through income and to a lesser extent capital appreciation by investing in the AmTactical Bond.

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

AmPRS – Dynamic Sukuk

The Fund aims to provide capital appreciation by investing in the AmDynamic Sukuk.

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

AmPRS – Asia Pacific REITs

The Fund aims to provide income^ and to a lesser extent capital appreciation over the Medium to Long Term by primarily investing in real estate investment trusts (REITs).

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

Note:

* Please note that Members' capital is neither guaranteed nor protected.

^Income distribution (if any) will be reinvested in the form of units.

AmPRS – Dynamic Allocator

The Fund aims to achieve capital growth over the Medium to Long Term and at the same time provide income* by investing primarily in collective investment schemes.

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

Note:

*Income distribution (if any) will be in the form of units.

c. Investment Strategy

AmPRS – Growth Fund

The AmPRS – Growth Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Equities;
- Fixed income instruments;
- REITs; and
- Liquid Assets.

To achieve the investment objective of the AmPRS – Growth Fund, up to 70% of the Fund's NAV will be investing in equities to achieve capital growth. The remaining NAV of the Fund will be investing in fixed income instruments to provide capital stability to the Fund.

For AmPRS – Growth Fund, the securities that the Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Growth Fund, foreign investments (if any) will be limited to 50% of the Fund's NAV.

For AmPRS – Growth Fund, the Investment Manager will first analyse the general economic and market conditions. The Investment Manager employs an active asset allocation strategy depending upon the equity market expectations. In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as Liquid Assets at the expense of the equities and/or equity-related securities allocation (within the stipulated asset allocation), to safeguard the investment of the Fund.

The equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For fixed income portfolio, the Investment Manager will select securities that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider securities with a more favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in securities with varying maturities.

For REITs selection, the Investment Manager will be targeting REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via CIS of AFM or other CIS such as ETF for the first five-year period from the launch of the Scheme or upon reaching RM200million NAV, whichever is earlier. The Investment Manager will be targeting CIS that have the similar investment objective of the Fund. The value of the AmPRS – Growth Fund's investments in any of the CIS of AFM must not exceed 40% of the AmPRS – Growth Fund's NAV. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The AmPRS – Growth Fund may also invest in derivatives for the purpose of hedging if it is deemed necessary to do so.

AmPRS – Moderate Fund

The AmPRS – Moderate Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Equities;
- Fixed income instruments;
- REITs; and
- Liquid Assets.

To achieve the investment objective of the AmPRS – Moderate Fund, up to 60% of the Fund's NAV will be investing in equities to achieve capital growth. The remaining NAV of the Fund will be investing in fixed income instruments to provide capital stability to the Fund.

For AmPRS – Moderate Fund, the securities that the Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Moderate Fund, foreign investments (if any) will be limited to 40% of the Fund's NAV.

For AmPRS – Moderate Fund, the Investment Manager will first analyse the general economic and market conditions. The Investment Manager employs an active asset allocation strategy depending upon the equity market expectations. In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as Liquid Assets at the expense of the equities and/or equity-related securities allocation (within the stipulated asset allocation), to safeguard the investment of the Fund.

The equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For fixed income portfolio, the Investment Manager will select securities that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider securities with a more favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in securities with varying maturities.

For REITs selection, the Investment Manager will be targeting REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via CIS of AFM or other CIS such as ETF for the first five-year period from the launch of the Scheme or upon reaching RM200million NAV, whichever is earlier. The Investment Manager will be targeting CIS that have the similar investment objective of the Fund. The value of the AmPRS – Moderate Fund's investments in any of the CIS of AFM must not exceed 40% of the AmPRS – Moderate Fund's NAV. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The AmPRS – Moderate Fund may also invest in derivatives for the purpose of hedging if it is deemed necessary to do so.

AmPRS – Conservative Fund

The AmPRS – Conservative Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Fixed income instruments;
- Liquid Assets;
- Equities; and
- REITs.

To achieve the investment objective of the AmPRS – Conservative Fund, the Fund will primarily invest in fixed income instruments to provide capital preservation* to the Fund. The Fund may also invest a maximum of 20% of its NAV in equities to provide additional return to the Fund.

Investments in the AmPRS – Conservative Fund will be restricted to investments in Malaysia and local currency investments. The AmPRS – Conservative Fund will not be invested in any RM-denominated foreign investments.

For fixed income portfolio, the Investment Manager will select securities/money market instruments that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider securities/money market instruments with a more favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in securities/money market instruments with varying maturities. For AmPRS – Conservative Fund, the Investment Manager will invest in securities/money market instruments with a minimum "P2" short-term local credit rating and/or "BBB3" long-term local credit rating by RAM or MARC equivalent at the time of investment. However, the AmPRS – Conservative Fund may hold a maximum of 5% of its NAV in fixed income securities/money market instruments which are rated below the minimum credit rating requirement as stipulated or unrated at the time of investment. In the event that the 5% limit is exceeded, whether as a result of:

- (a) a downgrade of any fixed income securities/Money Market Instruments to below the minimum credit rating requirement as stipulated;

- (b) an increase in the aggregate value of fixed income securities/money market instruments which are rated below the minimum credit rating requirement as stipulated and/or unrated; or
 - (c) a decrease in the NAV of AmPRS – Conservative Fund.
- the Investment Manager shall take immediate action to reduce such investments to comply with the 5% limit unless it is in the opinion of the Trustee that the disposal of such investments are not in the best interests of Members.

The equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For REITs selection, the Investment Manager will be targeting REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the securities either directly or via CIS of AFM or other CIS such as ETF for the first five-year period from the launch of the Scheme or upon reaching RM200million NAV, whichever is earlier. The Investment Manager will be targeting CIS that have the similar investment objective of the Fund. The value of the AmPRS – Conservative Fund's investments in any of the CIS of AFM must not exceed 40% of the AmPRS – Conservative Fund's NAV. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The use of derivative is not applicable for the AmPRS – Conservative Fund as the Fund has no foreign currency exposure.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Islamic Equity Fund

The AmPRS – Islamic Equity Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Shariah Compliant equities;
- Sukuk and Shariah Compliant money market instruments;
- Shariah Compliant REITs; and
- Islamic Liquid Assets.

To achieve the investment objective of the AmPRS – Islamic Equity Fund, a minimum of 70% of the Fund's NAV will be investing in Shariah Compliant equities to achieve capital growth. The remaining NAV of the Fund will be investing in Sukuk and Shariah Compliant money market instruments to provide capital stability to the Fund.

For AmPRS – Islamic Equity Fund, the Shariah Compliant securities that the Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Growth Fund, foreign investments (if any) will be limited to 50% of the Fund's NAV.

For AmPRS – Islamic Equity Fund, the Investment Manager will first analyse the general economic and market conditions. The Investment Manager employs an active asset allocation strategy depending upon the equity market expectations. In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as Islamic Liquid Assets at the expense of the Shariah Compliant equities and/or equity-related securities allocation (within the stipulated asset allocation), to safeguard the investment of the Fund.

The Shariah Compliant equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For Sukuk and Shariah Compliant money market instruments portfolio, the Investment Manager will select instruments that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider instruments with favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in instruments with varying maturities.

For Shariah Compliant REITs selection, the Investment Manager will be targeting Shariah Compliant REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles. The Investment Manager will be targeting CIS that have the similar investment objective of the Fund. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The AmPRS – Islamic Equity Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.

AmPRS – Islamic Balanced Fund

The AmPRS – Islamic Balanced Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Shariah Compliant equities;
- Sukuk and Shariah Compliant money market instruments;
- Shariah Compliant REITs; and
- Islamic Liquid Assets.

To achieve the investment objective of the AmPRS – Islamic Balanced Fund, 40% to 60% of the Fund's NAV will be investing in Shariah Compliant equities to achieve capital growth. The remaining NAV of the Fund will be investing in Sukuk and Shariah Compliant money market instruments to provide capital stability to the Fund.

For AmPRS – Islamic Balanced Fund, the Shariah Compliant securities that the Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Moderate Fund, foreign investments (if any) will be limited to 40% of the Fund's NAV.

For the Shariah Compliant equity portfolio of the AmPRS – Islamic Balanced Fund, the Investment Manager will first analyse the general economic and market conditions. The Investment Manager employs an active asset allocation strategy depending upon the equity market expectations. In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as Islamic Liquid Assets at the expense of the Shariah Compliant equities and/or equity-related securities allocation (within the stipulated asset allocation), to safeguard the investment of the Fund.

The Fund's equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For Sukuk and Shariah Compliant money market instruments portfolio, the Investment Manager will select instruments that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider instruments with favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in instruments with varying maturities.

For Shariah Compliant REITs selection, the Investment Manager will be targeting Shariah Compliant REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles. The Investment Manager will be targeting CIS that have the similar investment objective of the Fund. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The AmPRS – Islamic Balanced Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.

AmPRS – Islamic Fixed Income Fund

The AmPRS – Islamic Fixed Income Fund may invest its assets into a well-diversified portfolio comprising the following asset classes:

- Sukuk and Shariah Compliant money market instruments;
- Islamic Liquid Assets;
- Shariah Compliant equities; and
- Shariah Compliant REITs.

To achieve the investment objective of the AmPRS – Islamic Fixed Income Fund, the Fund will primarily invest a minimum of 70% of its NAV in Sukuk and Shariah Compliant money market instruments to provide capital stability to the Fund. The Fund may also invest a maximum of 30% of its NAV in Shariah Compliant equities to provide additional return to the Fund.

For AmPRS – Islamic Fixed Income Fund, the Shariah Compliant securities that the AmPRS – Islamic Fixed Income Fund invests in will be traded and/or listed in the following countries, which includes but not limited to Australia, Hong Kong, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. For AmPRS – Fixed Income Fund, foreign investments (if any) will be limited to 20% of the Fund's NAV.

For Sukuk and Shariah Compliant money market instruments portfolio, the Investment Manager will select instruments that will deliver better returns for a given level of risk. In addition, the Investment Manager may also consider instruments with favorable or improving credit or industry outlook that provide potential capital appreciation. The Fund may invest in instruments with varying maturities.

The Fund's equity portfolio aims to mitigate fluctuations that are brought by investment sectors and market capitalization differences. The portfolio may thus be diversified across investment sectors and market capitalization.

For Shariah Compliant REITs selection, the Investment Manager will be targeting Shariah Compliant REITs that have been generating regular income returns and have potential for capital growth.

In order to achieve the investment objective, the Investment Manager may opt to invest in the Shariah Compliant securities either directly or via CIS of AFM or other CIS such as ETF that comply with Shariah Principles. In evaluating the suitability of a CIS, the Investment Manager, amongst other factors, will review the track record, investment objective, investment portfolio, income distribution policy and cost factors of the CIS.

The AmPRS – Islamic Fixed Income Fund may also use Shariah Compliant hedging instruments for the purpose of hedging (subject to PRS Guidelines) if it is deemed necessary to do so.

AmPRS – Tactical Bond

The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the AmTactical Bond ("Target Fund") at all times. This implies that the Fund has a passive strategy.

Note: A replacement of the Target Fund would require Members' approval.

AmPRS – Dynamic Sukuk

The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the AmDynamic Sukuk ("Target Fund") at all times. This implies that the Fund has a passive strategy.

Note: A replacement of the Target Fund would require Members' approval.

AmPRS – Asia Pacific REITs

To achieve the investment objective, 70% to 98% of the Fund's NAV will be invested in REITs listed in the Asia Pacific region, which includes but not limited to Australia, Hong Kong, Japan, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. In addition to country diversification, the Fund will also diversify into different REITs sectors such as residential, commercial and industrial. The Fund will hold between 2% to 30% of its NAV in liquid assets.

The Investment Manager employs an active allocation strategy, which means the asset allocation decisions will be made after reviewing the macroeconomic trends and REITs market outlook of the respective countries in the Asia Pacific region. The Investment Manager will be targeting

REITs that have been generating regular income returns and have potential for capital growth. In evaluating the suitability of a REIT, the Investment Manager, amongst other factors, will review the track record, investment portfolio, financial status, income distribution policy and cost factors of the REIT.

In an adverse market condition, the Investment Manager may increase its asset allocation to lower risk assets such as liquid assets to safeguard the investment of the Fund. During this period, the Fund's investment may differ from the stipulated investment strategy.

In order to achieve the investment objective, the Investment Manager will invest in REITs directly. However, the Fund may opt to invest at least 95% of its NAV in a REITs fund managed by AFM i.e. AmAsia Pacific REITs, which has similar investment objective with the Fund, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, whichever is earlier.

AmPRS – Dynamic Allocator

The Fund will be managed with the aim of achieving positive investment returns over the medium to long term regardless of market conditions. To achieve the investment objective, the Investment Manager applies a strategy that seeks to generate returns through investments in CIS, which has exposure to various asset classes including but not limited to equity, fixed income securities and money market instruments.

In selecting the asset classes for the Fund, the Investment Manager will adopt an active asset allocation process. The Investment Manager will first review the macroeconomic trends in the global and local markets. Under general market conditions, the Fund's investment will be tilted towards equities. When the Investment Manager believes that the equity markets are overvalued, experiencing excessive volatility or expected prolonged declines, the Fund may invest a substantial portion of its assets in fixed income securities and/or money market CIS to achieve the Fund's investment objective in bearish or nonperforming equity markets.

Once the asset allocation has been decided, the Investment Manager will then select CIS to fit the asset classes. In evaluating the suitability of a CIS for investment, the Investment Manager will, amongst other factors, review the track record, investment objective, investment policies and strategies, fund performance, income distribution policy and cost factors of the CIS. The Investment Manager will review the asset allocation of the Fund at least on a monthly basis. The Fund may invest in CIS that are managed by AmFunds Management Berhad or other CIS such as exchange-traded funds listed and/or traded in the global markets, where the regulatory authority is an ordinary or associate member of the International Organisation of Securities Commissions (IOSCO). Should the Fund invest in CIS managed by AFM, there will be no crossholding between the Fund and CIS.

The Fund will maintain a maximum of 5% of the Fund's NAV in liquid assets for liquidity purposes.

In order to achieve the investment objective, the Investment Manager will invest in CIS directly. However, the Fund may opt to invest at least 95% of its NAV in AmDynamic Allocator, a CIS managed by AFM, which has similar investment objective of the Fund, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million. The switch to CIS directly may be performed on a staggered basis to facilitate a smooth transition. Hence during the transition period, the Fund's investment may differ from the stipulated investment strategies.

d. Income Distribution

AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Conservative Fund, AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund and AmPRS – Dynamic Sukuk
Subject to availability of income, distribution (if any) is incidental.

Income distribution (if any) will be reinvested in the form of units.

AmPRS – Tactical Bond

Subject to availability of income, distribution is paid twice every year and will be reinvested.

Income distribution (if any) will be reinvested in the forms of units.

AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator

Subject to availability of income, distribution (if any) is paid at least once a year and will be reinvested.

Income distribution (if any) will be reinvested in the form of units.

For all the Funds mentioned above including the AmPRS – Islamic Fixed Income Fund, income distribution (if any) will be based on performance of the Fund and not based on a fixed return.

e. Asset Allocation

AmPRS – Growth Fund

- Up to 70% of the Fund's NAV in equities and/or equity-related securities, where a maximum of 20% of the Fund's NAV will be in REITs;
- A minimum of 30% of the Fund's NAV in fixed income securities and/or money market instruments; and
- A minimum of 1% of the Fund's NAV in Liquid Assets.

AmPRS – Moderate Fund

- Up to 60% of the Fund's NAV in equities and/or equity-related securities, where a maximum of 20% of the Fund's NAV will be in REITs;
- A minimum of 40% of the Fund's NAV in fixed income securities and/or money market instruments; and
- A minimum of 1% of the Fund's NAV in Liquid Assets.

AmPRS – Conservative Fund

- A minimum of 80% of the Fund's NAV in fixed income securities, where a minimum of 20% of the Fund's NAV will be in money market instruments;
- A maximum of 20% of the Fund's NAV in equities, equity-related securities and/or REITs; and
- A minimum of 1% of the Fund's NAV in Liquid Assets.

AmPRS – Islamic Equity Fund

- A minimum of 70% of the Fund's NAV in Shariah Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a maximum of 20% of the Fund's NAV will be in Shariah Compliant REITs;
- A maximum of 30% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments; and
- A minimum of 1% of the Fund's NAV in Islamic Liquid Assets.

AmPRS – Islamic Balanced Fund

- 40% to 60% of the Fund's NAV in Shariah Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a maximum of 20% of the Fund's NAV will be in Shariah Compliant REITs;
- 40% to 60% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments; and
- A minimum of 1% of the Fund's NAV in Islamic Liquid Assets.

AmPRS – Islamic Fixed Income Fund

- A minimum of 70% of the Fund's NAV in Sukuk and Shariah Compliant money market instruments;
- A maximum of 30% of the Fund's NAV in Shariah Compliant equities and/or Shariah Compliant equity-related securities (i.e. Shariah Compliant warrants), where a maximum of 20% of the Fund's NAV will be in Shariah Compliant REITs; and
- A minimum of 1% of the Fund's NAV in Islamic Liquid Assets.

AmPRS – Tactical Bond*

- A minimum of 95% of the Fund's NAV will be invested into the Target Fund; and
- Up to 5% of the Fund's NAV in Liquid Assets.

AmPRS – Dynamic Sukuk*

- A minimum of 95% of the Fund's NAV will be invested into the Target Fund; and
- Up to 5% of the Fund's NAV in Islamic Liquid Assets.

AmPRS – Asia Pacific REITs

- 70% to 98% of the Fund's NAV will be invested in REITs; and
- A minimum of 2% to 30% of the Fund's NAV in Liquid Assets.

AmPRS – Dynamic Allocator

- A minimum of 95% of the Fund's NAV will be invested in equity, fixed income and/or money market CIS; and
- A maximum of 5% of the Fund's NAV in Liquid Assets.

*Note: *The limits on the asset allocation of the Fund may be temporarily exceeded as a result of price movements or due to reasons beyond the control of the Investment Manager. The Investment Manager will rectify such situation within 7 Business Days, taking due account of the interests of its Members.*

f. Performance Benchmark

AmPRS – Growth Fund

- 30% FTSE Bursa Malaysia Top 100 Index (*obtainable via www.bursamalaysia.com*)
- 30% MSCI AC Asia Pacific ex Japan Index (*obtainable via www.msci.com*)
- 40% RAM Quantshop Medium* MGS Index (*obtainable via www.quantshop.com*)

The FTSE Bursa Malaysia Top 100 Index is to represent the local equities portion of the Fund, the MSCI AC Asia Pacific ex Japan Index is to represent the foreign equities portion of the Fund and the RAM Quantshop Medium* MGS Index is to represent the fixed income investments and Liquid Assets portion.

The weightage of the three (3) indices above serves as an asset allocation guide. Under general market condition, the fund manager may be investing approximately 30% of the Fund's NAV in Malaysian equities, 30% of the Fund's NAV in Asia Pacific ex Japan region's equities and the remaining of the Fund's NAV in fixed income instruments and Liquid Assets.

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

*Note: * Medium means the duration is between three (3) years to seven (7) years.*

AmPRS – Moderate Fund

- 25% FTSE Bursa Malaysia Top 100 Index (*obtainable via www.bursamalaysia.com*)
- 25% MSCI AC Asia Pacific ex Japan Index (*obtainable via www.msci.com*)
- 50% RAM Quantshop Medium* MGS Index (*obtainable via www.quantshop.com*)

The FTSE Bursa Malaysia Top 100 Index is to represent the local equities portion of the Fund, the MSCI AC Asia Pacific ex Japan Index is to represent the foreign equities portion of the Fund and the RAM Quantshop Medium* MGS Index is to represent the fixed income investments and Liquid Assets portion.

The weightage of the three (3) indices above serves as an asset allocation guide. Under general market condition, the fund manager may be investing approximately 25% of the Fund's NAV in Malaysian equities, 25% of the Fund's NAV in Asia Pacific ex Japan region's equities and the remaining of the Fund's NAV in fixed income instruments and Liquid Assets.

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

*Note: * Medium means the duration is between three (3) years to seven (7) years.*

AmPRS – Conservative Fund

1-year Malayan Banking Berhad Conventional Fixed Deposit Rate (*obtainable via www.aminvest.com*)

The risk profile of the Fund is not the same as the risk profile of the 1-year Malayan Banking Berhad Conventional Fixed Deposit Rate, the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

AmPRS – Islamic Equity Fund

- 40% FTSE Bursa Malaysia Emas Shariah Index (*obtainable via www.bursamalaysia.com*)
- 30% MSCI AC Asia Pacific Islamic ex Japan Index (*obtainable via www.msci.com*)
- 30% RAM Quantshop Medium* GII Index (*obtainable via www.quantshop.com*)

The FTSE Bursa Malaysia Emas Shariah Index is to represent the local Shariah Compliant equities portion of the Fund, the MSCI AC Asia Pacific Islamic ex Japan Index is to represent the foreign Shariah Compliant equities portion of the Fund and the RAM Quantshop Medium* GII Index is to represent the Sukuk, Shariah Compliant money market instruments and Liquid Assets portion.

The weightage of the three (3) indices above serves as an asset allocation guide. Under general market condition, the fund manager may be investing approximately 40% of the Fund's NAV in Malaysian Shariah Compliant equities, 30% of the Fund's NAV in Asia Pacific ex Japan region's Shariah Compliant equities and the remaining of the Fund's NAV in Sukuk, Shariah Compliant money market instruments and Liquid Assets.

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

*Note: * Medium means the duration is between three (3) years to seven (7) years.*

AmPRS – Islamic Balanced Fund

- 25% FTSE Bursa Malaysia Emas Shariah Index (*obtainable via www.bursamalaysia.com*)
- 25% MSCI AC Asia Pacific Islamic ex Japan Index (*obtainable via www.msci.com*)
- 50% RAM Quantshop Medium* GII Index (*obtainable via www.quantshop.com*)

The FTSE Bursa Malaysia Emas Shariah Index is to represent the local Shariah Compliant equities portion of the Fund, the MSCI AC Asia Pacific Islamic ex Japan Index is to represent the foreign Shariah Compliant equities portion of the Fund and the RAM Quantshop Medium* GII Index is to represent the Sukuk, Shariah Compliant money market instruments and Liquid Assets portion.

The weightage of the three (3) indices above serves as an asset allocation guide. Under general market condition, the fund manager may be investing approximately 25% of the Fund's NAV in Malaysian Shariah Compliant equities, 25% of the Fund's NAV in Asia Pacific ex Japan region's Shariah Compliant equities and the remaining of the Fund's NAV in Sukuk, Shariah Compliant money market instruments and Liquid Assets.

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

*Note: * Medium means the duration is between three (3) years to seven (7) years.*

AmPRS – Islamic Fixed Income Fund

1-year Malayan Banking Berhad General Investment Account Rate (*obtainable via www.aminvest.com*)

As the risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. However, there is no guarantee that the Fund will outperform the benchmark.

AmPRS – Tactical Bond

RAM Quantshop All MGS Index, which is also the performance benchmark of the Target Fund.
(*obtainable via www.aminvest.com and www.quantshop.com*)

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

AmPRS – Dynamic Sukuk

BPAM Corporates Sukuk Index, which is also the performance benchmark of the Target Fund.
(*obtainable via www.aminvest.com*)

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

Note: Effective 25 July 2015, the performance benchmark has been changed from Bloomberg AIBIM Bursa Malaysia Sovereign Shariah Index (BMSSI) to BPAM Corporates Sukuk Index.

AmPRS – Asia Pacific REITs

S&P Pan Asia REITs Index
(*obtainable via www.aminvest.com and Bloomberg L.P*)

The risk profile of the Fund is not the same as the risk profile of the performance benchmark; the Fund is expected to outperform its benchmark. There is no guarantee that the Fund will outperform the benchmark.

AmPRS – Dynamic Allocator

AmBank (M) Berhad 12-months fixed deposit rate + 3.00% p.a.
(*obtainable via www.aminvest.com*).

The risk profile of the Fund is higher than the risk profile of the performance benchmark. The performance benchmark is only a measurement of the Fund's performance and there is no guarantee it will be achieved. The Fund may not achieve the benchmark in any particular year but it is expected to outperform the performance benchmark over the Medium to Long Term.

g. Member Profile

AmPRS – Growth Fund

AmPRS – Growth Fund is suitable for Members who seek:

- capital growth on their investment
- a diversified portfolio of equities with strong emphasis on growth
- a Long Term retirement savings* plan

This Fund is also suitable for Members aged below 40 years if they contribute under the Default Option.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Moderate Fund

AmPRS – Moderate Fund is suitable for Members who seek:

- capital growth on their investment
- a balanced portfolio that includes equities and fixed income securities
- a Long Term retirement savings* plan

This Fund is also suitable for Members aged 40 years and above but have not reached 50 years if they contribute under the Default Option.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Conservative Fund

AmPRS – Conservative Fund is suitable for Members who seek:

- capital growth on their investment
- to preserve* investment capital
- a Long Term retirement savings* plan

This Fund is also suitable for Members aged 50 years and above if they contribute under the Default Option.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Islamic Equity Fund

AmPRS – Islamic Equity Fund is suitable for Members who seek:

- Long Term capital growth on their Shariah Compliant investment;
- a diversified portfolio of Shariah Compliant equities with strong emphasis on growth; and
- a Long Term retirement savings* plan.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Islamic Balanced Fund

AmPRS – Islamic Balanced Fund is suitable for Members who seek:

- Medium to Long Term capital growth on their Shariah Compliant investment;
- a balanced portfolio that includes Shariah Compliant equities, Sukuk and Shariah Compliant money market instruments; and
- a Long Term retirement savings* plan.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Islamic Fixed Income Fund

AmPRS – Islamic Fixed Income Fund is suitable for Members who seek:

- Short to Medium Term capital growth on their Shariah Compliant investment;
- a portfolio investing primarily in Sukuk and Shariah Compliant money market instruments; and
- a Long Term retirement savings* plan.

*Note: * Please note that Members' capital is neither guaranteed nor protected.*

AmPRS – Tactical Bond

The Fund is suitable for Members who:

- are willing to assume risks associated with investing in securities with long duration (i.e. there will be no portfolio maturity limitation) and low credit ratings (i.e. there will be no minimum rating for the securities purchased or held by the Target Fund).

AmPRS – Dynamic Sukuk

AmPRS – Dynamic Sukuk is suitable for Members who seek:

- want steady growth in value by investing in Sukuk as an asset class; and
- are willing to assume additional interest rate risk, duration risk and liquidity risk associated with investing in Sukuk with long duration (i.e. there will be no portfolio maturity limitation) and low credit ratings (i.e. there will be no minimum rating for Sukuk purchased or held by the Target Fund).

AmPRS – Asia Pacific REITs

AmPRS – Asia Pacific REITs is suitable for Members who seek:

- an investment exposure through a diversified portfolio of REITs in Asia Pacific region; and
- income* and to a lesser extent capital appreciation over the Medium to Long Term;

Note: * Income distribution (if any) will be in the form of units.

AmPRS – Dynamic Allocator

AmPRS – Dynamic Allocator is suitable for Members who seek:

- wish to have capital growth with yearly income*;
- have a Medium to Long Term investment horizon; and
- wish to invest in a fund that potentially gives higher return than fixed deposit rates.

Note: * Income distribution (if any) will be reinvested in the form of units.

h. Risk Management

AmPRS – Growth Fund, AmPRS – Moderate Fund and AmPRS – Conservative Fund

Risk management of the Fund forms an integral part of the investment process. The Fund's portfolio is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the Investment Manager. Assessment of risk is an important part of the asset allocation process.

In times of equity markets adversity, the Investment Manager may from time to time reduce its equity exposure and increase its asset allocation to fixed income and/or hold Liquid Assets (within the stipulated asset allocation limit) to safeguard the Fund's investment portfolio.

The Investment Manager has the Credit Risk Committee (CRC) to oversee risk management on fixed income investments by adopting a preemptive and disciplined approach to risk management. The Investment Manager has the discretion to select fixed income securities on the authorised investment list approved by the independent CRC. CRC is the committee overseeing risk management on fixed income investments, with the Members comprising of senior risk professionals within the AmBank Group and senior management of the PRS Provider.

As the Investment Manager may also invest in derivatives for purpose of hedging (subject to PRS Guidelines), the PRC will be monitoring the risk and exposure of all derivatives. For over-the-counter options, in the event of a credit rating downgrade of the counterparty to below the minimum rating requirement, the Investment Manager will fully unwind the particular instruments within six (6) months or sooner.

AmPRS – Islamic Equity Fund, AmPRS –Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund

Risk management of the Fund forms an integral part of the investment process. The Fund's portfolio is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the Investment Manager. Assessment of risk is an important part of the asset allocation process.

In times of equity markets adversity, the Investment Manager may from time to time reduce its equity exposure and increase its asset allocation to Sukuk, Shariah Compliant money market instruments and/or hold Islamic Liquid Assets (within the stipulated asset allocation limit) to safeguard the Fund's investment portfolio.

The Investment Manager has the CRC to oversee risk management on fixed income investments by adopting a preemptive and disciplined approach to risk management. The Investment Manager has the discretion to select Sukuk on the authorised investment list approved by the independent CRC. CRC is the committee overseeing risk management on fixed income products, with the Members comprising of senior risk professionals within the AmInvestment Group Berhad and senior management of the PRS Provider.

As the Investment Manager may also invest in derivatives for purpose of hedging (subject to PRS Guidelines), the PRC will be monitoring the risk and exposure of all derivatives. PRC is the committee overseeing risk management on products that invest in derivatives.

AmPRS – Tactical Bond

The risk management strategies and techniques employed will be at the Target Fund level, where the investment manager of the Target Fund combines financial techniques and instruments to manage the overall risk of the Target Fund's portfolio as described on page 42.

AmPRS – Dynamic Sukuk

The risk management strategies and techniques employed will be at the Target Fund level, where the investment manager of the Target Fund combines financial techniques and instruments to manage the overall risk of the Target Fund's portfolio as described on page 45.

AmPRS – Asia Pacific REITs

As part of its risk management strategy, the Fund is managed in such that there is sufficient portfolio diversification i.e. spreading risk across sub-sectors (for example, residential, commercial, industrial within the REITs sector) listed in various countries which have low or negative correlations with one another. Notwithstanding the aforesaid, in times of adversity in REITs markets, the Investment Manager may reduce its portion of higher risk asset i.e. REITs and increase its asset allocation to lower risk assets, i.e. liquid assets, to safeguard the investment portfolio of the Fund provided that such investments are within the investment objective of the Fund. When deemed necessary, the Investment Manager may also utilize derivative instruments, subject to the SC Guidelines, for purpose of hedging.

In addition, the risk management team applies rigorous risk management controls over investment portfolio including asset allocation, liquidity, adherence to investment objectives and investment parameters, valuation, monitoring performance etc. The risk management team is responsible for monitoring and controlling risks and reports directly to the board of directors.

AmPRS – Dynamic Allocator

Risk management of the Fund forms an integral part of the investment process. The Fund's portfolio is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the Investment Manager. Assessment of risk is an important part of the asset allocation process.

In times of equity markets adversity, the Investment Manager may from time to time reduce its equity CIS exposure and increase its asset allocation to fixed income CIS and/or hold liquid assets to safeguard the Fund's investment portfolio.

i. Permitted Investments of the Fund

AmPRS – Growth Fund and AmPRS – Moderate Fund

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following investments:

- i. equities and equity-related securities;

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

- ii. Liquid Assets;
- iii. fixed deposits/general investment accounts and money market instruments;
- iv. government securities and any other securities guaranteed by Malaysian government, Bank Negara Malaysia or other related government agencies;
- v. government securities and any other securities guaranteed by any government, or related government agencies in a foreign market;
- vi. private debt securities;
- vii. repurchase agreements on any of the above;
- viii. collective investment schemes (provided consistent with investment objective of the Fund);
- ix. listed or unlisted securities in countries where the regulatory authority is a Member of the International Organisation of Securities Commissions (IOSCO);
- x. derivative instruments, including but not limited to options, future contracts, forward contractual swaps for hedging purposes; and
- xi. any other kind of investment or investments as permitted by the SC or any other relevant authorities from time to time.

AmPRS – Conservative Fund

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following investments:

- i. equities and equity-related securities;
- ii. Liquid Assets;
- iii. fixed deposits/general investment accounts and money market instruments;
- iv. government securities and any other securities guaranteed by Malaysian government, Bank Negara Malaysia or other related government agencies;
- v. private debt securities;
- vi. repurchase agreements on any of the above;
- vii. collective investment schemes (provided consistent with investment objective of the Fund);
- viii. derivative instruments, including but not limited to options, future contracts, forward contractual swaps for hedging purposes; and
- ix. any other kind of investment or investments as permitted by the SC or any other relevant authorities from time to time.

AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following Shariah Compliant investments:

- i. Shariah Compliant equities and equity-related securities, such as Shariah Compliant warrants;
- ii. Islamic Liquid Assets;
- iii. Sukuk and Shariah Compliant money market instruments;
- iv. government instruments and any other instruments guaranteed by Malaysian government, Bank Negara Malaysia or other related government agencies;
- v. government instruments and any other instruments that are issued or guaranteed by any government, or related government agencies in a foreign market;
- vi. Islamic repurchase agreements;
- vii. Shariah Compliant collective investment schemes (provided the objective of the Shariah Compliant collective investment schemes is consistent with the objective of the Fund);
- viii. listed or unlisted foreign Shariah Compliant securities in countries where the regulatory authority is a member of the International Organisation of Securities Commissions (IOSCO);
- ix. hedging instruments including but not limited to profit rate swaps, currency swaps and forwards (for hedging purposes only); and
- x. any other kind of Shariah Compliant investments as permitted by the SC and/or Shariah Adviser from time to time.

AmPRS – Tactical Bond

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following investments:

- i. the Target Fund or a collective investment scheme having a similar investment objective as the Fund;
- ii. Liquid Assets; and
- iii. any other kind of investment as permitted by the SC from time to time, which is in line with the investment objective of the Fund.

AmPRS – Dynamic Sukuk

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following Shariah Compliant investments:

- i. the Target Fund or a Shariah Compliant collective investment scheme having a similar investment objective as the Fund;
- ii. Islamic Liquid Assets; and
- iii. any other kind of Shariah Compliant investment as permitted by the SC and/or Shariah Adviser from time to time.

AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator

As permitted under the Deed and the requirements of the SC, the Fund may invest in any of the following investments:

- i. collective investment schemes;
- ii. liquid assets;
- iii. hedging instruments including but not limited to profit rate swaps, currency swaps and forwards (for hedging purposes only); and
- iv. any other kind of investments as permitted by the SC from time to time, which is in line with the investment objective of the Fund.

j. Investment Restrictions/Limits

AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Conservative Fund and AmPRS – Asia Pacific REITs

- (A) Exposure Limit
The value of the Fund's investments in unlisted securities must not exceed 10% of the Fund's NAV.
- (B) Investment Spread Limits
 - i. The value of the Fund's investments in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV.
 - ii. 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.
 - iii. The value of the Fund's placements in deposits with any single institution must not exceed 20% of the Fund's NAV.
 - iv. For investments in derivatives–
 - (a) the exposure to the underlying assets must not exceed the investment spread limits stipulated in the PRS Guidelines;

- (b) the value of the Fund's over the counter (OTC) derivative transaction with any single counterparty must not exceed 10% of the Fund's NAV;
- (c) the Fund's exposure from derivatives position must not exceed the Fund's NAV at all times; and
- (d) the AmPRS – Conservative Fund must not have any investments in product with embedded derivatives,
- v. For investments in warrants-
 - (a) the value of the AmPRS – Growth Fund's investments in warrants must not exceed 20% of the AmPRS – Growth Fund's NAV.
 - (b) the value of the AmPRS – Moderate Fund's investments in warrants must not exceed 10% of the AmPRS – Moderate Fund's NAV.
 - (c) for AmPRS – Conservative Fund, investments in warrants are not allowed.
- vi. The aggregate value of the Fund's investments in transferable securities, money market instruments, deposits and OTC derivatives issued by or placed with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV.
- vii. The value of the Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV^{Note1}.
- viii. 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.

Note 1: This is not applicable for AmPRS – Asia Pacific REITs until it reaches a fund size of RM20million.

- (C) Investment Concentration Limits
 - i. The Fund's investments in transferable securities must not exceed 10% of the securities issued by any single issuer.
 - ii. 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.
 - iii. The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme.
- (D) Exceptional Investment Limit for Core Funds
 - i. Investment of Core Funds into one or more collective investment schemes managed by the same PRS Provider ("target funds") is permitted for a five-year period from the launch of the Scheme or upon reaching RM200 million NAV (whichever is earlier) provided:
 - (a) the value of a Core Fund's investment in any of the target fund(s) must not exceed 40% of the Core Fund's NAV; and
 - (b) that the investment objectives of the target fund are similar to the Core Fund.
- (E) Additional Investment Limit for AmPRS – Conservative Fund
 - i. Investments 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 AmPRS – Conservative Fund's NAV ("the 5% Limit"). In the event the 5% Limit is exceeded, whether as a result of:
 - (i) A downgrade of any debenture/fixed income instrument to below BBB3/P2;
 - (ii) An increase in the aggregate value of debentures/fixed income instruments which are rated below BBB3/P2 and/or are unrated; or
 - (iii) A decrease in the NAV of AmPRS – Conservative Fund;
 AFM must reduce such investments to comply with the 5% Limit unless in the opinion of the Trustee, the disposal of such investments is not in the best interests of Members;
 - ii. Use of derivatives is for hedging purposes only;
 - iii. No investments in warrants except as a result of AmPRS – Conservative Fund's holdings in equities;
 - iv. No investments in products with embedded derivatives;
 - v. No exposure to foreign currency; and
 - vi. No investments in RM-denominated foreign debentures/fixed income instruments.

AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund

- (A) Exposure Limit
 - i. The value of the Fund's investments in Shariah Compliant unlisted securities must not exceed 10% of the Fund's NAV.
- (B) Investment Spread Limits
 - i. The value of the Fund's investments in Shariah Compliant ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV.
 - ii. The value of the Fund's investments in Shariah Compliant transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV.
 - iii. The value of the Fund's placements in Shariah Compliant deposits with any single institution must not exceed 20% of the Fund's NAV.
 - iv. For investments in Shariah Compliant hedging instruments–
 - (a) the exposure to the underlying assets must not exceed the investment spread limits stipulated in the PRS Guidelines;
 - (b) the value of the Fund's OTC hedging transaction with any single counterparty must not exceed 10% of the Fund's NAV; and
 - (c) the Fund's exposure from hedging position must not exceed the Fund's NAV at all times.
 - v. The aggregate value of the Fund's investments in Shariah Compliant transferable securities, money market instruments, deposits and OTC hedging transaction with (as the case may be) any single issuer/institution must not exceed 25% of the Fund's NAV.
 - vi. The value of the Fund's investments in units/shares of any collective investment scheme must not exceed 20% of the Fund's NAV.
 - vii. The value of the Fund's investments in Shariah Compliant transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV.
- (C) Investment Concentration Limits
 - i. The Fund's investments in Shariah Compliant transferable securities must not exceed 10% of the securities issued by any single issuer.
 - ii. The Fund's investments in Sukuk must not exceed 20% of the instruments issued by any single issuer.

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- iii. The Fund's investments in Shariah Compliant 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 issue size.
- iv. The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme.

AmPRS – Tactical Bond and AmPRS – Dynamic Sukuk

- i. The Fund's property must only consist of units/shares of a single collective investment scheme (referred to as Target Fund).
- ii. The Fund must not invests in:-
 - (a) a fund-of funds;
 - (b) a feeder fund; and
 - (c) any sub-fund of an umbrella fund which is a fund-of-funds or a feeder fund.
- iii. Where the Fund invests in a target fund operated by the same PRS Provider or its related corporation, the fund manager must ensure that:-
 - (a) there is no cross-holding between the Fund and the Target Fund;
 - (b) all initial charges on the Target Fund are waived; and
 - (c) the management fee must only be charged once, either at the Fund or the Target Fund.

AmPRS – Dynamic Allocator

- i. A fund-of-funds must invest in at least five collective investment schemes at all times.
- ii. The value of the Fund's investments in units/shares of any collective investment scheme must not exceed 30% of the Fund's NAV.
- iii. The Fund's investments in collective investment schemes must not exceed 25% of the units/shares in any collective investment scheme.
- iv. A fund-of-funds must not invests in:-
 - (a) a fund-of funds;
 - (b) a feeder fund; and
 - (c) any sub-fund of an umbrella fund which is a fund-of-funds or a feeder fund.

However, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, whichever is earlier the Fund is allowed:

- (i) to invest in a fund-of-funds of AFM, i.e. AmDynamic Allocator,
- (ii) to invest at least 95% of the NAV of the Fund into AmDynamic Allocator; and
- (iii) to only invest in one collective investment scheme at all time.

k. Valuation of Assets

AmPRS – Growth Fund, AmPRS – Moderate Fund AmPRS – Conservative Fund, AmPRS-Tactical Bond, AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator

Valuation of the Fund will be carried out by the PRS Provider in a fair manner in accordance with applicable law and guidelines. The valuation basis for the authorised investments of the Fund are as below, where applicable:

- i. **Listed securities**
Valuation is based on the last market price quoted from respective exchanges.
- ii. **Unlisted securities**
Valuation is based on methods deemed to be fair and reasonable that are acceptable to the PRS Provider, verified by the Auditor, and approved by the Trustee.
- iii. **Listed fixed income securities**
The last traded prices quoted on an exchange will be used.
- iv. **Unlisted local fixed income securities**
For RM-denominated fixed income securities, valuation is based on prices provided by the Bond Pricing Agency (BPA) registered with the SC or where prices are not available from BPA, the average indicative yield quoted by three (3) independent and reputable institutions.

Where the PRS Provider is of the view that the price quoted by BPA for a specific fixed income security differs from "market price" by more than 20 basis points, the PRS Provider may use the "market price", provided that the PRS Provider:

- (a) records its basis of using a non-BPA price;
 - (b) obtains necessary internal approvals to use the non-BPA price; and
 - (c) keeps an audit trail of all decisions and basis for adopting the "market price".
- v. **Unlisted foreign fixed income securities**
For unlisted foreign currency denominated fixed income securities, valuation is based on fair value by reference to the average indicative yield/prices quoted by three (3) independent and reputable institutions.
 - vi. **Liquid Assets, money market instruments and fixed deposits**
The value of any investment in non-tradable Liquid Assets, money market instruments and fixed deposits placed with financial institutions shall be determined on each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. For tradable Liquid Assets and money market instruments, the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
 - vii. **Units in collective investment schemes**
The value of any investment in collective investment scheme which is quoted on an approved exchange shall be based on the last done market price of the respective exchange. When investing in unlisted collective investment scheme, the value shall be determined by reference to the last published repurchase price (less redemption fee, if any) for that collective investment scheme.
 - viii. **Derivatives**

The valuation is based on marked to market prices as provided by the counterparty that issues the instrument. The PRS Provider shall ensure that the marked to market prices are fair values, as determined in good faith by the PRS Provider. The methods or bases of valuation will have to be verified by the Auditor of the Fund and approved by the Trustee.

- ix. **Suspended securities**
Suspended securities will be valued at their suspended price or last available quoted price. Unless there is conclusive evidence to indicate that the value of such shares have gone below the suspended price or the last available quoted price, whereupon their value will be ascertained in a manner as agreed upon by the PRS Provider and Trustee.

AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund and AmPRS – Dynamic Sukuk

- i. **Listed Shariah Compliant securities**
Valuation is based on the last market price quoted from respective exchanges.
- ii. **Unlisted Shariah Compliant securities**
Valuation is based on methods deemed to be fair and reasonable that are acceptable to the PRS Provider, verified by the Auditor, and approved by the Scheme Trustee.
- iii. **Listed Sukuk**
The last traded prices quoted on an exchange will be used.
- iv. **Unlisted local Sukuk**
For RM-denominated Sukuk, valuation is based on prices provided by the Bond Pricing Agency (BPA) registered with the SC or where prices are not available from BPA, the average indicative yield quoted by three (3) independent and reputable institutions.

Where the PRS Provider is of the view that the price quoted by BPA for a specific Sukuk differs from “market price” by more than 20 basis points, the PRS Provider may use the “market price”, provided that the PRS Provider:
 - (a) records its basis of using a non-BPA price;
 - (b) obtains necessary internal approvals to use the non-BPA price; and
 - (c) keeps an audit trail of all decisions and basis for adopting the “market price”.
- v. **Unlisted foreign Sukuk**
For unlisted foreign currency denominated Sukuk, valuation is based on fair value by reference to the average indicative yield/prices quoted by three (3) independent and reputable institutions.
- vi. **Islamic Liquid Assets, money market instruments and fixed deposits**
The value of any investment in non-tradable Islamic Liquid Assets, money market instruments and fixed deposits placed with financial institutions shall be determined on each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. For tradable Islamic Liquid Assets, money market instruments, the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
- vii. **Units in collective investment schemes**
The value of any investment in collective investment scheme which is quoted on an approved exchange shall be based on the last done market price of the respective exchange. When investing in unlisted collective investment scheme, the value shall be determined by reference to the last published repurchase price (less redemption fee, if any) for that collective investment scheme.
- viii. **Hedging instruments**
The valuation is based on marked to market prices as provided by the counterparty that issues the instrument. The PRS Provider shall ensure that the investment is valued at fair value, as determined in good faith by the PRS Provider and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the Auditor of the Fund and approved by the Trustee.
- ix. **Suspended securities**
Suspended securities will be valued at their suspended price or last available quoted price unless there is conclusive evidence to indicate that the value of such shares have gone below the suspended price or the last available quoted price, whereupon their value will be ascertained in a manner as agreed upon by the PRS Provider and Trustee.

5.3 SHARIAH INVESTMENT GUIDELINES

AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund

Shariah screening and approving process

Investment of the Fund will primarily be in securities which are Shariah Compliant based on the list of securities approved by the Shariah Advisory Council (SAC) of the SC (“SACSC”) and/or securities listed under the MSCI AC Asia Pacific Islamic Ex Japan Index. Any securities which are classified as Shariah Compliant by the SACSC and/or listed under the MSCI AC Asia Pacific Islamic Ex Japan Index shall be accepted and be treated as Shariah Compliant securities. Other securities which are not listed in Malaysia and/or not listed under the MSCI AC Asia Pacific Islamic Ex Japan Index will be duly screened by the Shariah Adviser based on screening methodology as set out below. These securities would need to be approved by the Shariah Adviser before the Investment Manager can proceed with investments. A list of such securities shall be maintained and the Shariah Adviser shall review the list on a quarterly basis.

Level 1: Business Activity Screening

Shariah Investment Guidelines do not allow investment in companies which are directly active in, or derive more than 5% of their revenue (cumulatively) from, the following activities (“prohibited activities”):

- Alcohol;

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

- Tobacco;
- Pork related products;
- Conventional financial services;
- Defense/Weapons;
- Gambling/Casino;
- Music;
- Hotels;
- Cinema; and
- Adult entertainment.

Level 2: Financial Screening

Shariah Investment Guidelines do not allow investment in companies deriving significant income from interest or companies that have excessive leverage. The following three financial ratios are to be met in order to qualify as Shariah Compliant:

- Total debt (excluding Shariah Compliant debt and Shariah Compliant instruments) over total assets must be less than 33.33%;
- Sum of a company's cash and interest-bearing securities (excluding Shariah Compliant debt and Shariah Compliant instruments) over total assets must be less than 33.33%; and
- Sum of a company's accounts receivables and cash over total assets must be less than 33.33%.

Income Purification

Any income which relates to income from non Shariah-compliant investments such as interest income, excess capital gain from disposal of non Shariah-compliant securities received by the Fund from its investment portfolio are considered impure income. This impure income is subject to an income purification process as determined by the Shariah Adviser from time to time and without limitation, the impure income will be distributed to organisations considered beneficial to the public at large, which are endorsed by the Shariah Adviser and approved by the Trustee.

Reclassification of Shariah Compliant securities

The Fund will invest in Shariah Compliant securities. However, the SACSC, the Shariah Adviser or the MSCI's Shariah advisors' committee of Shariah scholars may reclassify the Shariah Compliant securities to be Shariah non-compliant in the periodic review of the securities. These securities will be required to be disposed off in the event the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost.

However, the Fund is allowed to hold their investment in the Shariah non-compliant securities in the event the market value does not exceed the original investment cost on the announcement day, until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost.

AmPRS – Dynamic Sukuk

Please refer to page 47 for the Shariah-approval process of the Fund.

The Fund will only invest in a Shariah Compliant Target Fund, i.e. AmDynamic Sukuk. The PRS Provider will provide to the Shariah Adviser the information memorandum or prospectus and Fatwas (where applicable) of the Target Fund for Shariah Adviser's endorsement. For securities not certified by the SACSC, the Shariah Adviser will determine that such securities are in accordance with Shariah principles and have complied with the applicable Shariah guidelines.

5.4 SHARIAH ADVISER

Amanie Advisors Sdn. Bhd. ("Amanie") has been appointed as the Shariah Adviser for all the Islamic funds under the Scheme. Amanie's responsibility is to ensure that the Funds are managed and administered in accordance with Shariah Principles. Amanie is also responsible for scrutinizing the Fund's compliance report and investment transaction reports provided by, or duly approved by, the Scheme Trustee to ensure that the Fund's investments are in line with Shariah Principles.

Amanie has viewed the Second Replacement Disclosure Document of the Funds and other documents in which relates to the structure of the Funds.

Amanie confirms that the Fund's structure and its investment process, and other operational and administrative matters are Shariah Compliant in accordance with Shariah Principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matter.

Amanie is of the view that, given the prevailing circumstances, the Fund and the respective investments as disclosed and presented are acceptable and within the Shariah Principles, subject to proper execution of the legal documents and other transactions related to Fund.

Amanie may, from time to time, request from the Investment Manager of the Fund the relevant transaction documents pertaining to the Fund's investment portfolio.

5.5 MEETING HELD BY SHARIAH ADVISER

The PRS Provider and the Shariah Adviser meet on a quarterly basis with prior written notice given to the Shariah Adviser at least two (2) weeks prior to the proposed meeting dates. During the meetings, the Fund's assets will be reviewed by the Shariah Adviser to ensure compliance with the Shariah Principles or any other relevant principles at all times. Proper minutes of such meetings shall be taken with attendance and all business transacted at such meetings by a secretariat appointed by the PRS Provider and circulated to the consultant.

6. THE INFORMATION ON AmTACTICAL BOND (the TARGET FUND of AmPRS – TACTICAL BOND)

LAUNCH DATE: 29 OCTOBER 2012

6.1 THE MANAGER OF THE TARGET FUND

The manager of the Target Fund is AFM. AFM is wholly owned by AmInvestment Group Berhad which was incorporated on 9 July 1986 and has more than 27 years of experience in the unit trust industry. As at Latest Practicable Date, the total number of funds under AmInvestment Service's management were 91 with a total fund size of approximately RM32.7 billion. As the manager of the Target Fund, AFM is responsible for setting the investment policies and objective for the Target Fund and manage, invest, realize, reinvest or howsoever deal with the Target Fund in accordance with the investment objective and guidelines, including investment limits and restrictions of the Target Fund. AFM is also responsible for the administration of the Target Fund which includes but not limited to issuing units, preparing and issuing prospectuses.

6.2 INVESTMENT OBJECTIVE

The Target Fund aims to provide income* and to a lesser extent capital appreciation by investing primarily in bonds.

*Note: *Income distribution (if any) will be reinvested.*

6.3 INVESTMENT POLICY AND STRATEGY

The Target Fund seeks to achieve its objective by investing primarily in sovereign, quasi-sovereign and corporate bonds including convertible bonds. There is no minimum rating for a security purchased or held by the Target Fund. This is to enable the investment manager of the Target Fund to take a relatively high level of calculated credit risk for the Target Fund, justified by the relatively high level of expected return that could be generated by the Target Fund in return for taking the higher level of credit risk.

To construct the portfolio of the Target Fund, AFM will analyse the general economic and market conditions. AFM will also analyse and compare the fixed income securities in terms of expected returns against assumed risk by analyzing credit rating and duration of the fixed income securities, where AFM will select fixed income securities that will deliver better returns to the Target Fund for a given level of risk. In addition, AFM may also consider fixed income securities with favorable or improving credit or industry outlook that provide potential capital appreciation. The Target Fund's investment is subject to active tactical duration management, where duration of the Target Fund's investment will be monitored and modified according to interest rate outlook without any portfolio maturity limitation. The Target Fund may invest in fixed income securities with varying maturities. In view of that, the word "Tactical" is used as the fund name of the Target Fund.

The Target Fund will invest in markets where the regulatory authorities are members of the International Organization of Securities Commission (IOSCO) including but not limited to the following countries: Malaysia, Australia, New Zealand, South Korea, Hong Kong, Singapore, Philippines, Indonesia and Thailand.

6.4 RISK MANAGEMENT

AFM has the CRC to oversee risk management on fixed income investments by adopting a preemptive and disciplined approach to risk management. AFM has the discretion to select fixed income instruments on the authorised investment list approved by the independent CRC. CRC is the committee overseeing risk management on fixed income products, with the members comprising of senior risk professionals within the AmInvestment Group Berhad and senior management of AFM.

6.5 ASSET ALLOCATION OF THE TARGET FUND

- 70% - 98% of the Target Fund's net asset value will be invested in bonds;
- 0% - 28% of the Target Fund's net asset value will be invested in other permitted investments; and
- a minimum of 2% of the Target Fund's net asset value will be invested in Liquid Assets.

6.6 INVESTMENT UNIVERSE

Permitted Investments of the Target Fund

As permitted under the Deed and the requirements of the SC, the Target Fund will invest in any of the following investments:

- i. listed or unlisted fixed income securities which include private debt securities and convertible bonds in countries where the regulatory authority is a member of the International Organisation of Securities Commission;
- ii. government securities and any other securities guaranteed by Malaysian government, BNM or other related government agencies;
- iii. government securities and any other securities guaranteed by any government, or related government agencies in a foreign market;
- iv. fixed deposits/ general investment accounts and money market instruments;
- v. collective investment schemes (provided consistent with investment objective of the Target Fund);
- vi. derivative instruments, including but not limited to options, future contracts, forward contractual swaps (for hedging purpose only);
- vii. Liquid Assets; and
- viii. any other kind of investment or investments as permitted by the SC or any other relevant authorities from time to time.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Investment Restrictions / Limits

- i. The value of the Target Fund's investment in debentures or money market instruments issued by any single issuer must not exceed 10% of the Target Fund's net asset value.
- ii. The single issuer limit for investment in debentures issued by any single issuer may be increased to 30% if the debenture is 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. The single issuer limit for investment in debentures issued by any single issuer may be lowered to 5% if the debenture is not rated or rated non-investment grade.
- iii. The Target Fund may invest in deposits with approved institutions provided their maturity is not more than 12 months and the value of the deposit placement with any single institution must not exceed 20% of the Target Fund's net asset value.
- iv. The aggregate value of the Target Fund's investment in transferable securities, money market instruments, deposits and OTC derivatives issued by or placed with any single business group must not exceed 20% of the Target Fund's net asset value.
- v. The aggregate value of the Target Fund's investment in debentures where the issuing body is rated non-investment grade or unrated or in unlisted securities must not exceed 10% of the Target Fund's net asset value. However, this aggregate 10% limit does not apply to debentures where the issuing body is rated investment grade with national rating scale, the sovereign credit rating of the domicile of the issuing body is rated at least investment grade and the issuing body is rated by rating agency which be regulated by the related local regulation.
- vi. The value of the Target Fund's investment in units of any collective investment schemes must not exceed 10% of the Target Fund's net asset value.
- vii. The Target Fund's investment in debentures must not exceed 10% of the debentures issued by any single issuing body.

Note: All credit ratings referred to in this section refer to those issued by Fitch, Moody's or Standard and Poor's. References to "investment grade" are defined as a rating falling within the top 4 long-term credit ratings or the top 3 short-term credit ratings provided on an international scale.

6.7 TARGET FUND PERFORMANCE

| | 1 Month | 2 Months | 3 Months | 6 Months | 1 Year | Since Launch |
|------------------------------------|---------|----------|----------|----------|--------|--------------|
| AmTactical Bond | (0.02) | 1.01 | 0.62 | 5.71 | 9.02 | 14.55 |
| RAM Quantshop All MGS Index | 1.57 | 2.07 | 2.31 | 3.01 | 4.72 | 12.06 |

Source: AmInvest. Fund performance is verified by Novagni Analytics and Advisory Sdn Bhd.

Data as at 31 January 2016

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

6.8 FEES CHARGED BY THE TARGET FUND

| | |
|------------------------------|--|
| Entry Charge | Waived |
| Redemption Charge | There will be no redemption charge for the Target Fund. |
| Annual Management Fee | Up to 1.00% p.a. of the net asset value of the Target Fund. <i>There will be no double charging of annual management fee.</i> |
| Annual Trustee Fee | Up to 0.08% p.a. of the net asset value of the Target Fund, subject to a minimum fee of RM10,000. |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

MEMBERS ARE ADVISED THAT THEY WILL BE SUBJECTED TO HIGHER FEES ARISING FROM THE LAYERED INVESTMENT STRUCTURE.

6.9 VALUATION OF ASSETS

Valuation of the Target Fund will be carried out by AFM in a fair manner in accordance with applicable law and guidelines. The valuation basis for the authorised investments of the Target Fund are as below:

- i. Listed fixed income securities
The last traded prices quoted on an exchange will be used.
- ii. Unlisted local fixed income securities
For RM-denominated fixed income securities, valuation is based on prices provided by the Bond Pricing Agency (BPA) registered with the SC or where prices are not available from BPA, the average indicative yield quoted by three (3) independent and reputable institutions.

Where AFM is of the view that the price quoted by BPA for a specific fixed income securities differs from "market price" by more than 20 basis points, AFM may use the "market price", provided that AFM:

- (a) records its basis of using a non-BPA price;
- (b) obtains necessary internal approvals to use the non-BPA price; and
- (c) keeps an audit trail of all decisions and basis for adopting the "market price".

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

- iii. **Unlisted foreign fixed income securities**
For unlisted foreign currency denominated fixed income securities, valuation is based on fair value by reference to the average indicative yield/prices quoted by three (3) independent and reputable institutions.
- iv. **Liquid Assets, money market instruments and fixed deposits**
The value of any investment in non-tradable Liquid Assets and money market instruments and fixed deposits placed with financial institutions shall be determined by each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. For tradable liquid assets and money market instruments, the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
- v. **Units in collective investment schemes**
The value of any investment in collective investment scheme which are quoted on an approved exchange shall be based on the last done market price of the respective exchange. When investing in unlisted collective investment schemes, the value shall be determined by reference to the last published net asset value per unit (less redemption fee, if any) for that collective investment scheme.
- vi. **Derivatives**
The valuation is based on marked to market prices as provided by the counterparty that issues the instrument. AFM shall ensure that the investment is valued at fair value, as determined in good faith by AFM and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the auditor of the Target Fund and approved by the trustee of the Target Fund.
- vii. **Suspended securities**
Suspended securities will be valued at their suspended price or last available quoted price unless there is conclusive evidence to indicate that the value of such shares have gone below the suspended price or the last available quoted price, whereupon their value will be ascertained in a manner as agreed upon by the manager and trustee of the Target Fund.

7. THE INFORMATION ON AmDYNAMIC* SUKUK (the TARGET FUND of AmPRS – DYNAMIC SUKUK)

*The word “Dynamic” in this context refers to the Target Fund’s investment strategy which is active management, not buy-and-hold strategy.

LAUNCH DATE: 12 JUNE 2012

7.1 THE MANAGER OF THE TARGET FUND

The manager of the Target Fund is AFM. AFM is wholly owned by AmInvestment Group Berhad which was incorporated on 9 July 1986 and has more than 27 years of experience in the unit trust industry. As at Latest Practicable Date, the total number of funds under AmInvestment Service’s management were 91 with a total fund size of approximately RM32.7 billion. As the manager of the Target Fund, AFM is responsible for setting the investment policies and objective for the Target Fund. AFM is also responsible for the administration of the Target Fund which includes but not limited to issuing units, preparing and issuing prospectuses.

7.2 THE INVESTMENT MANAGER OF THE TARGET FUND

AFM has appointed AIFM, a licensed fund manager approved by the SC on 13 January 2009, to implement the Target Fund’s investment strategy to achieve the investment objective of the Target Fund. The appointment of AIFM as the investment manager of the Target Fund has been undertaken since 12 June 2012.

AIFM was established on 25 August 2008 to be a dedicated Islamic investment solutions provider to offer comprehensive and innovative range of Shariah Compliant funds and provide investment management services of Shariah Compliant assets and has more than four (4) years experience in providing fund management services. AIFM is a wholly owned subsidiary of AmInvestment Group Berhad.

As at Latest Practicable Date, AIFM manages 27 Shariah Compliant unit trust funds and institutional accounts totalling RM6.6 billion. It has 28 employees, of which 27 are executives and 1 non-executive.

7.3 INVESTMENT OBJECTIVE

The Target Fund aims to provide capital appreciation by investing primarily in Sukuk both locally and globally.

7.4 INVESTMENT POLICY AND STRATEGY

To achieve the investment objective, the Target Fund will undertake active management to enhance and optimize returns from investing in sovereign, quasi sovereign and corporate Sukuk. There is no minimum rating for a Sukuk purchased or held by the Target Fund. This is to enable the investment manager of the Target Fund to take a relatively high level of calculated credit risk for the Target Fund, justified by the relatively high level of expected return that could be generated by the Target Fund in return for taking the higher level of credit risk.

In managing the Target Fund, the Investment Manager of the Target Fund employs active tactical duration management, yield curve positioning and credit spread arbitrage. Credit spread arbitrage and yield curve positioning is part of relative value approach that involves analysis of general economic and market conditions and the use of models to analyze and compare expected returns as well as the assumed risks. AIFM will focus on Sukuk that would deliver better returns for a given level of risk. In addition, AIFM may also consider Sukuk with favourable or improving credit outlook that provide the potential for capital appreciation for these investments. The Target Fund may invest in Sukuk of varying maturities. The Target Fund’s investment maturity profile is subject to active tactical duration management in view of the interest rate scenario without any portfolio maturity limitation. In view of that, the word “Dynamic” is used as the fund name of the Target Fund.

The Target Fund invests globally, including but not limited to Malaysia, Singapore, Indonesia, United Arab Emirates, Saudi Arabia, Bahrain, United Kingdom, Luxembourg, Jersey, Bermuda, Brunei, China, Australia, New Zealand, Japan, Hong Kong, United States of America and Germany. Notwithstanding the above, investments in foreign markets are limited to markets where the regulatory authority is a member of the International Organization of Securities Commission (IOSCO).

7.5 RISK MANAGEMENT

As part of its risk management strategy, the Target Fund is managed such that there is sufficient portfolio diversification, i.e spreading risk across a basket of Sukuk which have low or negative correlations with one another. Notwithstanding the aforesaid, in times of adversity in Sukuk markets, AIFM may reduce its portion of higher risk assets, such as lower rated or longer tenure Sukuk and increase its asset allocation to lower risk assets, such as liquid instruments, to safeguard the investment portfolio of the Target Fund provided that such investments are within the investment objective of the Target Fund. When deemed necessary, AIFM may also utilize hedging instruments, subject to the Guidelines on Unit Trust Funds issued by the SC.

In addition, the risk management team applies rigorous risk management controls over portfolio, legal and operational activities; including asset allocation, liquidity, adherence to investment objective and investment parameters, valuation, monitoring performance etc. The risk management team is responsible for monitoring and controlling risks and reports directly to the board of directors.

7.6 ASSET ALLOCATION OF THE TARGET FUND

- 70% - 98% of the Target Fund’s net asset value in Sukuk and Sukuk related instruments (i.e. Islamic fixed income collective investment schemes); and
- minimum of 2% of the net asset value in Liquid Assets (cash, Shariah Compliant liquidity instruments or money market instruments)

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

7.7 INVESTMENT UNIVERSE

As permitted under the Deed and the requirements of SC, the Target Fund may invest in any of the following Shariah Compliant investments:

- i. Sukuk;
- ii. Sukuk that are issued or guaranteed by the Malaysian and other foreign governments, government related agencies and supranational organizations;
- iii. Money market instruments including Islamic deposits, general investment accounts and murabahah instruments;
- iv. Islamic Liquid Assets;
- v. Shariah compliant collective investment schemes (provided the objective of the Shariah compliant collective investment schemes is consistent with the Target Fund's objective); and
- vi. hedging instruments including but not limited to profit rate swaps, currency swaps, and forwards (for hedging purpose only).

Investment Restrictions / Limits

- i. The value of the Target Fund's investments in Sukuk issued by any single issuer must not exceed 20% of the Target Fund's net asset value. However, it may be increased to 30% if the Sukuk 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;
- ii. The value of the Target Fund's investment in Sukuk issued by any one group of companies must not exceed 30% of the Target Fund's net asset value;
- iii. The value of the Target Fund's investments in units/shares of any collective investment schemes (CIS) must not exceed 20% of the Target Fund's net asset value;
- iv. For investments in Islamic hedging instruments, the exposure to the underlying assets must not exceed the limits set above and the value of the Target Fund's over the counter (OTC) Islamic hedging transaction with any single counter-party must not exceed 10% of the Target Fund's net asset value; and
- v. The Target Fund may acquire no more than:
 - (a) 20% of the debentures issued by any single issuer;
 - (b) 25% of the units/shares in any one collective investment schemes (CIS); and
 - (c) 10% of money market instruments issued by any single issuer.

General Investment Provision

- i. When the Target Fund invests in the units of other CIS that are managed, directly or by delegation, by AFM or by any other company with which AFM is linked by common management or control, or by a substantial direct or indirect holding, AFM may not charge subscription, conversion or redemption fees on account of the Target Fund's investment in the units of such other CIS.
- ii. Where a commission (including a rebated commission) is received by AFM and AIFM by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Target Fund.

7.8 TARGET FUND PERFORMANCE

| | 1 Month | 2 Months | 3 Months | 6 Months | 1 Year | Since Launch |
|---|---------|----------|----------|----------|--------|--------------|
| AmDynamic Sukuk | 0.83 | 1.44 | 1.4 | 1.27 | 4.19 | 14.66 |
| Bloomberg AIBIM Bursa Malaysia Sovereign Shariah Index (BMSSI) | 0.93 | 1.64 | 1.87 | 1.85 | 2.88 | 7.63 |

Source: AmInvest. Fund performance is verified by Novagni Analytics and Advisory Sdn Bhd.

Data as at 31 January 2016

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

* Benchmark – Bloomberg AIBIM Bursa Malaysia Sovereign Syariah Index ("BMSSI"). Effective 25 July 2015, the performance benchmark has been changed to Bond Pricing Agency Malaysia (BPAM) Corporates Sukuk Index because BMSSI has been discontinued by Bloomberg.

7.9 FEES CHARGED BY THE TARGET FUND

| | |
|------------------------------|---|
| Entry Charge | Waived |
| Redemption Charge | Up to 1.00% of the net asset value per unit of the Target Fund <i>All redemption charge will be placed back into the Target Fund</i> |
| Annual Management Fee | Up to 1.00% p.a. of the net asset value of the Target Fund. <i>There will be no double charging of annual management fee.</i> |
| Annual Trustee Fee | Up to 0.08% p.a. of the net asset value of the Target Fund, subject to a minimum fee of RM10,000. |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

MEMBERS ARE ADVISED THAT THEY WILL BE SUBJECTED TO HIGHER FEES ARISING FROM THE LAYERED INVESTMENT STRUCTURE.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

7.10 VALUATION OF ASSETS

Valuation of the Target Fund will be carried out by AFM in a fair manner in accordance with applicable law and guidelines. The valuation basis for the authorised investments of the Target Fund is as below:

- i. **Listed Sukuk**
The last traded prices quoted on an exchange will be used.
- ii. **Unlisted local Sukuk**
For RM-denominated Sukuk, valuation is based on prices provided by the Bond Pricing Agency (BPA) registered with the SC or where prices are not available from BPA, the average indicative yield quoted by three (3) independent and reputable institutions.

Where AFM is of the view that the price quoted by the BPA for a specific Sukuk differs from the 'market price' by more than 20 basis points, AFM may use the 'market price' provided that AFM:
 - (a) records its basis for using a non-BPA price;
 - (b) obtain necessary internal approvals to use the non-BPA price; and
 - (c) keeps an audit trail of all decisions and basis for adopting the 'market yield'.
- iii. **Unlisted foreign Sukuk**
For unlisted foreign currency denominated Sukuk, valuation is based on fair value by reference to the average indicative yield/prices quoted by three (3) independent and reputable institutions.
- iv. **Islamic Liquid Assets, money market instruments and fixed deposits**
The value of any investment in non-tradable Islamic Liquid Assets, money market instruments and fixed deposits placed with financial institutions shall be determined by each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. .
For tradable Islamic Liquid Assets and money market instruments, the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
- v. **Units in collective investment schemes**
The last published net asset value per unit or net asset value per unit provided by the collective investment schemes (where there is any public holiday in the issuing country, the last available net asset value per unit where considered appropriate by AFM and Target Fund's trustee, and verified by the auditor will be used for valuing the assets).
- vi. **Hedging instruments**
The valuation is based on marked to market prices as provided by the counterparty that issues the instrument. AFM shall ensure that the investment is valued at fair value, as determined in good faith by AFM and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the auditor of the Target Fund and approved by the trustee of the Target Fund.
- vii. **Suspended securities**
Suspended securities will be valued at their suspended price or last available quoted price unless there is conclusive evidence to indicate that the value of such shares have gone below the suspended price or the last available quoted price, whereupon their value will be ascertained in a manner as agreed upon by the manager and trustee of the Target Fund.

7.11 SHARIAH INVESTMENT GUIDELINES

The Target Fund shall invest in securities that are deemed Shariah Compliant by the SACSC and/or the Shariah Adviser. AFM will provide the Shariah Adviser on a quarterly basis the reports on the holding of the Target Fund and transactions entered into for the Target Fund.

7.12 SHARIAH ADVISER

Amanie Advisors Sdn. Bhd. ("Amanie") has been appointed as the Shariah Adviser for the AmDynamic Sukuk. Amanie's responsibility is to ensure that the Target Fund is managed and administered in accordance with Shariah Principles. Amanie is also responsible for scrutinizing the Target Fund's compliance report and investment transaction reports provided by, or duly approved by, the trustee to ensure that the Target Fund's investments are in line with Shariah Principles.

Amanie has viewed the prospectus of the Target Fund and other documents in which relates to the structure of the Target Fund.

Amanie confirms that the Target Fund's structure and its investment process, and other operational and administrative matters are Shariah Compliant in accordance with Shariah Principles and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matter.

Amanie is of the view that, given the prevailing circumstances, the Target Fund and the respective investments as disclosed and presented are acceptable and within the Shariah Principles, subject to proper execution of the legal documents and other transactions related to the Target Fund.

Amanie may, from time to time, request from the Investment Manager of the Target Fund the relevant transaction documents pertaining to the Target Fund's investment portfolio.

7.13 MEETING HELD BY SHARIAH ADVISER

AFM and the Shariah Adviser meet on a quarterly basis with prior written notice given to the Shariah Adviser at least two (2) weeks prior to the proposed meeting date. During the meetings, the Target Fund's assets will be reviewed by the Shariah Adviser to ensure compliance with the Shariah Principles or any other relevant principles at all times. Proper minutes of such meetings shall be taken with attendance and all business transacted at such meetings by a secretariat appointed by the PRS Provider and circulated to the consultant.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

8. THE INFORMATION ON AmASIA PACIFIC REITS (for AmPRS – ASIA PACIFIC REITS)

LAUNCH DATE: 18 JULY 2011

8.1 THE MANAGER OF AMASIA PACIFIC REITS

The manager of AmAsia Pacific REITS is AFM. AFM is wholly owned by AmInvestment Group Berhad which was incorporated on 9 July 1986 and has more than 27 years of experience in the unit trust industry. As at Latest Practicable Date, the total number of funds under AmInvestment Service's management were 91 with a total fund size of approximately RM32.7 billion. As the manager of AmAsia Pacific REITS, AFM is responsible for setting the investment policies and objective for the fund and manage, invest, realize, reinvest or howsoever deal with the Target Fund in accordance with the investment objective and guidelines, including investment limits and restrictions of the Target Fund. AFM is also responsible for the administration of AmAsia Pacific REITS which includes but not limited to issuing units, preparing and issuing prospectuses.

8.2 INVESTMENT OBJECTIVE

AmAsia Pacific REITS aims to provide regular income* and to a lesser extent capital appreciation over the medium to long term by investing in real estate investment trusts (REITs).

*Note: *Income distribution (if any) will be in the form of units or cash.*

8.3 INVESTMENT POLICY AND STRATEGY

To achieve the investment objective, 70% to 98% of the net asset value of AmAsia Pacific REITs will be invested in REITs listed in the Asia Pacific region, which includes but not limited to Australia, Hong Kong, Japan, Malaysia, New Zealand, Singapore, South Korea, Taiwan and Thailand. In addition to country diversification, AmAsia Pacific REITs will also diversify into different REITs sectors such as residential, commercial and industrial. AmAsia Pacific REITs will hold between 2% to 30% of its NAV in liquid assets.

The investment manager employs an active allocation strategy, which means the asset allocation decisions will be made after reviewing the macroeconomic trends and REITs market outlook of the respective countries in the Asia Pacific region. The investment manager will be targeting REITs that have been generating regular income returns and have potential for capital growth. In evaluating the suitability of a REIT, the investment manager, amongst other factors, will review the track record, investment portfolio, financial status, income distribution policy and cost factors of the REIT.

In an adverse market condition, the investment manager may increase its asset allocation to lower risk assets such as liquid assets to safeguard the investment of AmAsia Pacific REITs. During this period, the AmAsia Pacific REITs's investment may differ from the stipulated investment strategy.

8.4 RISK MANAGEMENT

As part of its risk management strategy, AmAsia Pacific REITs is managed in such that there is sufficient portfolio diversification i.e. spreading risk across sub-sectors (for example, residential, commercial, industrial within the REITs sector) listed in various countries which have low or negative correlations with one another. Notwithstanding the aforesaid, in times of adversity in REITs markets, the investment manager may reduce its portion of higher risk asset i.e. REITs and increase its asset allocation to lower risk assets, such as liquid assets, to safeguard the investment portfolio of AmAsia Pacific REITs provided that such investments are within the investment objective of AmAsia Pacific REITs. When deemed necessary, the investment manager may also utilize derivative instruments, subject to the SC Guidelines, for purpose of hedging.

In addition, the risk management team applies rigorous risk management controls over investment portfolio including asset allocation, liquidity, adherence to investment objectives and investment parameters, valuation, monitoring performance etc. The risk management team is responsible for monitoring and controlling risks and reports directly to the board of directors.

8.5 ASSET ALLOCATION OF AMASIA PACIFIC REITS

- 70% to 98% of the net asset value of AmAsia Pacific REITs will be invested in REITs; and
- between 2% to 30% of the net asset value of AmAsia Pacific REITs in liquid assets.

8.6 INVESTMENT UNIVERSE

Permitted Investments of AmAsia Pacific REITs

As permitted under the Deed and the requirements of the SC, AmAsia Pacific REITs will invest in any of the following investments:

- Collective investment schemes which include listed REITs, listed or traded on foreign markets where the regulatory authority is a member of the International Organization of Securities Commissions (IOSCO);
- Deposits (e.g. fixed deposits and overnight cash placement with financial institutions) and money market instruments;
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps; and
- Any other form of investments as may be permitted by the SC from time to time that is in line with the fund's objectives.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Investment Restrictions / Limits

- i. AmAsia Pacific REITs must invest in at least five (5) collective investment schemes at all times;
- ii. The value of AmAsia Pacific REITs's investments in units/shares of any collective investment scheme must not exceed 30% of its net asset value;
- iii. The value of the AmAsia Pacific REITs's placement in deposits with any single institution must not exceed 20% of its net asset value;
- iv. AmAsia Pacific REITs's exposure from derivatives positions should not exceed its net asset value. In addition,
 - The exposure to the underlying assets must not exceed the investment spread limits stipulated in the SC Guidelines; and
 - The value of the over-the-counter (OTC) derivative transaction with any single counterparty must not exceed 10% of its net asset value.
- v. AmAsia Pacific REITs's investments in collective investment schemes not exceed 25% of the units/shares in any one collective investment scheme.

8.7 PERFORMANCE OF AMASIA PACIFIC REITS

| | 1 Month | 2 Months | 3 Months | 6 Months | 1 Year | Since Launch |
|---|---------|----------|----------|----------|--------|--------------|
| AmAsia Pacific REITS | (3.32) | (1.68) | (3.27) | 3.77 | 3.85 | 63.21 |
| Bloomberg Asia REIT Index/S&P Pan Asia REITs Index | (4.37) | (1.54) | (3.86) | 5.84 | 3.03 | 42.03 |

Source: AmInvest. Fund performance is verified by Novagni Analytics and Advisory Sdn Bhd.

Data as at 31 January 2016

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

8.8 FEES CHARGED BY AMASIA PACIFIC REITS

| | |
|------------------------------|---|
| Entry Charge | Waived |
| Redemption Charge | There will be no redemption charge for AmAsia Pacific REITs. |
| Annual Management Fee | Up to 1.50% p.a. of the net asset value of AmAsia Pacific REITs. <i>There will be no double charging of annual management fee.</i> |
| Annual Trustee Fee | Up to 0.08% p.a. of the net asset value of AmAsia Pacific REITs, subject to a minimum fee of RM10,000. |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

MEMBERS ARE ADVISED THAT THEY WILL BE SUBJECTED TO HIGHER FEES ARISING FROM THE LAYERED INVESTMENT STRUCTURE.

8.9 VALUATION OF ASSETS

Valuation of AmAsia Pacific REITs will be carried out by AFM in a fair manner in accordance with applicable law and guidelines. The valuation basis for the authorised investments of AmAsia Pacific REITs are as below:

- i. **Units in collective investment schemes**
The value of any investment in collective investment scheme which are quoted on an approved exchange shall be based on the last done market price of the respective exchange. When investing in unlisted collective investment schemes, the value shall be determined by reference to the last published net asset value per unit (less redemption fee, if any) for that collective investment scheme.
- ii. **Money market instruments and fixed deposits**
The value of any investment in non-tradable money market instruments and fixed deposits placed with financial institutions shall be determined by each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. For tradable money market instruments, the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
- iii. **Derivatives**
The valuation is based on marked to market prices as provided by the counterparty that issues the instrument. AFM shall ensure that the investment is valued at fair value, as determined in good faith by AFM and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the auditor of AmAsia Pacific REITs and approved by the trustee of AmAsia Pacific REITs.

9.0 THE INFORMATION ON AMDYNAMIC ALLOCATOR (for AmPRS – DYNAMIC ALLOCATOR)

LAUNCH DATE: 23 APRIL 2012

9.1 THE MANAGER OF AMDYNAMIC ALLOCATOR

The manager AmDynamic Allocator is AFM. AFM is wholly owned by AmInvestment Group Berhad which was incorporated on 9 July 1986 and has more than 27 years of experience in the unit trust industry. As at Latest Practicable Date, the total number of funds under AmInvestment Service's management were 91 with a total fund size of approximately RM32.7 billion. As the manager of AmDynamic Allocator, AFM is responsible for setting the investment policies and objective for the fund and manage, invest, realize, reinvest or howsoever deal with the Target Fund in accordance with the investment objective and guidelines, including investment limits and restrictions of the Target Fund. AFM is also responsible for the administration of AmDynamic Allocator which includes but not limited to issuing units, preparing and issuing prospectuses.

9.2 INVESTMENT OBJECTIVE

The Fund aims to achieve capital growth over the Medium to Long Term and at the same time provide income* by investing primarily in collective investment schemes.

*Note: *Income distribution (if any) will be in the form of units or cash.*

9.3 INVESTMENT POLICY AND STRATEGY

AmDynamic Allocator will be managed with the aim of achieving positive investment returns over the Medium to Long Term regardless of market conditions. To achieve the investment objective, the investment manager applies a strategy that seeks to generate returns through investments in CIS, which has exposure to various asset classes including but not limited to equity, fixed income securities and money market instruments.

In selecting the asset classes for AmDynamic Allocator, the investment manager will adopt an active asset allocation process. The investment manager will first review the macroeconomic trends in the global and local markets. Under general market conditions, AmDynamic Allocator's investment will be tilted towards equities. When the investment manager believes that the equity markets are overvalued, experiencing excessive volatility or expected prolonged declines, AmDynamic Allocator may invest a substantial portion of its assets in fixed income securities and/or money market CIS to achieve the AmDynamic Allocator's investment objective in bearish or nonperforming equity markets.

Once the asset allocation has been decided, the investment manager will then select CIS to fit the asset classes. In evaluating the suitability of a CIS for investment, the investment manager will, amongst other factors, review the track record, investment objective, investment policies and strategies, fund performance, income distribution policy and cost factors of the CIS. The investment manager will review the asset allocation of AmDynamic Allocator at least on a monthly basis. AmDynamic Allocator may invest in CIS that are managed by AmFunds Management Berhad or other CIS such as exchange-traded funds listed and/or traded in the global markets, where the regulatory authority is a member of the International Organisation of Securities Commissions (IOSCO). Should AmDynamic Allocator invest in CIS managed by AFM, there will be no crossholding between AmDynamic Allocator and CIS.

AmDynamic Allocator will maintain a maximum of 5% of its NAV in liquid assets for liquidity purposes.

9.4 RISK MANAGEMENT

Risk management of AmDynamic Allocator forms an integral part of the investment process. The portfolio of AmDynamic Allocator is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be reviewed periodically by the investment manager. Assessment of risk is an important part of the asset allocation process.

In times of equity markets adversity, the investment manager may from time to time reduce its equity CIS exposure and increase its asset allocation to fixed income CIS and/or hold liquid assets to safeguard the investment portfolio of AmDynamic Allocator.

9.5 ASSET ALLOCATION OF AMDYNAMIC ALLOCATOR

- a minimum of 95% of the net asset value of AmDynamic Allocator will be invested in equity, fixed income and/or money market CIS; and
- a maximum of 5% of the the net asset value of AmDynamic Allocator in cash and/or liquid assets.

9.6 INVESTMENT UNIVERSE

Permitted Investments of AmDynamic Allocator

As permitted under the Deed and the requirements of the SC, **AmDynamic Allocator** will invest in any of the following investments:

- i. collective investment schemes where the regulatory authority is a member of the International Organization of Securities Commissions (IOSCO);
- ii. deposits with approved financial institutions that are repayable on demand or have the right to be withdrawn, and mature within 12 months or less;
- iii. ancillary Liquid Assets; and
- iv. any other kind of investment or investments as permitted by the SC or any other relevant authorities from time to time.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Investment Restrictions / Limits

- i. A fund-of-funds must invest in at least five collective investment schemes at all time;
- ii. The value of a fund's investment in units/shares of any collective investment scheme must not exceed 30% of the Fund's NAV; and
- iii. A fund's investments in collective investment schemes must not exceed 25% of the units/shares in any one collective investment scheme.

9.7 PERFORMANCE OF AMDYNAMIC ALLOCATOR

| | 1 Month | 2 Months | 3 Months | 6 Months | 1 Year | Since Launch |
|--|---------|----------|----------|----------|--------|--------------|
| AmDynamic Allocator | (9.36) | (9.62) | (11.21) | (5.17) | (0.78) | 22.89 |
| AmBank (M) Berhad 12-months fixed deposit rate + 3.00% p.a. | 0.52 | 1.05 | 1.56 | 3.15 | 6.35 | 25.69 |

Source: AmInvest. Fund performance is verified by Novagni Analytics and Advisory Sdn Bhd.
Data as at 31 January 2016

9.8 FEES CHARGED BY AMDYNAMIC ALLOCATOR

| | |
|------------------------------|--|
| Entry Charge | Waived |
| Redemption Charge | There will be no redemption charge for AmDynamic Allocator. |
| Annual Management Fee | Up to 1.50% p.a. of the net asset value of AmDynamic Allocator. <i>There will be no double charging of annual management fee.</i> |
| Annual Trustee Fee | Up to 0.08% p.a. of the net asset value of AmDynamic Allocator, subject to a minimum fee of RM10,000. |

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

MEMBERS ARE ADVISED THAT THEY WILL BE SUBJECTED TO HIGHER FEES ARISING FROM THE LAYERED INVESTMENT STRUCTURE.

9.9 VALUATION OF ASSETS

Valuation of AmDynamic Allocator will be carried out by AFM in a fair manner in accordance with applicable law and guidelines. The valuation basis for the authorised investments of AmDynamic Allocator are as below:

- i. **Units in collective investment schemes**
The value of any investment in collective investment scheme which are quoted on an approved exchange shall be based on the last done market price of the respective exchange. When investing in unlisted collective investment schemes, the value shall be determined by reference to the last published net asset value per unit (less redemption fee, if any) for that collective investment scheme.
- ii. **Money market instruments and deposits**
The value of any investment in non-tradable money market instruments and deposits placed with financial institutions shall be determined by each Business Day, with reference to the principal value of such investments and the accrued income for the relevant period. For tradable money market instruments (such as negotiable certificates of deposits and promissory notes), the valuation is based on marked to market prices as provided by the counterparty that issues the instrument.
- iii. **Derivatives**
Market parameters such as volatility and interest rates, though not exhaustive, are some of the variables used to value the derivatives. AFM shall ensure that the investment is valued at fair value, as determined in good faith by AFM and valued by counterparty at least once a week. The methods or bases of valuation will have to be verified by the auditor of AmDynamic Allocator and approved by the trustee of AmDynamic Allocator.

10. FEES, CHARGES AND EXPENSES

10.1 CHARGES

The charges that you may directly incur when you purchase or redeem units of the Fund under the Scheme are as follows:

(a) Sales charge

The maximum rate imposed by each distribution channel during the life of this Second Replacement Disclosure Document is as follows:

| Name of Fund | Sales Charge* | |
|-----------------------------------|--|---|
| | Class D | Class I |
| AmPRS – Growth Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Moderate Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Conservative Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Islamic Equity Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Islamic Balanced Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Islamic Fixed Income Fund | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Tactical Bond | Up to 2.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Dynamic Sukuk | Up to 2.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Asia Pacific REITs | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |
| AmPRS – Dynamic Allocator | Up to 3.00% of NAV per unit of the Class | There is no sales charge for this Class |

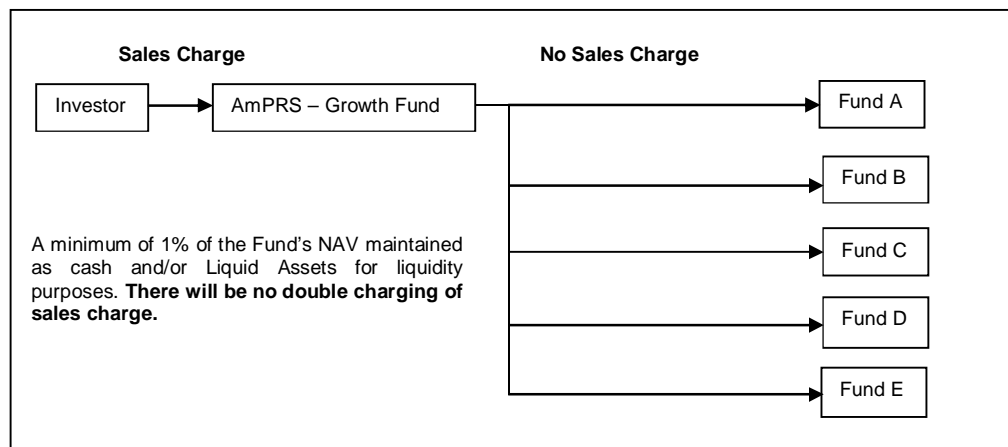
Note:

All sales charges will be rounded up to two (2) decimal places.

Members are advised that they may negotiate for lower sales charge prior to the conclusion of sales.

The PRS Provider reserves the right to waive or reduce the sales charge from time to time at its absolute discretion.

For investment into target fund(s) managed by AmInvestment Group's FMD, there will be no double charging of sales charge, as illustrated below.



(b) Redemption charge

| Name of Fund | Redemption Charge | |
|-----------------------------------|--|---------|
| | Class D | Class I |
| AmPRS – Growth Fund | There is no redemption charge for this Class | |
| AmPRS – Moderate Fund | There is no redemption charge for this Class | |
| AmPRS – Conservative Fund | There is no redemption charge for this Class | |
| AmPRS – Islamic Equity Fund | There is no redemption charge for this Class | |
| AmPRS – Islamic Balanced Fund | There is no redemption charge for this Class | |
| AmPRS – Islamic Fixed Income Fund | There is no redemption charge for this Class | |
| AmPRS – Tactical Bond | There is no redemption charge for this Class | |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

| Name of Fund | Redemption Charge | |
|----------------------------|--|--|
| | Class D | Class I |
| AmPRS – Dynamic Sukuk | Up to 1.00% of NAV per unit of the Class <i>All redemption charge will be placed back into the Fund</i> | Up to 1.00% of NAV per unit of the Class <i>All redemption charge will be placed back into the Fund</i> |
| AmPRS – Asia Pacific REITs | There is no redemption charge for this Class | |
| AmPRS – Dynamic Allocator | There is no redemption charge for this Class | |

Please refer to page 59 to 61 for illustration on how the charges directly incurred by Members when purchasing or redeeming units of the Fund are calculated.

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

10.2 OTHER CHARGES

(a) Switching fee

Switching is allowed between Funds under the Scheme subject to a fee. However, switching between Class(es) within a Fund and switching between Class(es) between Funds are not allowed.

For switches between Funds under the Scheme, you may be charged up to 3.00% of amount switched. For example, you will be charged 2% of switching fee when you switch from a lower sales charge fund (i.e. 1% sales charge) to a higher sales charge fund (i.e. 3% sales charge).

However, a Member can only switch units held by them in a Fund to another Fund under the Scheme, provided it is under the same sub-account, i.e. Sub-Account A of AmPRS – Growth Fund to Sub-Account A of AmPRS – Moderate Fund.

Switching between Class(es) in a Fund is not allowed. For example, you are not allowed to switch from Class D of AmPRS – Growth Fund to Class I of AmPRS – Growth Fund. You are also not allowed to switch from Class D of AmPRS – Growth Fund to Class I of AmPRS – Moderate Fund.

(b) Transfer fee

You can transfer partial or all of your investments in a Scheme to another scheme offered by another PRS provider once every calendar year provided you have been a Member of the Scheme for at least one year and all the accrued benefits from a particular Fund must be transferred to only one (1) other fund by simply completing a transfer form. However, transfer of conditionally vested units is not permitted for Employer-Sponsored Retirement Schemes which are subjected to Vesting Schedule. Units held by a Member in a Scheme can only be transferred to another scheme provided it is under the same sub-account, i.e. Sub-Account A of AmPRS to sub-account A of another scheme or Sub-Account B of AmPRS to sub-account B of another scheme, vice versa. A fee of RM25 will be charged for each transfer. This fee is payable to the PRS Provider.

(c) Bank charges or fees

Bank charges/fees are incurred only upon withdrawals.

(d) PPA Account Opening fee

You will be charged a one-off account opening fee of RM10 by the PPA upon your first investment made in private retirement scheme.

(e) PPA Annual fee

An annual fee of RM8 will be charged by the PPA on a yearly basis, per PRS Provider. However, this annual fee will be waived for the year the account was opened with the PPA and for the year which there is no contribution with the PRS Provider.

(f) PPA Pre-Retirement Withdrawal fee

Pre-retirement withdrawal is allowed at a fee of RM25, per withdrawal (subject to changes as may be determined by PPA from time to time). This fee is payable to the PPA.

(g) PPA Transfer fee

Transfer of units from the Scheme to another scheme offered by another PRS provider is allowed at a fee of RM25, per transfer (subject to changes as may be determined by PPA from time to time). This fee is payable to the PPA.

Information on the PPA can be obtained from <http://www.ppa.my>. Potential Members can also compare the fees and charges of other private retirement schemes by visiting this website.

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

10.3 ONGOING FEES AND EXPENSES

The fees and expenses that you may indirectly incur are as follow:

(a) Annual Management Fee

A management fee is charged for managing the Fund. The management fee is calculated and accrued on a daily basis and will be paid monthly. A GST of 6.00% will be applicable to the annual management fee.

An illustration of the calculation and apportionment of the daily management fee is as follows:

Formula:

Management fee for the day = NAV attributable to this Class of units of the Fund x Management fee rate of the relevant Class (%) x 1/365 days

GST on the management fee for the day = Management fee for the day x GST (%)

| | Class D RM | Class I RM |
|---|--|---|
| NAV | 100,000,000 | 50,000,000 |
| Annual management fee | 1.50% | 1.25% |
| Management fee for the day | $\frac{100,000,000 \times 1.50\%}{365 \text{ days}}$ = RM4,109.59 (rounded to 2 decimal points) | $\frac{50,000,000 \times 1.25\%}{365 \text{ days}}$ = RM1,712.33 (rounded to 2 decimal points) |
| GST applicable to the management fee | 4,109.59 x 6.00% = RM246.58 (rounded to 2 decimal points) | 1,712.33 x 6.00% = RM102.74 (rounded to 2 decimal points) |
| Management fee for the day inclusive of GST | 4,109.59 + 246.58 = RM4,356.17 (rounded to 2 decimal points) | 1,712.33 + 102.74 = RM1,815.07 (rounded to 2 decimal points) |

Note: Where the Fund invests in target fund(s) managed by AmInvestment Group's FMD, there will be no double charging of management fee.

(b) PPA Administrative Fee

The PPA is entitled to an annual PPA administrative fee for acting as the administrator of the private retirement schemes. This fee is calculated and accrued on a daily basis and paid monthly. The PPA administrative fee is 0.04% p.a. of the NAV of the Fund. A GST of 6.00% will be applicable to the PPA administrative fee.

An illustration of the PPA administrative fee per day is as follows:

Assuming the NAV of the Fund is RM100,000,000 and the PPA administrative fee is 0.04% p.a. of the NAV of the Fund. A GST of 6.00% will be applicable to the PPA administrative fee. The daily accrued PPA administrative fee would be:-

PPA administrative fee for the day = NAV of the Fund x PPA administrative fee of the Fund (%) x 1/365 days
 = RM100,000,000 x 0.04% x 1/365
 = RM109.59 (rounded to 2 decimal points)

GST applicable to the PPA administrative fee = PPA administrative fee for the day x GST (%)
 = RM109.59 x 6.00%
 = RM6.58 (rounded to 2 decimal points)

PPA administrative fee for the day inclusive of GST = RM109.59 + RM6.58
 = RM116.17 (rounded to 2 decimal points)

(c) Annual Trustee Fee

The Trustee is entitled to an annual trustee fee for acting as trustee to safeguard the interest of Members and as custodian of the Fund's assets. This fee is calculated and accrued on a daily basis and paid monthly. The trustee fee is up to 0.04% p.a. of the NAV of the Fund. A GST of 6.00% will be applicable to the annual trustee fee.

An illustration of the trustee fee per day is as follows:

Assuming the NAV of the Fund is RM100,000,000 and the trustee fee is 0.04% p.a. of the NAV of the Fund. A GST of 6.00% will be applicable to the trustee fee. The daily accrued trustee fee would be : -

Trustee fee for the day = NAV of the Fund x Trustee's fee rate of the Fund (%) x 1/365 days
 = RM100,000,000 x 0.04% x 1/365
 = RM109.59 (rounded to 2 decimal points)

GST applicable to the trustee fee = Trustee fee for the day x GST (%)
 = RM109.59 x 6.00%
 = RM6.58 (rounded to 2 decimal points)

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Trustee fee for the day inclusive of GST = RM109.59 + RM6.58
= RM116.17 (rounded to 2 decimal points)

(d) Fund's Expenses

The PRS Provider and Trustee may be reimbursed out of the Fund for any costs reasonably incurred in the administration of the Fund. The Fund's expenses currently include but are not limited to audit fee, tax agent's fee, printing and postages of annual and interim reports, bank charges, taxes and duties charge on the Fund by the relevant authority or government, investment committee fee for independent members, lodgement fee for Fund's reports (if any), sub-custodian fee (for foreign assets; if any), commission fee paid to brokers/ dealers (if any), valuation fee of any investment of the Fund by an independent valuer, cost, fees and charges payable to PPA and other expenses as permitted by the Deed.

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

Note: All the fees and charges above may be increased. A supplementary or Second Replacement disclosure document disclosing the new fees and charges will be issued should the fees and charges be increased. A notice period of 90 days will be given to the Members prior to the effective date of the new fees and charges, which is in accordance with the PRS Guidelines as may be amended and/ or updated from time to time.

10.4 REBATES AND SOFT COMMISSION

It is our policy to channel all rebates, if any, received from stockbrokers/dealers to the Fund. However, soft commissions received for goods and services which are of demonstrable benefit to Members such as fundamental databases, financial wire services, technical analysis software and stock quotation system incidental to investment management of the Fund are retained by us.

There are fees and charges involved and Members are advised to consider them before contributing to a Fund under the Scheme.

11. TRANSACTION INFORMATION

11.1 PRICING AND VALUATION POINTS

The Fund adopts a single pricing policy i.e. which means purchase and redemption of units will be carried out at the NAV per unit. In addition, the Fund also adopts forward pricing which means price for units i.e. the NAV per unit will be calculated at the next valuation point after the complete documentation for purchase/ redemption is received. Sales charge and redemption charge (if any) will be computed and charged separately based on your purchase amount or amount redeemed. In circumstances where the prior authorisation of the PPA is required, any application/ redemption of units will be at a price that is the NAV per unit of the Fund as at the next valuation point after the PPA's authorisation is received by the PRS Provider.

Valuation point refers to such time(s) on a Business Day as may be decided by the PRS Provider wherein the NAV per unit of the Funds under the Scheme is calculated. The valuation for AmPRS – Conservative Fund will be carried out at least once a day at the end of each Business Day, whereas the valuation for AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund, AmPRS – Tactical Bond, AmPRS – Dynamic Sukuk, AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator will be carried out on the next Business Day (T+1) by 5.00 p.m. This is because certain foreign markets in which the Funds may invest in have yet to close due to the different time zone of these countries. The currency conversion of the Fund's foreign portfolio to the base currency (RM) will be based on the bid foreign exchange rate quoted by Bloomberg/Reuters at 4.00pm (United Kingdom time) which is equivalent to Malaysian standard time of 11.00pm on the same day or 12.00am midnight, or such other time as stipulated from time to time in the Investment Management Standards issued by the Federation of Investment Managers Malaysia (FiMM).

In the event of any incorrect pricing of units of the Fund, the PRS Provider shall take immediate remedial action to rectify the incorrect pricing. Where the incorrect pricing:

- (i) is equal or more than zero point five per centum (0.5 %) of the NAV per unit; and
- (ii) results in a sum total of RM 10.00 or more,

then the PRS Provider shall reimburse the Fund and the affected Member as follows:

- (a) where the error is as a result of over valuation (i.e. the price quoted is higher than the actual price), the PRS Provider shall reimburse :
 - (i) the Fund (for the difference between the redemption amount paid out by the Fund and the amount per the amended valuation); and/or
 - (ii) the Member (for the difference between the value of subscription proceeds paid by the Member and the amount per the amended valuation);
- (b) where the error is as a result of under valuation (i.e. the price quoted is lower than the actual price), the PRS Provider shall reimburse:
 - (i) the Fund (for the difference between the value of subscription proceeds paid by the Member and the amount per the amended valuation) and/or
 - (ii) the Member (for the difference between the redemption amount paid out by the Fund and the amount per the amended valuation).

Subject to any regulatory requirements, the PRS Provider shall have the right to amend, vary or revise the above said limits or threshold from time to time.

Note: The NAV per unit for the Fund is rounded to four (4) decimal points. Redemption proceeds, units created, fees and charges are rounded to two (2) decimal points.

11.2 COMPUTATION OF NAV AND NAV PER UNIT

Members should take note that the NAV of the Fund is determined by deducting the value of all the liabilities of the Fund from the value of all the Fund's assets, at a particular valuation point.

The NAV per unit of a Class of units is the NAV of the Fund attributable to a Class divided by the number of units in circulation for that particular Class, at the same valuation point.

Illustration on computation of NAV and NAV per unit of the relevant Class

| | | Fund | | |
|--|-----------|---------------|---------------|---------------|
| | | (Total) | Class D | Class I |
| | | RM | RM | RM |
| Day 1* - by 4.00 p.m. | | | | |
| Sales amount received on Day 1* for the Fund (in RM) | A | 25,000,000.00 | 20,000,000.00 | 5,000,000.00 |
| Initial offer price | B | | RM0.50 | RM0.50 |
| Units in circulation | C = A/B | 50,000,000.00 | 40,000,000.00 | 10,000,000.00 |
| Sales charge (% of NAV per unit) | D | | 3.00 | 0.00 |
| Sales charge amount (in RM) | E = A x D | | 600,000.00 | - |
| Total amount payable by investor (in RM) | A + E | | 20,600,000.00 | 5,000,000.00 |

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| | | | | |
|---|--------------------------|----------------------|----------------------|---------------------|
| Value of the Fund (in RM) | A | 25,000,000.00 | 20,000,000.00 | 5,000,000.00 |
| Day 2 | | | | |
| Opening value of the Fund (in RM) | | - | - | - |
| Creation value for Day 1* (in RM) | A | 25,000,000.00 | 20,000,000.00 | 5,000,000.00 |
| Units in circulation | | 50,000,000.00 | 40,000,000.00 | 10,000,000.00 |
| MCR^ (%) | | 100.00 | 80.00 | 20.00 |
| Add: Income (proportionate based on MCR^) | | 30,000.00 | 24,000.00 | 6,000.00 |
| Less: Administration expenses (proportionate based on MCR^) | | (1,000.00) | (800.00) | (200.00) |
| Net income/(loss) (in RM) | | 29,000.00 | 23,200.00 | 5,800.00 |
| NAV before management fee, trustee fee, PPA administrative fee and GST (in RM) for the day | F | 25,029,000.00 | 20,023,200.00 | 5,005,800.00 |
| <u>Class expenses</u> | | | | |
| Management fee (% p.a.) | G | | 1.50 | 1.25 |
| Management fee for the day | $H = (F \times G) / 365$ | (994.30) | (822.87) | (171.43) |
| GST on Management fee for the day (6%) | | (59.66) | (49.37) | (10.29) |
| Trustee fee (% p.a.) | I | 0.04 | | |
| Trustee fee for the day (proportionate based on MCR^) | $J = (F \times I) / 365$ | (27.43) | (21.94) | (5.49) |
| GST on Trustee fee for the day (6%) | | (1.65) | (1.32) | (0.33) |
| PPA administrative fee (% p.a.) | K | 0.04 | | |
| PPA administrative fee for the day (proportionate based on MCR^) | $L = (F \times K) / 365$ | (27.43) | (21.94) | (5.49) |
| GST on PPA administrative fee for the day (6%) | | (1.65) | (1.32) | (0.33) |
| NAV for Day 2 (in RM) | M | 25,027,887.88 | 20,022,281.24 | 5,005,606.64 |
| Units in circulation | C | 50,000,000.00 | 40,000,000.00 | 10,000,000.00 |
| NAV per unit* | N = M / C | | 0.5006 | 0.5006 |
| Day 3 | | | | |
| Opening units in circulation b/f from Day 2 | C | 50,000,000.00 | 40,000,000.00 | 10,000,000.00 |
| Add: Units created for Day 3 | P | 6,000,000.00 | 6,000,000.00 | - |
| Less: Units redeemed for Day 3 | Q | (3,000,000.00) | - | (3,000,000.00) |
| Units in circulation | | 53,000,000.00 | 46,000,000.00 | 7,000,000.00 |
| Opening value b/f from Day 2 (in RM) | M | 25,027,887.88 | 20,022,281.24 | 5,005,606.64 |
| Creation value for Day 3 (in RM) | # P x N | 3,003,600.00 | 3,003,600.00 | - |
| Cancellation value for Day 3 (in RM) | # Q x N | (1,501,800.00) | - | (1,501,800.00) |
| Total creation/cancellation for Day 3 (in RM) | | 26,529,687.88 | 23,025,881.24 | 3,503,806.64 |
| MCR^ (%) | | 100.00 | 86.79 | 13.21 |
| Add: Income (proportionate based on MCR^) | | 30,000.00 | 26,037.00 | 3,963.00 |
| Less: Administration expenses (proportionate based on MCR^) | | (1,000.00) | (867.90) | (132.10) |

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| | | | | |
|---|--|----------------------|----------------------|---------------------|
| Net income/(loss) (in RM) | | 29,000.00 | 25,169.10 | 3,830.90 |
| NAV before management fee, trustee fee, PPA administrative fee and GST (in RM) for the day | | 26,558,687.88 | 23,051,050.34 | 3,507,637.54 |
| <u>Class expenses</u> | | | | |
| Management fee (% p.a.) | | | 1.50 | 1.25 |
| Management fee for the day | | (1,067.42) | (947.30) | (120.12) |
| GST on Management fee for the day (6%) | | (64.05) | (56.84) | (7.21) |
| Trustee fee (% p.a.) | | 0.04 | | |
| Trustee fee for the day (proportionate based on MCR [^]) | | (29.11) | (25.26) | (3.85) |
| GST on Trustee fee for the day (6%) | | (1.75) | (1.52) | (0.23) |
| PPA Administrative fee (% p.a.) | | 0.04 | | |
| PPA Administrative fee for the day (proportionate based on MCR [^]) | | (29.11) | (25.26) | (3.85) |
| GST on PPA administrative fee for the day (6%) | | (1.75) | (1.52) | (0.23) |
| NAV for Day 3 (in RM) | | 26,557,494.69 | 23,049,992.64 | 3,507,502.05 |
| Units in Circulation | | 53,000,000.00 | 46,000,000.00 | 7,000,000.00 |
| NAV per unit* | | | 0.5011 | 0.5011 |

Note:

* - Day 1 is the launch date for the Fund

[^] - Multi-Class Ratio ("MCR") is apportioned based on the size of the Class relative to the whole Fund. This means the MCR is calculated by taking the value of Class before income & expenses for a particular day and dividing it with the value of the Fund before income & expenses for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

* - NAV of the Fund attributable to a Class of units at a particular valuation point divided by the number of units in circulation for that same Class, at the same valuation point:-

$$= \frac{\text{NAV of the particular Class of unit}}{\text{Units in circulation for the particular Class of units}}$$

- Creation/cancellation value for Day 3 above is based on purchase/redemption application received on Day 2.

Making an initial contribution

Class D:

Assuming a Member is investing in the PRS for the first time and he wants to contribute RM10,000 in the AmPRS – Growth Fund during the Initial Offer Period. The NAV per unit is RM0.5000 and sales charge is 3.00% for Class D of the Fund. A GST of 6.00% will be applicable to the sales charge and account opening fee charged by PPA. The Member will need to pay the amount as illustrated below to the PRS Provider:

| Items | RM/Units | Explanation |
|---|--------------|--|
| (i) Amount to be invested (investment amount) | RM10,000 | |
| (ii) Units issued to Member | 20,000 units | RM10,000/RM0.5000 per unit |
| (iii) Sales charge incurred by Member | RM300 | 20,000 units x RM0.5000 per unit x 3.00% |
| (iv) GST applicable to the sales charge | RM18 | RM300 x 6.00% |
| (v) Account opening fee charged by PPA | RM10 | RM10 |
| (vi) GST applicable to the account opening fee charged by PPA | RM0.60 | RM10 x 6.00% |
| (vii) Amount payable by Member | RM10,328.60 | RM10,000 + RM300 + RM18 + RM10 + RM0.60 |

Class I:

Assuming a Member is investing in the PRS for the first time and he wants to contribute RM10,000 in the AmPRS – Growth Fund during the Initial Offer Period. The NAV per unit is RM0.5000 and there is no sales charge for Class I of the Fund. A GST of 6.00% will be applicable to the sales charge and account opening fee charged by PPA. The Member will need to pay the amount as illustrated below to the PRS Provider:

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| Items | RM/Units | Explanation |
|---|--------------|--|
| (i) Amount to be invested (investment amount) | RM10,000 | |
| (ii) Units issued to Member | 20,000 units | RM10,000/RM0.5000 per unit |
| (iii) Sales charge incurred by Member | RM0 | 20,000 units x RM0.5000 per unit x 0.00% |
| (iv) GST applicable to the sales charge | RM0 | RM0 x 6.00% |
| (v) Account opening fee charged by PPA | RM10 | RM10 |
| (vi) GST applicable to the account opening fee charged by PPA | RM0.60 | RM10 x 6.00% |
| (vii) Amount payable by Member | RM10,010.60 | RM10,000 + RM10 + RM0.60 |

Making an additional contribution

Class D:

Assuming a Member wants to make an additional contribution of RM5,000 in the AmPRS – Growth Fund in year 2. The NAV per unit is RM0.5500 and sales charge is 3.00% for Class D of the Fund. A GST of 6.00% will be applicable to the sales charge, account opening fee and annual fee charged by PPA. The Member will need to pay the amount as illustrated below to the PRS Provider:

| Items | RM/Units | Explanation |
|---|----------------|--|
| (i) Amount to be invested (investment amount) | RM5,000 | |
| (ii) Units issued to Member | 9,090.91 units | RM5,000/RM0.5500 per unit |
| (iii) Sales charge incurred by Member | RM150 | 9,090.91 units x RM0.5500 per unit x 3.00% |
| (iv) GST applicable to the sales charge | RM9 | RM150 x 6.00% |
| (v) Account opening fee charged by PPA | RM0 | RM0 |
| (vi) GST applicable to the account opening fee charged by PPA | RM0 | RM0 x 6.00% |
| (vii) Annual fee charged by PPA | RM8 | RM8 |
| (viii) GST applicable to the annual fee charged by PPA | RM0.48 | RM8 x 6.00% |
| (ix) Amount payable by Member | RM5,167.48 | RM5,000 + RM150 + RM9 + RM8 + RM0.48 |

Class I:

Assuming a Member wants to make an additional contribution of RM5,000 in the AmPRS – Growth Fund in year 2. The NAV per unit is RM0.5500 and there is no sales charge for Class I of the Fund. A GST of 6.00% will be applicable to the sales charge, account opening fee and annual fee charged by PPA. The Member will need to pay the amount as illustrated below to the PRS Provider:

| Items | RM/Units | Explanation |
|---|----------------|--|
| (i) Amount to be invested (investment amount) | RM5,000 | |
| (ii) Units issued to Member | 9,090.91 units | RM5,000/RM0.5500 per unit |
| (iii) Sales charge incurred by Member | RM0 | 9,090.91 units x RM0.5500 per unit x 0.00% |
| (iv) GST applicable to the sales charge | RM0 | RM0 x 6.00% |
| (v) Account opening fee charged by PPA | RM0 | RM0 |
| (vi) GST applicable to the account opening fee charged by PPA | RM0 | RM0 x 6.00% |
| (vii) Annual fee charged by PPA | RM8 | RM8 |
| (viii) GST applicable to the annual fee charged by PPA | RM0.48 | RM8 x 6.00% |
| (ix) Amount payable by Member | RM5,008.48 | RM5,000 + RM8 + RM0.48 |

Redeeming an investment

Class D and Class I:

Assuming a Member wishes to redeem 20,000 units from Sub-Account B of the AmPRS – Growth Fund. The NAV per unit is RM0.5500 and there is no exit penalty for Class D and Class I of the Fund. A tax penalty of 8% is payable to IRB for pre-retirement withdrawal. The following illustration does not take into account the withdrawal fee of RM25 charged by PPA as it is currently waived. Hence, the total amount payable to the Member (total payment amount) is RM10,120.00 as illustrated below:

| Items | RM/Units | Explanation |
|---------------------------------------|--------------|--|
| (i) Units redeemed | 20,000 units | |
| (ii) Gross amount payable to Member | RM11,000 | 20,000 units x RM0.5500 |
| (iii) Exit penalty incurred by Member | RM0 | 20,000 units x RM0.5500 per unit x 0.00% |
| (iv) Tax penalty payable to IRB | RM880 | 20,000 units x RM0.5500 per unit x 8.00% |

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| | | |
|----------------------------------|-------------|------------------|
| (v) Net amount payable to Member | RM10,120.00 | RM11,000 – RM880 |
|----------------------------------|-------------|------------------|

Members are advised not to make payment in cash when purchasing units of a Fund under the Scheme via any institutional/retail agent.

11.3 MAKING A CONTRIBUTION

Cash (notes or coins) will strictly not be accepted. Persons dealing in private retirement schemes are not authorised to accept cash payments under any circumstances. If you give any of our licensed distributors (which include persons dealing in private retirement schemes) cash, you do so at your own risk. We shall not be held responsible in any way.

| | |
|---|--|
| Step 1 Eligibility | <p><u>Individual or Employer-Sponsored Retirement Scheme[#]</u> Any individuals who has attained the age of 18 years as of the date of opening of a private pension account</p> <p>The PRS Provider has the right to reject any application by US Person. If the PRS Provider becomes aware of an investor being a US Person holding units of the Fund, the PRS Provider may require that person to either withdraw the units of the Fund or transfer the units of the Fund to a non-US person.</p> |
| Step 2 Forms to be completed | <p>(a) PRS Joint Account Opening Form - Individual; (b) Suitability Assessment Form (if applicable); (c) One (1) set of specimen signature card; (d) Pre-Investment form; and (e) FATCA declaration form</p> |
| Step 3 Documents required | Photocopy of National Registration Identity Card (NRIC) or passport |
| Step 4 Manner of payment and delivery | <p>Payments can be made using cheque, bank draft, telegraphic transfer or money order made payable to:</p> <p>“AmFunds Management Berhad – Trust A/C”</p> <p>Applicants are to write their names and NRIC numbers or passport numbers at the back of the cheque, bank draft or money order.</p> <p>You can submit the application with complete documentation and payment to the PRS Provider or give it to any of our distributors. If we do not receive complete documentation with the payment, we reserve the right to reject the application.</p> <p>If you deposit payment into our account and do not notify or provide us with the complete documentation, we shall reject your application and hold such amount until claimed.</p> <p><i>Note: Application shall be processed based on the net amount received. Where payment is by cheque, the cheque must be issued by the Member. Third party cheque payment must be accompanied with a properly signed letter from the issuer of the cheque stating that he or she is aware that the cheque is used for contributions in PRS by the Member duly named.</i></p> <p><i>In the case of bank draft or money order, a copy of the application for the bank draft or money order as approved by the relevant bank or post office must be submitted with the bank draft or money order. If the bank draft or money order is applied by a third party, then a letter from the third party attesting to the use of the bank draft or money order for the contributions in PRS by the Member must be submitted.</i></p> <p><i>Please do not mail cash.</i></p> |
| Minimum initial contribution | <p><u>Class D and Class I:</u></p> <p>For lump sum investment: RM500 or lower amount as the PRS Provider may from time to time decide</p> <p>For regular savings plan: RM100 or lower amount as the PRS Provider may from time to time decide</p> <p><i>Note: For Employer-Sponsored Retirement Scheme, the minimum contribution can be met by combining all contributions made by employers for their employee.</i></p> |
| Minimum additional contributions | <p><u>Class D and Class I:</u></p> <p>For lump sum investment: RM100 or lower amount as the PRS Provider may from time to time decide</p> <p>For regular savings plan: RM100 or lower amount as the PRS Provider may from time to time decide.</p> |

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| | |
|----------------------------------|---|
| | <i>Note: For Employer-Sponsored Retirement Scheme, the minimum contribution can be met by combining all contributions made by employers for their employee.</i> |
| Submission of application | Monday to Friday (except public holiday) |
| Cut-off time | If an application with complete documentation and payment are accepted before 4.00 p.m. on a Business Day, it will be processed at the end of day NAV per unit on the same Business Day. If an application with complete documentation and payment are accepted after 4.00 p.m. or on a non-Business Day, the application will be processed at the end of day NAV per unit on the next Business Day. <i>For more details on NAV calculation, please refer to page 57 to 59.</i> |
| Cooling-off right | You should be aware that the cooling-off right is only available on your first contribution in any private retirement schemes. Subsequent contributions will not enjoy this right. The cooling-off right is not available to corporation/institution, staff of the PRS Provider and persons registered to deal in private retirement schemes. The PRS Provider will process and pay the cooling-off proceeds to the Member within ten (10) Business Days after the PPA's authorisation is received by the PRS Provider. |
| Cooling-off period | If you make a contribution and later decide that the investment does not suit your needs, you may withdraw your money within six (6) Business Days of making the contribution. |

All contributions made by a Member are to be maintained in two separate sub-accounts by the PRS Provider as follows:

- (a) Sub-Account A which holds 70% of all contributions made, reflected in units and not available for pre-retirement withdrawal, except for death of a Member and permanent departure of a Member from Malaysia; and
- (b) Sub-Account B which holds 30% of all contributions made, reflected in units and available for pre-retirement withdrawal, subject to payment of tax penalty of 8% set by the IRB, which will be deducted by the PRS Provider from the redeemed amount. However, the tax penalty is not applicable for withdrawals due to death of a Member and permanent departure of a Member from Malaysia.

If you do not specify your investment option when making an investment, we will automatically allocate your investment into Core Fund(s) under the Default Option* of the Scheme, according to your age.

The Default Option* of this Scheme consists of the following Core Funds:

- (a) AmPRS – Conservative Fund, for Members aged 50 years and above;
- (b) AmPRS – Moderate Fund, for Members aged 40 years and above but have not reached 50 years; and
- (c) AmPRS – Growth Fund, for Members below 40 years old.

Note:

* Default Option refers to the Core Funds that will be selected automatically for a Member who does not specify his or her fund option upon participating in the Scheme. Where a Member is allocated to the Default Option, the PRS Provider will before the end of the next calendar month from the day the Member attains :-

- (a) the age of 40 years old, redeem the units in AmPRS – Growth Fund and purchase units in AmPRS – Moderate Fund; and
- (b) the age of 50 years old, redeem the units in the AmPRS – Moderate Fund and purchase units in AmPRS - Conservative Fund unless the Member instructs otherwise.

If Member made his/her first contribution to the Scheme a month before he/her attains the age of 40 or 50 years old as the case may be by the way of Default Option, the PRS Provider will allocate such contribution to the AmPRS – Moderate Fund or AmPRS – Conservative Fund as the case may be.

Employer-Sponsored Retirement Scheme contributions may be subject to Vesting Schedule. Contributions received from an employer on behalf of an employee that is subject to a Vesting Schedule are not to be transferred to another PRS provider or withdrawn by the employee until they are unconditionally vested.

Members are advised not to make payment in cash when purchasing units of a Fund under the Scheme via any institutional/retail agent.

11.4 MAKING WITHDRAWALS

A Member may withdraw all or part of their units on any Business Day subject to the minimum withdrawal unless it is a complete withdrawal.

Request for payment for withdrawals from a Scheme or from any Funds under a Scheme may be made in the following circumstances:

- (a) after the day the Member reaches the Retirement Age, withdrawals may be made in part or full;
- (b) following the death of a Member, only full withdrawals may be made;
- (c) for pre-retirement withdrawal, withdrawal from Sub-Account B may be made in part or in full; or
- (d) permanent departure of a Member from Malaysia, only full withdrawals may be made.

Upon receiving a Member's request to withdraw some or all of the accrued benefits in any Fund under a Scheme, the PRS Provider or PPA (as the case may be) may require the Member to provide evidence of the facts necessary to establish the Member's right to withdraw monies from any Fund under the Scheme. For withdrawals following the death of a Member where only full withdrawal may be made, a PRS Provider must obtain prior authorisation from PPA before issuing instructions to the Trustee to cancel units. The PRS Provider must pay the proceeds within 10 days after PPA's authorisation is received. However, prior authorisation from PPA is not required for pre-retirement withdrawal from Sub-Account B, permanent departure of a Member from Malaysia or upon reaching the Retirement Age. Upon receiving the withdrawal request, the PRS Provider will process and pay the withdrawal proceeds within 10 days.

For the first pre-retirement withdrawal, it can be requested by a Member one year after making the first contribution to the Scheme (whether by Member or employer). As for the subsequent pre-retirement withdrawal from the Scheme, it can only be requested by a Member once every calendar

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year from the PRS Provider. Members who have contributed to funds of multiple PRS providers may request for multiple pre-retirement withdrawals in a year provided only one pre-retirement withdrawal request is made to each PRS provider. A PRS Provider must deduct the applicable tax penalty of 8% or such other applicable tax penalty from the withdrawn amount before making payment to the Member. However, for pre-retirement withdrawals due to death, permanent departure of a Member from Malaysia or upon reaching the Retirement Age, a Member shall be entitled to withdraw the full amount accumulated in all Funds under the Scheme held by the Member as accrued benefits without payment of any tax. For units issued under or pursuant to Employer-Sponsored Retirement Schemes which are subject to Vesting Schedules, withdrawal is not permitted until units held by a Member is unconditionally vested.

| | |
|---|---|
| Minimum withdrawal | Class D and Class I: 500 units or such units as the PRS Provider may from time to time decide. |
| Minimum holding / balance <i>(applicable for post-retirement withdrawal only)</i> | Class D and Class I: 200 units or such units as the PRS Provider may from time to time decide. <i>Note: In the case of partial redemption request after Retirement Age, the PRS Provider may elect to redeem the entire account should the units held in your account of the Fund would be less than 200 units.</i> |
| Notification of withdrawal | A Member can make a withdrawal by completing a transaction form. Transaction forms are available at our offices. Please ensure that the transaction form is signed in accordance with your signing instruction given to us. |
| Submission of withdrawal notice | Monday to Friday (except public holiday) |
| Cut-off time | If an application with complete documentation is accepted before 4.00 p.m. on a Business Day, it will be processed at the end of day NAV per unit of the same Business Day. If an application with complete documentation is accepted after 4.00 p.m. or on a non-Business Day, the application will be processed at the end of day NAV per unit of the next Business Day. <i>For more details on NAV calculation, please refer to page 57 to 59.</i> |
| Payment of withdrawal proceeds | By the 10 th day after complete documentation is received by us. |
| Payment of proceeds following the death of a Member | By the 10 th day after Private Pension Administrator's authorisation is received by us. |

Manner of payment

Withdrawal proceeds will be paid either by:

- (a) transferring the proceeds to a bank account held in your own name
 - (i) *Within the country*
You may give the PRS Provider instructions in writing to transfer your withdrawal proceeds to a bank account held in your own name within Malaysia only. All bank charges for the transfer will be borne by you. The charges will be deducted from the transferred amount before being paid to your relevant bank account. Under normal circumstances, a transfer will take less than two (2) days to reach its destination. It is possible for delays in the banking system to occur which are beyond our control. If the proceeds cannot be transferred, the PRS Provider shall draw a cheque payable to you.
 - (ii) *Overseas*
You may give the PRS Provider instructions in writing to transfer your withdrawal proceeds to a bank account overseas held in your own name. All bank charges for the transfer will be borne by you. The charge will be deducted from the transferred amount before being paid to your relevant bank account. You are also required to comply with the requirements of the Exchange Control Act 1953.
- (b) by cheque

Your withdrawal proceeds will be made payable by cheque to your name only.

No withdrawals will be paid in cash under any circumstances.

Miscellaneous withdrawal information

We reserve the right to defer the calculation of withdrawal price with the consent of the Trustee (or as permitted by the SC) after receiving the withdrawal request order if in our judgement, an earlier payment would adversely affect the Fund.

11.5 OTHER RELEVANT INFORMATION WHEN MAKING CONTRIBUTION

Switching between Funds

Switching is allowed only if it is between the same Class between the Funds under the Scheme, subject to a fee. The minimum units for a switch must be equivalent to the minimum withdrawal unit applicable to a Fund or such units as the PRS Provider may from time to time decide.

For switches between Funds under the Scheme, you may be charged up to 3.00% of amount switched. For example, you will be charged for a 2% of switching fee when you switch from a lower sales charge fund (i.e. 1% sales charge) to a higher sales charge fund (i.e. 3% sales charge).

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However, a Member can only switch units held by them in a fund to another fund, provided it is from/to the same sub-account, i.e. Sub-Account A of AmPRS – Growth Fund to Sub-Account A of AmPRS – Moderate Fund.

Switching between Class(es) in a Fund is not allowed. For example, you are not allowed to switch from Class D of AmPRS – Growth Fund to Class I of AmPRS – Growth Fund. You are also not allowed to switch from Class D of AmPRS – Growth Fund to Class I of AmPRS – Moderate Fund.

Note:

Switching from a Shariah Compliant fund to any other non-Shariah Compliant fund(s) is discouraged for Muslim Members.

All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

Transfer

You can transfer partial or all of your investments in a Scheme to another scheme offered by another PRS provider once every calendar year provided you have been a Member of the Scheme for at least one year and all the accrued benefits from a particular Fund must be transferred to only one (1) other fund by simply completing a transfer form. However, transfer of conditionally vested units is not permitted for Employer-Sponsored Retirement Schemes which are subjected to Vesting Schedule. Units held by a Member in a Scheme can only be transferred to the same sub-account of another scheme, i.e. Sub-Account A of AmPRS to sub-account A of another scheme, vice versa.

A fee of RM25 will be charged by the PPA (subject to changes as may be determined by PPA from time to time) and additional fee of RM25 will be charged by the PRS Provider for each transfer.

The proceeds of the repurchase of units will be paid by the PRS Provider to another PRS provider within five (5) Business Days of receiving a complete transfer form from the PPA.

Note: All fees, charges and expenses disclosed in the Second Replacement Disclosure Document are expressed on a GST-exclusive basis. Accordingly, to the extent that services provided are subject to GST, the amount of GST payable on any related fees, charges and/or expenses will be payable by the Member and/or the Fund(s) under the Scheme (as the case may be) in addition to the fees, charges and expenses disclosed in the Second Replacement Disclosure Document.

Distribution equalisation

Distribution equalisation represents the average amount of undistributed net income included in the creation or release price of units. This amount is either refunded to the Members by way of income distribution and/or adjusted accordingly when units are released back to the Trustee.

Confirmation of an application

You shall be issued a transaction advice within two (2) weeks from the date the application is received by us. No certificates are issued. Instead your details are entered into the register of Member, which is kept at our head office and can be inspected during business hours.

Miscellaneous application information

You will be responsible for all losses and expenses of the Fund in the event of any failure to make payments according to the procedures outlined in this Second Replacement Disclosure Document. In addition, a RM20 charge will be imposed if a cheque does not clear. Such losses and expenses shall be deducted by us from your account with us. We reserve the right to reject any application. We also reserve the right to change or discontinue any of our application procedures.

Additional Information on Vesting Schedule

An Employer-Sponsored Retirement Scheme where an employer makes a contribution on behalf of an employee may be subject to Vesting Schedule. Contributions made by an employer on behalf of an employee that is subject to a Vesting Schedule are not to be transferred to another PRS provider at the request of that employee, or withdrawn by that employee, until units issued pursuant to such contributions are vested unconditionally.

Temporary Suspension of Determination of NAV, Issue and Redemption of Units

The PRS Provider may suspend the determination of the NAV of the Fund, the issue of units and the redemption of units in the following circumstances or if in our judgement, an earlier payment would adversely affect the Fund:

- (a) during any period when the market on which a material part of the investments of the Fund is closed, or during which dealings are substantially suspended or restricted;
- (b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal of investments of the Fund is not possible;
- (c) during any breakdown in the means of communication normally employed in determining the price of the Fund's investments in any market;
- (d) when for any other reason the prices of any investments owned by the Fund cannot promptly or accurately be ascertained;
- (e) during any period when remittance of monies which will or may be involved in the realisation of or in the payment for any of the Fund's investments cannot, in the opinion of the PRS Provider, be carried out at normal rates of exchange; and
- (f) in the event of the publication of a notice convening a Members' meeting.

Members who have requested redemption of their units will be notified in writing of any such suspension of the right to require redemption of units and will be promptly notified upon termination of such suspension. Any such suspension will be published in the newspapers in which the Fund's unit prices are generally published if in the opinion of the PRS Provider the suspension is likely to exceed one (1) week. Any suspension shall be in accordance with the Deed and the PRS Guidelines.

11.6 INCOME DISTRIBUTION POLICY

Income Distribution

| Fund Name | Income Distribution |
|--|---|
| AmPRS – Growth Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Moderate Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Conservative Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Islamic Equity Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Islamic Balanced Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Islamic Fixed Income Fund | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Tactical Bond | Subject to availability of income, distribution is paid twice every year (if any) and will be reinvested. |
| AmPRS – Dynamic Sukuk | Subject to availability of income, distribution (if any) is incidental. |
| AmPRS – Asia Pacific REITs | Subject to availability of income, distribution (if any) is paid at least once a year and will be reinvested. |
| AmPRS – Dynamic Allocator | Subject to availability of income, distribution (if any) is paid at least once a year and will be reinvested |

For all the Funds mentioned above, income distribution (if any) will be based on performance of the Fund and not based on a fixed return.

Mode of Income Distribution

Income distribution (if any) will be reinvested in the form of units.

Income distributed will be automatically reinvested into your account with us at no cost, based on the NAV per unit at the end of the Business Day where distribution is declared.

11.7 UNCLAIMED MONEYS

Any cheque payable to you which remains unclaimed (hereinafter referred to as unclaimed amount) for the last twelve (12) months or such period as may be advised will be paid to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965.

Where a Member of PRS has not made any transaction or instruction in relation to any PRS for more than twelve (12) months subsequent to attaining the age of 80 years, the Trustee may pay any unclaimed accrued benefit held by the Trustee (upon instruction from the PRS Provider and obtaining the PPA's approval) to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act 1965.

Members may claim the unclaimed amount from the Registrar of Unclaimed Moneys.

11.8 DISTRIBUTION CHANNELS

The Scheme is distributed by AmBank Group channels and selected IPRA distributors. The AmBank Group channels consist of AmBank (M) Berhad with extensive branch network of around 190 branches nationwide.

You may contact the PRS Provider at (03) 2032 2888 for the list of distributors. For further details, please refer to page 83.

Members are advised not to make payment in cash when purchasing units of a Fund under the Scheme via any institutional/retail agents.

12. THE PRS PROVIDER

12.1 THE PRS PROVIDER / INVESTMENT MANAGER

AFM was incorporated on 9 July 1986 and is a wholly owned subsidiary of AmInvestment Group Berhad. As at the LPD, AFM has more than 27 years of experience in the unit trust industry.

Pursuant to AMMB Holdings Berhad's (the holding company of AFM and AIM) initiative to streamline the business operations of its asset management business under AIM and the unit trust business under AFM, the businesses of both AIM and AFM are consolidated to operate under a single operating structure, i.e., under AFM.

With effect from 1 December 2014, AFM is the holder of a Capital Markets and Services Licence for the regulated activities of fund management, dealing in securities restricted to unit trusts and dealing in private retirement scheme issued under the Act. As at Last Practicable Date, the total number of funds under AmInvestment Service's management were 55 unit trust funds, 22 wholesale funds, 2 exchange-traded funds and 9 private retirement schemes funds with a total fund size approximately RM31.6billion.

As at Last Practicable Date, AmFunds Management Berhad has 207 employees of whom are 184 executives and 23 non-executives

12.2 FINANCIAL INFORMATION

| | Year ended 31 March | | |
|----------------------------------|---------------------|---------|---------|
| | 2015 | 2014 | 2013 |
| Paid up share capital (RM'000) | 5,539 | 5,539 | 5,539 |
| Shareholders funds (RM'000) | 78,953 | 68,111 | 61,389 |
| Turnover (RM'000)* | 163,867 | 150,162 | 158,713 |
| Pretax Profit/(Loss) (RM'000) | 54,756 | 49,425 | 50,929 |
| After Tax Profit/(Loss) (RM'000) | 41,084 | 36,743 | 38,081 |

* Includes sales charge and manager's fee earned by the PRS Provider

12.3 DUTIES AND RESPONSIBILITIES OF THE PRS PROVIDER

As the PRS Provider of the Scheme, we are responsible for setting the investment policies and objective for the Funds under the Scheme. The PRS Provider is also responsible for the promotions and administration of the Funds under the Scheme which includes but not limited to issuing units, preparing and issuing disclosure document.

12.4 THE BOARD OF DIRECTORS

The board of directors exercises ultimate control over the operations of the company. The board meets once every two (2) months to discuss and decide on business strategies, operational priorities and ways of managing risk within the Company.

The board acts to ensure that investment risk and operational risk are monitored and managed. It also ensures that the company's operations comply with regulations issued by the government and regulatory authorities.

Pushparani A/P A Moothathamby (non-independent) was appointed to the board of directors of AmFunds Management Berhad as a non-independent director on 2 November 2015. Ms Pushpa is currently the managing director of wholesale banking of AmBank Group. She has served the AmBank Group for 26 years and has held various senior management positions. She has extensive experience in investment banking, corporate banking, capital markets and more recently commercial banking. She has also been involved in corporate strategy and advisory work for the AmBank Group. Prior to joining AmBank Group, she was employed at Coopers & Lybrands (now known as PricewaterHouseCoopers) undertaking financial and consultancy related work.

She holds various directorships in the AmBank Group, which includes companies involved in the trustee services, venture capital management, Reits and private equity. She has recently been appointed to the board of AmIslamic Funds Management Bhd. She was previously on the board of AmInvestment Bank, AmCapital (B) Sdn Bhd (asset management) and PT AmCapital Indonesia (stockbroking). Ms Pushpa is the alternate chairman of the Malaysian Investment Banking Association (MIBA). She is actively involved in the financial sector market development and sits on regulatory and industry panels and working groups. She is on the board of Financial Institutions Directors' Education Programme (FIDE). She is a fellow member of the Chartered Association of Certified Accountants, United Kingdom and Member of Malaysian Institute of Accountants.

Mustafa Bin Mohd Nor (independent) was appointed to the board of directors of AmFunds Management Berhad as an Independent and Non-Executive Director on 3 March 2014. He is also a Director of KUISAS Berhad and a Member of State Investment Committee, Perak Darul Ridzuan. He obtained a Masters of Arts (Economic Policy) from Boston University and Bachelor of Economics (Analytical) from University of Malaya.

Tai Terk Lin (independent) was appointed to the board of directors of AmFunds Management Berhad as an independent and non-executive director on 15 December 2014. He was previously the Group Chief Executive Officer of ICB Financial Group Holdings AG, the holding company of ICB Banking Group, and a Commissioner of PT Bank ICB Bumiputera. Before that, Mr. Tai was the executive director of Platinum Capital Management (Asia) and a Senior Vice President of DBS Bank in Singapore, heading their hedge funds and private banking business for their Asia and Malaysia market respectively. Mr. Tai holds a Master of Business Administration (MBA) from Cranfield University, United Kingdom. He has a Bachelor of Science with Education (B.Sc.Ed (Hons)) from the University of Malaya and holds the Certified Financial Planner (CFP) and the Financial Industry Certified Professional (FICP) from the Institute of Banking and Finance (IBF), Singapore.

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Madam Sum Leng Kuang (independent) was appointed to the board of directors of AmFunds Management Berhad as an independent and non-executive director on 18 January 2016. Madam Sum possesses an extensive investment management experience of more than three (3) decades, particularly in managing fixed income investment portfolios, credit evaluation and credit risk management.

She has been actively involved in the development of local fixed income market via active participation in industry dialogues and direct consultations with issuers, investors, rating agencies, regulatory bodies and federal agencies.

Madam Sum started her career with Overseas Assurance Corporation (M) Berhad of Great Eastern Group in year 1982, and had dedicated a total of thirty one (31) years of service to Great Eastern Group until year 2013, with the last position as senior vice president & advisor, fixed income investment of Great Eastern Life Assurance (M) Berhad.

Thereafter, she joined Hong Leong Asset Management Berhad ("HLAM") from year 2013 to year 2014, with various senior management positions, including chief investment officer in year 2013 and acting chief executive officer on 18 July 2013, where she was in charge to provide leadership and manage the resources and development of the fixed income team. On 15 August 2013, she was appointed as director of HLAM.

She holds a Bachelor of Commerce (Finance) from University of Canterbury, New Zealand. She is also a qualified Certified Financial Planner.

Datin Maznah Mahbob (non-independent) is the Chief Executive Officer of AmInvest. She is responsible for business strategy and management of AmInvest. Datin Maznah has been in the fund management industry since 1987. Prior to this, she was in the Corporate Finance Department of AmInvestment Bank for 3 years. She is a graduate of the Institute of Chartered Secretaries and Administrators (UK) and holds the Capital Markets Services Representative's License for the regulated activity of fund management. Datin Maznah Mahbob was appointed to the board of directors of AFM on 29 December 2005. She also sits on the board of directors of AMMB Nominees (Tempatan) Sdn Bhd, AMMB Nominees (Asing) Sdn Bhd, PT AMCI Manajemen Investasi Indonesia and AMMB (L) Ltd.

12.5 MATERIAL LITIGATION

As at the Latest Practicable Date, the PRS Provider is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give rise to any proceedings which might materially affect the business or financial position of the PRS Provider and of its delegates.

12.6 THE INVESTMENT COMMITTEE

The Scheme is required by the Guidelines on Private Retirement Schemes issued by the Securities Commission Malaysia to have an Investment Committee. The Investment Committee meets at least five (5) times a year to review the Fund's investment objectives and guidelines, and to ensure that the Funds under the Scheme are invested appropriately.

The Investment Committee members are:

Mustafa Bin Mohd Nor (independent) (profile as mentioned above)

Tai Terk Lin (independent) (profile as mentioned above)

Dr. Frank Richard Ashe (independent) was appointed as a member of the investment committee of AmFunds Management Berhad on 16 February 2015. He has extensive experience in the investment management industry for more than 30 years. He was appointed as the executive director of Legal & General Asset Management, Australia from year 1993 to 1995 contributing in areas such as asset value protection and asset-liability and financial risk management. He was a visiting lecturer at the School of Economics in University of Technology, Sydney in year 1997 lecturing on yield curve analysis and fixed interest securities. Subsequently he became a visiting fellow in Macquarie University from year 1997 to 2001 lecturing in risk and portfolio construction. From 1999 to 2001 he was in charge of the market risk management as a Senior Advisor in the asset management division of Manulife in Canada. He has been an Associate Professor of the Applied Finance Centre of Macquarie University from 2002 to 2014, at the same time he has been an independent consultant since year 2007. Dr. Frank Richard Ashe holds a Bachelor of Arts, First Class Honours, majoring in Actuarial Studies, Statistics, Pure Mathematics, and Applied Mathematics from Macquarie University, and a PhD in Operations Research from the University of New South Wales.

Madam Sum Leng Kuang (non-independent) (profile as mentioned above)

Datin Maznah Mahbob (non-independent) (profile as mentioned above)

12.7 THE AUDIT COMMITTEE

The Scheme is required by the Guidelines on Private Retirement Scheme issued by the Securities Commission Malaysia to have an Audit Committee. The Audit Committee meets at least two (2) times a year to review the adequacy and compliance with the established policies, procedures, guidelines, internal controls and review any related party transaction and conflict of interest situation that may arise.

The Audit Committee members are:

Pushparani A/P A Moothathamby (non-independent) (profile as mentioned above)

Mustafa Bin Mohd Nor (independent) (profile as mentioned above)

Tai Terk Lin (independent) (profile as mentioned above)

Madam Sum Leng Kuang (non-independent) (profile as mentioned above)

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12.8 KEY PERSONNEL OF THE PRS PROVIDER / INVESTMENT MANAGER

Datin Maznah Mahbob (profile as mentioned above).

Harinder Pal Singh He is the Senior Vice President of Operations who is responsible for the overall management of all operational functions of AmInvest. He joined in May 2001. He was attached to the Corporate Services Department of AmInvestment Bank Berhad as a Manager from 1998 to April 2001. He holds a Bachelor degree in Accounting from the University of Malaya, Kuala Lumpur.

Anderson Chua Oou Chuan is the Senior Vice President of Finance and Strategic Management of AmInvest. He is responsible for all financial matters of AFM and AmIslamic Funds Management Sdn. Bhd. He is also responsible in formulation and implementation of financial and strategic plans of AmInvest. He has over 13 years of experience in the financial services industry. He holds a Bachelor degree in Accountancy (Hons) from University Putra of Malaysia.

Nervinderjeet Kaur is the Senior Vice President of Compliance and Operational Risk Management. She has more than 17 years experience in the financial services industry attained in Malaysia and Australia. She is responsible for the overall supervision and compliance with the regulatory requirements for AmInvest. She holds a Bachelor of Laws (Hons) from University of London, United Kingdom.

Leslie Cheah Loy Hin is the Senior Vice President of Treasury Solutions. He is responsible for the direct sales of the institutional/corporate market for unit trust products. He joined AFM on 1 June 2003. Prior to him joining the Company, he served as the Head of Treasury (Northern Region) of AMMB Holdings Berhad and later led the Bond Desk Sales and Distribution Team of AmInvestment Bank Berhad. He was one of the pioneering staff during the set up of AmFutures Sdn Bhd and AmInternational (Labuan) Ltd. Leslie holds a Diploma in Accounting and is an Associate Member of The Institute of Chartered Secretaries and Administrators (U.K.) and also a National Member of The Financial Market Association of Malaysia.

Goh Wee Peng is the Chief Investment Officer of Fixed Income and the designated person responsible for the investment management of all fixed income funds. She started her career in financial industry since 1997. She has vast experience in financial industry in different role, i.e. money broking, analyst, fixed income bond trading and fund management. In the past 6 years in AmInvestment Management Sdn Bhd, she has been managing various fixed income funds, i.e. unit trust and institutional mandate. She is responsible in overseeing the fixed income mandates and guiding a team of fund managers and credit research team. Her key role includes formulating trading and investment strategies for the team by identifying opportunities in different market trends, she presents to the clients market outlook and strategies for their portfolio on a regular basis. She also holds the Capital Markets Services Representative's License for the regulated activity of fund management.

Kevin Wong Weng Tuck is the Senior Vice President and Head of Fixed Income Research with over 18 years of relevant experience in this field. Kevin oversees the Fixed Income Research Team in conducting thorough and prudent evaluation of the credit worthiness of sovereigns, corporates, financial institutions and asset-backed securities. His research coverage now spans across 40 countries around the globe, with diligent monitoring of the economic, industry and business environments to identify and assess emerging risks as well as opportunities. He is also continually formulating and establishing more effective research processes and infrastructure for the Fixed Income team.

Andrew Wong Yoke Leong is the Chief Investment Officer of Equities. He is the designated person responsible for all equity funds including asset allocation. His duties included formulating strategies to optimize returns for the funds within the risk framework required. Prior to his present appointment he was the Head of Investment Division (Equities and Fixed Income) at a regional insurance company. He holds a Master of Business Administration and an Engineering degree. He also holds the Capital Markets Services Representative's License for the regulated activity of fund management.

Nancy Chow Yuen Yuen is the Senior Vice President of Marketing and Strategic Product Development and is responsible for marketing, communications and branding for Funds Management Division. She is also responsible for Funds Management Division strategic business which involves the development of strategic products, domestic and foreign ventures. She has 20 years of experience in dealing, sales and marketing of treasury and financial products and funds. Prior to joining the Company, she was the pioneer Head of Treasury (northern region) of AmInvestment Bank. She holds a Bachelor of Commerce degree from the University of New South Wales, Sydney. She also holds the Capital Markets Services Representative's License for the regulated activity of fund management.

Ratnakar Kota is the Senior Vice President of Quantitative Strategies & Solutions. He is currently responsible for the overall management of performance analytics, investment strategy analytics and infrastructure. He has over 13 years of global experience working in Technology and Financial Services industries. Prior to joining AmInvestment Management Sdn, Bhd., he was a senior fund manager with ING Investment Management Asia Pacific Ltd. and a portfolio manager with Advanced Investment Partners LLC, a former member of State Street Global Alliance. Ratnakar is a Chartered Financial Analyst (CFA) charter holder. He earned MBA from the University of Chicago, MS in Computer Science from the University of Illinois at Chicago and a BTech in Chemical Engineering from Osmania University, India. He also holds the Capital Markets Services Representative's License.

12.9 DELEGATION OF FUND'S INVESTMENT MANAGEMENT FUNCTION

The PRS Provider has delegated the investment management function to AIFM to manage AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund. AIFM is a licensed fund manager approved by the SC on 13 January 2009.

AIFM was established on 25 August 2008 to be a dedicated Islamic investment solutions provider to offer comprehensive and innovative range of Shariah Compliant funds and provide investment management services of all Shariah Compliant assets and has more than two (2) years experience in providing fund management services. AIFM is a wholly owned subsidiary of AmInvestment Group Berhad.

As at the LPD, AIFM manages 27 Shariah Compliant unit trust funds and institutional accounts totalling RM6.6 billion. It has 28 employees, of which 27 are executives and 1 non-executive.

12.10 DUTIES AND RESPONSIBILITIES OF AIFM

AIFM is responsible to implement the investment strategy for AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund (“the Islamic Funds”) to achieve the objectives of the Islamic Funds.

12.11 KEY PERSONNEL OF AIFM

Mohd Fauzi Mohd Tahir (profile as mentioned above). He is also the designated fund manager for AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund and AmPRS – Islamic Fixed Income Fund.

Haslinda Ibrahim is a Senior Fund Manager. She has been in the fund management industry since 1994 and has wide experience in managing equity funds as well as research. Her responsibilities include managing Shariah Compliant equity funds and conducting research, focusing on Indonesian equity. She holds a degree in BSc Econs (Hons) in Accounting and Finance from University College of Wales, Aberystwyth, United Kingdom. She also holds the Capital Markets Services Representative’s License.

Cheong Yoke Phing is an Equity Analyst with the Equities team of the AmInvest of AmInvestment Bank Group and the designated fund manager of the Fund, with over 4 years relevant experience in this field. She started off as an auditor at KPMG before entering the asset management industry in 2007 as an Investment Analyst with the Equities team. Currently, she assists in research analytics for companies listed in Bursa Malaysia. She is now responsible for primary/secondary equities research, analysis and producing reports on listed local plantations, steel and utilities stocks as well as the local plantation, steel and utilities sector as a whole. She holds a Bachelor of Commerce (Accounting) from University of Adelaide, Australia.

12.12 DELEGATION OF FUND ACCOUNTING AND VALUATION SERVICES

The Scheme’s valuation and fund accounting function is outsourced to Deutsche Bank (Malaysia) Berhad (DBMB) by the PRS Provider. The outsourcing function was approved by the Securities Commission on 14 September 2012. DBMB will be responsible for the funds valuation i.e. daily calculation of the NAV and NAV per unit of the fund and the fund accounting function i.e. maintenance of financial statements and records of the fund for the purpose of audit and preparation of annual and interim report.

DBMB is a wholly-owned subsidiary of the parent organization, Deutsche Bank Aktiengesellschaft. DBMB established a presence in Kuala Lumpur, Malaysia in 1967 and was incorporated on the 22nd August 1994.

DBMB commenced its domestic custody operations in Malaysia 1994 to provide direct custody services to both local and foreign clients. Domestic Custody Services Malaysia (DCS) is a dedicated business unit within DBMB responsible for providing custody services to our global and domestic clients.

In 2001, DBMB expanded its product offering to include fund administration, being the first custodian in Malaysia to offer onshore fund accounting services.

13. THE TRUSTEE

13.1 DEUTSCHE TRUSTEES MALAYSIA BERHAD

Deutsche Trustees Malaysia Berhad (“DTMB”) (Company No. 763590-H) was incorporated in Malaysia on 22 February 2007 and commenced business in May 2007. The Company is registered as a trust company under the Trust Companies Act 1949, with its business address at Level 20, Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur.

DTMB is a member of Deutsche Bank Group (“Deutsche Bank”), a global investment bank with a substantial private client franchise. With more than 100,000 employees in more than 70 countries, Deutsche Bank offers financial services throughout the world.

13.2 FINANCIAL PERFORMANCE

| | 31 December 2014 (RM) | 31 December 2013 (RM) | 31 December 2012 (RM) |
|--------------------------|--------------------------|--------------------------|--------------------------|
| Paid up share capital | 3,050,000 | 3,050,000 | 3,050,000 |
| Shareholders' funds | 6,314,678 | 5,275,318 | 4,654,993 |
| Revenue | 9,779,401 | 8,292,251 | 5,725,581 |
| Profit/(Loss) before tax | 5,009,315 | 4,156,392 | 3,066,962 |
| Profit/(Loss) after tax | 3,948,097 | 2,908,737 | 2,288,412 |

13.3 EXPERIENCE IN TRUSTEE BUSINESS

DTMB is part of Deutsche Bank’s Institutional Cash & Securities Services, which provides trust, agency, depository, custody and related services on a range of securities and financial structures. As at LPD, DTMB is the trustee for 219 collective investment schemes including unit trust funds, wholesale funds, exchange-traded funds and private retirement schemes.

DTMB’s trustee services are supported by Deutsche Bank (Malaysia) Berhad (“DBMB”), a subsidiary of Deutsche Bank Group, financially and for various functions, including but not limited to financial control and internal audit.

13.4 BOARD OF DIRECTORS

Jacqueline William
Janet Choi
Jalalullail Othman*
Lew Lup Seong*

* independent director

Chief Executive Officer
Richard Lim

13.5 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

DTMB’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Members of the Fund. In performing these functions, the Trustee has to exercise due care and vigilance and is required to act in accordance with the relevant provisions of the Deed, the Capital Markets & Services Act 2007 and all relevant laws.

13.6 TRUSTEE’S DISCLOSURE OF MATERIAL LITIGATION

As at 31 January 2016, neither the Trustee nor its delegate is (a) engaged in any material litigation and arbitration, including those pending or threatened, nor (b) aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegate.

13.7 TRUSTEE’S STATEMENT OF RESPONSIBILITY

The Trustee has given its willingness to assume the position as trustee of the Fund and is willing to assume all its obligations in accordance with the Deed, the Capital Markets & Services Act 2007 and all relevant laws. In respect of monies paid by an investor for the application of units, the Trustee’s responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of repurchase; the Trustee’s responsibility is discharged once it has paid the repurchase amount to the Manager.

13.8 TRUSTEE'S DELEGATE

The Trustee has appointed DBMB as the custodian of the assets of the Fund. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over 30 markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB's roles encompass safekeeping of assets of the Fund; trade settlement management; corporate actions notification and processing; securities holding and cash flow reporting; and income collection and processing.

All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

13.9 DISCLOSURE ON RELATED-PARTY TRANSACTIONS/CONFLICT OF INTERESTS

As the Trustee for the Fund(s), there may be related party transactions involving or in connection with the Fund(s) in the following events:

- (1) Where the Fund invests in the products offered by Deutsche Bank AG and any of its group companies (e.g. money market placement, etc.);
- (2) Where the Fund has obtained financing from Deutsche Bank AG and any of its group companies, as permitted under the Securities Commission's guidelines and other applicable laws;
- (3) Where the PRS Provider appoints DBMB and/or DTMB to perform its back office functions (e.g. fund accounting and valuation and/or registrar and transfer agent); and
- (4) Where DTMB has delegated its custodian functions for the Fund to DBMB.

DTMB will rely on the Manager to ensure that any related party transactions, dealings, investments and appointments are on terms which are the best that are reasonably available for or to the Fund and are on an arm's length basis as if between independent parties.

While DTMB has internal policies intended to prevent or manage conflicts of interests, no assurance is given that their application will necessarily prevent or mitigate conflicts of interests. DTMB's commitment to act in the best interests of the Members of the Fund does not preclude the possibility of related party transactions or conflicts.

14. THE SHARIAH ADVISER

14.1 AMANIE ADVISORS SDN. BHD.

Amanie Advisors Sdn Bhd ("Amanie") is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah advisory company for Islamic unit trust with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' pro-active input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah Principles. Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

The company is led by Datuk Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of four (4) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education.

Amanie meets the fund manager every quarter to address Shariah advisory matters and to review on the Scheme's property pertaining to our Shariah funds. Since 2005, Amanie has acquired ten (10) years of experience in the advisory role of unit trusts and as at 31 January 2016 there are 41 funds which Amanie acts as Shariah adviser.

The roles of Shariah Adviser are:

- (1) To ensure that the Fund is managed and administered in accordance with Shariah Principles.
- (2) To provide expertise and guidance in all matters relating to Shariah Principles, including on the Fund's deed and prospectus, its structure and investment process, and other operational and administrative matters.
- (3) To consult with SC where there is any ambiguity or uncertainty as to an investment, instrument, system, procedure and/or process.
- (4) To act with due care, skill and diligence in carrying out its duties and responsibilities.
- (5) Responsible for scrutinizing the Fund's compliance report as provide by the compliance officer, and investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund's investments are in line with Shariah Principles.
- (6) To prepare a report to be included in the Fund's interim and annual reports certifying whether the Fund have been managed and administered in accordance with Shariah Principles for the period concerned.

The designated person responsible for Shariah advisory matters of the Fund is Datuk Dr. Mohd Daud Bakar as the Chairman. Other consultants are:

- (1) Ainul Azura Zakiyudin
- (2) Faridah Usman

14.2 THE CONSULTING TEAM

Datuk Dr. Mohd Daud Bakar *Shariah Adviser*

Datuk Dr. Mohd Daud Bakar is the Founder and Group Chairman of Amanie Advisors, a global boutique Shariah advisory firm with offices located worldwide. He currently sits as a Chairman of the Shariah Advisory Council at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority and the International Islamic Liquidity Management Corporation (IILM). He is also a Shariah board member of various financial institutions, including the National Bank of Oman (Oman), Noor Islamic Bank (Dubai), Amundi Asset Management (France), Morgan Stanley (Dubai), Bank of London and Middle East (London), BNP Paribas (Bahrain), Islamic Bank of Asia (Singapore), Dow Jones Islamic Market Index (New York), amongst many others.

Prior to this; he was the Deputy Vice-Chancellor at the International Islamic University Malaysia. He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya. He has published a number of articles in various academic journals and has made many presentations in various conferences both local and overseas. On the recognition side, Datuk Dr Mohd Daud has been honored with "The Asset Triple A Industry Leadership Award" at The Asset Triple A Islamic Finance Award 2014 by The Asset magazine and been named as the "Most Outstanding Individual", awarded by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad's birthday 2014.

Ainul Azura Zakiyudin *Deputy Managing Director*

Azura holds a Bachelor of Law (Honours) degree from MARA University of Technology Malaysia and was admitted to Malaysian Bar in 2000. She practised law focusing in conveyancing and litigation. In 2002, Azura left legal practise to pursue corporate aspiration by joining Perbadanan Usahawan Nasional Berhad (PUNB) a national entrepreneur development corporation as an in-house legal counsel. In PUNB, she received wide exposure in legal and Shariah aspect of financing and investments. Prior to joining Amanie, She was with PLUS Expressways Berhad, a public company listed in the Main Board of Bursa Malaysia. Pursuant to a corporate exercise in 2012, she was later transferred to PLUS Malaysia Berhad where she was further exposed to corporate matters especially providing legal advice on commercial transactions, regulatory compliance, corporate governance, due diligence, foreign investment, mergers and acquisitions. With a combined of legal practise experience and more than ten (10) years corporate experience, Azura is central to product development and legal related work in Amanie.

Faridah Usman *Assistant Director*

Faridah graduated with Honors from University Tunku Abdul Razak with a Bachelor's Degree in Business Administration majoring in Islamic Banking & Finance. She started as an intern at Amanie Advisors, responsible for screening and determining the Shariah status of existing securities listed in Amanie Funds and at an initial public offering (IPO) level. She has also been involved in research that looked at the trend of global Sukuk default which was published as part of the Islamic Finance pull out in The Edge magazine (August 2013). Currently, she is a full-time member of the Amanie Advisors advisory team where she is responsible for the application of Amanie's meticulous securities screening methodology (qualitative and quantitative) which are based on internationally accepted standards. Simultaneously, she is tasked with Shariah stock screening, Shariah monitoring and compliance review of the operation of global asset management companies.

15. SALIENT TERMS OF THE DEED

A Member means an individual person who has a private pension account, in respect of whom a contribution to the Scheme has been made, who holds units in any one or more Funds of the Scheme, and is registered as a Member.

15.1 RIGHTS AND LIABILITIES OF MEMBERS

Every duly registered Member of the Scheme shall be entitled to the benefit of and shall be bound by the provisions of the Deed for so long as he remains a duly registered Member of the Scheme and each Unit of that Fund held by a Member shall confer that Member an equal interest in the Fund.

However, a Member does not own or have a right to any particular asset held by the Fund and cannot participate in management decisions except in very limited circumstances as set out in the Deed.

As a Member, you have the right to:

- i. receive income distribution (if any);
- ii. participate in termination or winding up of the Fund;
- iii. call, attend and vote at meetings (the rules governing the holding of meetings are set out in the law and the Deed);
- iv. receive a statement of investment for units; and
- v. receive annual and interim reports of the Fund.

The law and the Deed limit a Member's liability to the value of their investments in the Fund. Accordingly, if the Fund's liabilities exceed its assets, no Member, will be personally liable to indemnify the Trustee and/or the PRS Provider.

15.2 FEES AND CHARGES PERMITTED BY THE DEED

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

| Name of Fund | Sales Charge | | Redemption Charge | |
|-----------------------------------|------------------------------------|---|------------------------------------|--|
| | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Moderate Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Conservative Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Islamic Equity Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Islamic Balanced Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Islamic Fixed Income Fund | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Tactical Bond | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | There is no redemption charge for this Class |
| AmPRS – Dynamic Sukuk | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | 2.00% of NAV per unit of the Class |
| AmPRS – Asia Pacific REITs | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | 2.00% of NAV per unit of the Class |
| AmPRS – Dynamic Allocator | 5.00% of NAV per unit of the Class | There is no sales charge for this Class | 2.00% of NAV per unit of the Class | 2.00% of NAV per unit of the Class |

| Name of Fund | Other Charges (payable to the PRS Provider) | | Other Charges (payable to PPA) | |
|---------------------------|---|---------|--|---------|
| | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | Other charges that you may incur which are payable to the PRS Provider are as follows: | | Other charges that you may incur which are payable to the PPA are as follows: | |
| AmPRS – Moderate Fund | Switching fee Switching is allowed between Funds under the Scheme subject to a fee. You may be charged up to 3.00% of amount switched. However, switching between Class(es) within a Fund and switching between Class(es) between Funds are not allowed. | | PPA Account Opening fee A one-off account opening fee of RM10 will be charged by the PPA upon the first contribution made in private retirement scheme. | |
| AmPRS – Conservative Fund | | | PPA Annual fee | |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

| Name of Fund | Other Charges (payable to the PRS Provider) | | Other Charges (payable to PPA) | |
|-----------------------------------|--|---------|--|---------|
| | Class D | Class I | Class D | Class I |
| AmPRS – Islamic Equity Fund | <i>Transfer fee</i> Transfer of units from the Scheme to another scheme offered by another PRS provider is allowed at a fee of RM25, per transfer. This fee is payable to the PRS Provider. <i>Bank charges/fees</i> Bank charges/fees are incurred only upon withdrawals (if any). | | An annual fee of RM8 will be charged by the PPA on a yearly basis when there is contribution to the Fund, per provider. However, this annual fee will be waived for the year the account was opened with PPA and for the year which there is no contribution with the PRS Provider. <i>PPA Pre-Retirement Withdrawal fee</i> Pre-retirement withdrawal is allowed at a fee of RM25, per withdrawal. This fee is payable to the PPA (subject to changes as may be determined by PPA from time to time). <i>PPA Transfer fee</i> Transfer of units from the Scheme to another scheme offered by another PRS provider is allowed at a fee of RM25, per transfer. This fee is payable to the PPA (subject to changes as may be determined by PPA from time to time). | |
| AmPRS – Islamic Balanced Fund | | | | |
| AmPRS – Islamic Fixed Income Fund | | | | |
| AmPRS – Tactical Bond | | | | |
| AmPRS – Dynamic Sukuk | | | | |
| AmPRS – Asia Pacific REITs | | | | |
| AmPRS – Dynamic Allocator | | | | |

| Name of Fund | Annual Management Fee | | Annual Scheme Trustee Fee | | PPA Administrative Fee | |
|-----------------------------------|---|---|---|---------|-----------------------------------|---------|
| | Class D | Class I | Class D | Class I | Class D | Class I |
| AmPRS – Growth Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Moderate Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Conservative Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Equity Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Balanced Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Islamic Fixed Income Fund | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Tactical Bond | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Dynamic Sukuk | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund | | 0.04% p.a. of the NAV of the Fund | |
| AmPRS – Asia Pacific REITs | 3.00% p.a. of the NAV attributable | 2.00% p.a. of the NAV attributable | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

| Name of Fund | Annual Management Fee | | Annual Scheme Trustee Fee | | PPA Administrative Fee | |
|----------------------------------|---|---|---|---------|-----------------------------------|---------|
| | Class D | Class I | Class D | Class I | Class D | Class I |
| | to this Class of units of the Fund | to this Class of units of the Fund | | | | |
| AmPRS – Dynamic Allocator | 3.00% p.a. of the NAV attributable to this Class of units of the Fund | 2.00% p.a. of the NAV attributable to this Class of units of the Fund | 0.10% p.a. of the NAV of the Fund (excluding foreign sub-custodian fee) | | 0.04% p.a. of the NAV of the Fund | |

Please note that the fees and/or charges disclosed in the Deed is the same as stated in this Second Replacement Disclosure Document. Any increase in the fees and/or the charges above the level disclosed in the Deed shall require Member's approval at a duly convened Member's meeting and subsequently a supplemental deed and supplemental disclosure document will be issued.

15.3 PERMITTED EXPENSES PAYABLE OUT OF A FUND UNDER THE SCHEME

The expenses which are directly related and necessary for the day to day operation of a Fund under the Scheme are payable out of the Fund's assets and as provided in the Deed and includes the following:

- (a) commissions/fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (b) taxes and other duties charged on the Fund by the government and/or other authorities;
- (c) costs, fees and expenses properly incurred by the auditor for the Funds;
- (d) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- (e) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the PRS Provider and/or the Trustee;
- (f) costs, fees and expenses incurred for any meeting of the Members save where such meeting is convened for the benefit of the PRS Provider and/or the Trustee;
- (g) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund;
- (h) costs, fees and expenses incurred in engaging any specialist approved by the Trustee for investigating or evaluating any proposed investment of the Fund;
- (i) costs, fees and expenses incurred in engaging any valuer, adviser or contractor for the benefit of the Fund;
- (j) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund;
- (k) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee and the appointment of a new trustee or private retirement scheme provider;
- (l) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the PRS 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);
- (m) remuneration and out of pocket expenses of the independent members of the investment committee of the Fund, unless the PRS Provider decides otherwise;
- (n) costs, fees and expenses deemed by the PRS 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) of any governmental or regulatory authority;
- (o) costs, fees and charges payable to the PPA by the Fund; and
- (p) costs, fees and charges payable to a custodian of the foreign assets or investments of the Funds duly appointed by the Trustee.

Procedures to increase the maximum rate of the direct and indirect fees and charges as provided in the Second Replacement Disclosure Document

Sales Charge

The PRS Provider may only charge a sales charge at a rate higher than that disclosed in the Second Replacement Disclosure Document if:

- (a) the PRS Provider has notified the Trustee and the Securities Commission in writing of and the effective date for the higher charge;
- (b) a supplemental disclosure document in respect of the Fund setting out the higher charge is issued; and
- (c) such time as may be prescribed by the relevant laws has elapsed since the effective date of the supplemental disclosure document.

Redemption Charge

The PRS Provider may only charge a redemption charge at a rate higher than that disclosed in the Second Replacement Disclosure Document if:

- (a) the PRS Provider has notified the Trustee and the Securities Commission in writing of and the effective date for the higher charge;
- (b) a supplemental disclosure document in respect of the Fund setting out the higher fee is issued; and
- (c) such time as may be prescribed by the relevant laws has elapsed since the effective date of the supplemental disclosure document.

Annual Management Fee

The PRS Provider may only charge an annual management fee at a rate higher than that disclosed in the Second Replacement Disclosure Document if:

- (a) the PRS Provider has come to an agreement with the Trustee on the higher rate in accordance with Clause 15.1.3 of the Deed;
- (b) the PRS Provider has notified the Members of the higher rate and the date on which such higher rate is to become effective;
- (c) a supplemental disclosure document stating the higher rate is issued thereafter; and
- (d) such time as may be prescribed by any relevant law shall have elapsed since the supplemental disclosure document is issued.

Annual Trustee Fee

The Trustee may only charge an annual trustee fee at a rate higher than that disclosed in the Second Replacement Disclosure Document if:

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

Procedures to increase the maximum rate of the direct and indirect fees and charges as set out 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 meeting of Members has been held in accordance with the Deed. A supplemental deed proposing a modification to the Deed to increase such charges or fees is required to be submitted for registration with the Securities Commission accompanied by a resolution of not less than two-thirds (2/3) of all Members at the meeting of Members sanctioning the proposed modification to the Deed.

15.4 RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE

The Trustee may retire upon giving three (3) months' notice to the PRS Provider of the Scheme of its desire to do so, or such other period as the PRS Provider and the Trustee may agree, and may by the Deed appoint in its stead a new Trustee approved by the SC.

The Trustee may be removed and another trustee (as approved by the Securities Commission) may be appointed by special resolution of the Members at a duly convened meeting.

15.5 RETIREMENT OR REPLACEMENT OF THE PRS PROVIDER

Subject to the approval of the Securities Commission, the PRS Provider shall have the power to retire in favour of some other corporation upon giving to the Trustee three (3) months' (or such other period as the PRS Provider and the Trustee may agree upon) notice in writing of its desire so to do, and subject to the fulfillment of the following conditions:

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

15.6 TERMINATION OF A SCHEME OR A FUND UNDER THE SCHEME

The Scheme or a Fund under the Scheme may be terminated or wound up upon the occurrence of any of the following:

- (a) the Securities Commission's approval of the Scheme is withdrawn or revoked for any reason;
- (b) a special resolution is passed by the Members of the Scheme or Members holding Units of the Fund under the Scheme at a Members' meeting to terminate or wind-up the Fund;
- (c) any Core Fund of the Scheme has been wound up;
- (d) the Fund has a maturity date and has reached its maturity date; or
- (e) the Fund no longer holds any assets, whether as a result of redemptions or as result of the transfer of the assets of the Fund to another Fund of the Scheme pursuant to a transfer scheme approved by the Securities Commission.

15.7 TERMINATION OF A CLASS OF UNITS

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

15.8 MEETINGS OF MEMBERS

The PRS 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 PRS Provider summon a meeting of the Members 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 Securities Commission; 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 PRS Provider to summon a meeting for any purpose including, without limitation, for the purpose of:

- (a) requiring the retirement or removal of the Trustee;

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

provided always that the PRS 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.

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

- (a) giving instructions to the Trustee or the PRS Provider if the Trustee considers that the investment management policies of the PRS Provider are not in the interests of the Members of the Scheme or holding Units of a Fund, as the case may be;
- (b) securing the agreement of the Members of the Scheme or holding Units of a Fund, as the case may be, to release the Trustee from any liability;
- (c) deciding on the next course of action after the Trustee has suspended the sale and redemption of Units pursuant to Clause 7.8.1 of the Deed; and
- (d) deciding on the reasonableness of the annual management fee charged to the Fund.

15.9 WITHDRAWALS FROM THE SCHEME

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 PRS Provider or the PPA that a Member has attained the Retirement Age;
- (b) upon the production of proof satisfactory to the PRS Provider or the PPA that a Member has passed away;
- (c) upon the production of proof satisfactory to the PRS Provider or the PPA that a Member is departing Malaysia permanently; or
- (d) upon the direction of the PPA, where applicable.

The exercise of any cooling-off right by a Member and/or the redemption of Units following a request by a Member to transfer the proceeds of such redemption to another private retirement scheme operated by another private retirement scheme provider shall not be considered as a withdrawal from the Scheme.

Partial Withdrawal

A partial withdrawal from the Scheme may also be requested and made in the circumstances described in Clause 5.2.1; when such a partial withdrawal has been made, Clause 5.1.1 and Clause 5.1.2 shall no longer apply to the Member concerned.

When requested by a Member other than in the circumstances described 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 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) partial withdrawals may be made only in respect of all or some of the Member's Units held in Sub-account B.

Procedure Upon Withdrawal

Notwithstanding anything contained in the Deed, the PRS 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, the passing away of a Member, and the permanent departure of a Member from Malaysia) are subject to the payment of such redemption charge to the Provider as shall be adequately disclosed in the Second Replacement Disclosure Document.

Before paying out the proceeds of any withdrawal from the Scheme, the PRS Provider shall deduct or withhold from such proceeds an amount which the PRS 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.

15.10 SWITCHING AND TRANSFER

Subject to such terms and conditions as shall be adequately disclosed in the Second Replacement Disclosure Document, and provided always that contributions to the Scheme have vested in a Member, a Member may switch the Units of any Fund of the Scheme purchased with the contributions and held by him with the Units of any other Fund of the Scheme.

Units of the Funds of the Scheme shall not be capable of being switched with the units of any other fund which is not a Fund of the Scheme.

A Member may request a redemption of any of the vested Units of any of the Funds of the Scheme held by him and the transfer of the proceeds of such redemption to another private retirement scheme operated by another private retirement scheme provider and approved by the Securities Commission, 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 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 redemption from a particular Fund must all be utilised for the creation of units in only one fund of the other private retirement scheme operated by another private retirement scheme provider;

- (d) the proceeds of redemption from a particular Fund, if realised from a redemption of Units in Sub-account A, must be utilised for the creation of units in the Member's sub-account A of the other private retirement scheme operated by another private retirement scheme provider; and
- (e) the proceeds of redemption from a particular Fund, if realised from a redemption of Units in Sub-account B, must be utilised for the creation of units in the Member's sub-account B of the other private retirement scheme operated by another private retirement scheme provider.

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

Units held by a Member is not transferable to any other person whomsoever.

16. APPROVALS AND CONDITIONS

The Securities Commission Malaysia has on 14 July 2014 approved AmFunds Management Berhad as a private retirement scheme provider under Section 139Q of the Act, subject to the following conditions:

- (a) successful merger of business of AmInvestment Management Sdn Bhd and AmFunds Management Berhad; and
- (b) AmFunds Management Berhad holds a Capital Markets Services Licence for the regulated activity of fund management in relation to portfolio management.

Paragraph (3) Schedule A1 of PRS Guidelines states that:

“Investment of core funds into one or more collective investment schemes of the same PRS Provider (target funds) is permitted for a five-year period from the launch of the Scheme or upon reaching RM200 million NAV (whichever is earlier) provided:

- (a) *The value of a core fund’s investment in any of the target fund(s) must not exceed 40% of the core fund’s NAV; and*
- (b) *That the investment objectives of the target fund(s) are similar to the core fund.”*

The Securities Commission Malaysia has on 14 November 2012 granted approval for a variation from the said guideline to allow the Core Funds to invest into one or more collective investment schemes of AmFunds Management Berhad, instead of just collective investment schemes of the same PRS provider provided that the fund management function of all selected retail collective investment schemes operated by AmFunds Management Berhad must be delegated to either AmInvestment Management Sdn Bhd or AmIslamic Funds Management Sdn Bhd.

We have also obtained an approval from the SC for the establishment of the Scheme and the authorisation for the Core Funds on 14 November 2012, subject to the following term and conditions:

- 1.1 Term of authorisation for the Core Funds
 - 1.1.1 The following are subject to the SC’s clearance during the registration of the Disclosure Document per item 1.2.5 below:
 - (a) Fund category;
 - (b) Performance benchmark;
 - (c) Income distribution policy;
 - (d) Investment strategy; and
 - (e) Target market/investor profile.
 - 1.2 Conditions of approval of the Scheme and authorisation for the Core Funds
 - 1.2.1 Appointment of a Trustee (as defined in the Capital Markets and Services Act 2007) duly approved by the SC;
 - 1.2.2 Implementation and maintenance of appropriate oversight arrangements (per chapter 6 of the PRS Guidelines) as follows:
 - (a) Appointment of an investment committee for each Core Fund; and
 - (b) Appointment of an audit committee for the Scheme;
 - 1.2.3 A deed of the Scheme (encompassing the Core Funds) which complies with the requirements of the PRS Guidelines, must be in force at all times;
 - 1.2.4 With regard to AmPRS – Conservative Fund, the following prohibitions and requirements must be complied with at all times;
 - (a) Investments 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 AmPRS – Conservative Fund’s NAV (“the 5% Limit”). In the event the 5% Limit is exceeded, whether as a result of:
 - i. A downgrade of any debenture/ fixed income instrument to below BBB3/P2;
 - ii. An increase in the aggregate value of debentures/ fixed income instruments which are rated below BBB3/P2 and/or are unrated; or
 - iii. A decrease in the NAV of AmPRS – Conservative Fund,
 AFM must reduce such investments to comply with the 5% Limit unless in the opinion of the Trustee, the disposal of such investments is not in the best interests of members;
 - (b) Use of derivatives is for hedging purposes only;
 - (c) No investments in warrants except as a result of AmPRS – Conservative Fund’s holdings in equities;
 - (d) No investments in products with embedded derivatives;
 - (e) No exposure to foreign currency; and
 - (f) No investments in RM-denominated foreign debentures/ fixed income instruments;
 - 1.2.5 The Disclosure Document of the Scheme must be registered with the SC; and
 - 1.2.6 Authorisation for the Core Funds is valid for 6 months from the date of the decision letter.

The Securities Commission Malaysia has on 21 October 2014 granted approval for a variation from Clause (10) of Schedule A, Guidelines on Private Retirement Schemes to allow AmPRS – Asia Pacific REITs to invest at least 95% of the NAV of the Fund into the collective investment scheme of AFM, i.e. a REITs fund which has similar investment objective with the Fund, for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, whichever is earlier.

Clause (10) of Schedule A, Guidelines on Private Retirement Schemes states that:

“Except for investments by core funds, the value of the fund’s investments in units/shares of any collective investment scheme must not exceed 20% of the fund’s NAV.”

The Securities Commission Malaysia has on 8 April 2016 granted approval for variations from clauses (5)(a), (7) and (8) Schedule A – Appendix II, Guidelines on Private Retirement Schemes to allow AmPRS – Dynamic Allocator

- (i) to invest in a fund-of-funds of AFM, i.e. AmDynamic Allocator,
 - (ii) to invest at least 95% of the NAV of the Fund into AmDynamic Allocator; and
 - (iii) to only invest in one collective investment scheme at all time
- for a period of five (5) years from the commencement of the Fund or upon reaching a fund size of RM20million, whichever is earlier.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

Clauses (5)(a), (7) and (8) Schedule A – Appendix II, Guidelines on Private Retirement Schemes state that:

(5) A Fund-of-Funds must not invest in - (a) a Fund-of-Funds.

(7) A Fund-of-Funds must invest in at least five collective investment schemes at all times.

(8) The value of a fund's investments in units/shares of any collective investment scheme must not exceed 30% of the fund's NAV.

17. RELATED PARTY TRANSACTION / CONFLICT OF INTEREST

The Fund may invest in collective investment schemes managed by AFM/AIFM. Besides that, the Fund may also have other dealings with parties related to the PRS Provider. The related parties defined are AFM, AIFM, AmInvestment Bank Berhad, AmBank (M) Berhad and AmIslamic Bank Berhad. All transactions with related parties are to be executed on terms which are best available to the Scheme and which are not less favourable to the Scheme than on arm's length transaction between independent parties.

Trading in securities by staff is allowed, provided that the policies and procedures in respect of the personal account dealing are observed and adhered to. On a periodical basis, the directors, investment committee members and staff shall disclose their portfolio holdings and dealing transactions. Further, the abovementioned shall also make disclosure of their holding of directorship and interest in any company.

The directors of AFM may have direct or indirect interest through their directorship in AIFM.

Following are the details of the directors:

- Pushparani A/P A Moothathamby is the Chairman of AFM and AIFM.
- Datin Maznah Mahbob is the Chief Executive Officer of AFM and also a Director of AIFM.
- Mohd Fauzi Mohd Tahir is a Director of AFM and Executive Director of AIFM.

Cross Trades

The Manager may conduct cross trades between Funds it currently manages provided that all criteria imposed by the regulators are met. Notwithstanding, cross trades between the personal account of an employee of the Manager and the Fund's account are strictly prohibited.

Advisers

The auditors, tax advisers and Shariah Adviser have confirmed that they do not have any existing or potential conflict of interest with the PRS Provider and/or the Fund.

18. TAXATION

11th September 2015

The Board of Directors
AmFunds Management Berhad
(Formerly known as AmInvestment Services Berhad)
9th Floor, Bangunan AmBank Group
No.55, Jalan Raja Chulan
50200 Kuala Lumpur

Dear Sirs

AmPRS which consist of AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Conservative Fund, AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund, AmPRS – Tactical Bond, AmPRS – Dynamic Sukuk, AmPRS – Asia Pacific REITs and AmPRS – Dynamic Allocator (“the Scheme”)

Taxation of the Scheme and Members

1. This letter has been prepared for inclusion in the Second Replacement Disclosure Document for AmPRS in connection with the offer of units under the AmPRS (hereinafter referred to as “the Scheme”). The funds in the Scheme comprise of AmPRS – Growth Fund, AmPRS – Moderate Fund, AmPRS – Conservative Fund, AmPRS – Islamic Equity Fund, AmPRS – Islamic Balanced Fund, AmPRS – Islamic Fixed Income Fund, AmPRS – Tactical Bond, AmPRS – Dynamic Sukuk, AmPRS – Asia Pacific REITs and AmPRS -Dynamic Allocator (individually hereinafter referred to as “the Fund”).

2. Taxation

The following is general information based on Malaysian tax law in force at the time of lodging the Second Replacement 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. We therefore recommend that a member consult his accountant or tax adviser on questions about his individual tax position.

Pursuant to the Section 2(7) of the Malaysian Income Tax Act, 1967 (“MITA”), any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transaction conducted in accordance with the principles of Shariah. The effect of this is that any gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah, will be accorded the same tax treatment as if they were interest.

3. Taxation of the Scheme

3.1 Income Tax

The Scheme is an approved scheme under the MITA pursuant to Section 2 of the MITA. Section 2 defines approved scheme as the Employees Provident Fund, Private Retirement Scheme (“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.

3.2 Gain 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.

3.3 Goods and Service Tax (“GST”)

GST has been implemented in Malaysia at 6% standard rate effective 1st April 2015. GST replaces the current sales and service tax regime.

If it is determined that the Fund is required to register for GST, any fees it charges to unitholders will be subject to GST at 6%.

The issuance of units by the Fund to investors will be exempted from GST. 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 be exempted from GST. To the extent that fees are charged to the Fund in relation to these products, these fees would be subject to 6% GST.

The GST paid on acquisitions made by the Fund (e.g. fund manager fees, trustee fees etc.) would either unrecoverable in whole or in part and would be subject to further analysis to determine the extent that GST can be recovered.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

4. Taxation of Member

4.1 Distribution of Income

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 make any withdrawals from the Fund.

4.2 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 or permanently leaving 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.

4.3 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.

4.4 Unit Splits

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

4.5 GST

The members should not be subject to GST on the following:-

- withdrawal / redemption from the Fund
- income distribution from the Fund

However, any fee-based charges related to buying and switching of units charged to the members may be subjected to GST at the standard rate of 6%.

5. 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 2021.

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

Yee Wing Peng
Managing Director

19. ADDITIONAL INFORMATION

19.1 KEEPING YOU INFORMED

When you invest

A transaction advice will be sent to you.

Statement of investment

The PRS Provider will send you a statement every six (6) months. It will state the balance of units together with all transactions made since the last statement.

Reports

Within two (2) months of the Fund's financial year or interim period, an annual or semi-annual report will be sent to you.

Tax voucher

The PRS Provider will send you tax vouchers (if any) which will set out the information that is needed to complete your tax return form.

Publication

The PRS Provider will publish newsletters containing topical articles about investment trends and developments.

Internet

The PRS Provider will publish updated information on the website www.aminvest.com

Daily Fund Pricing

The PRS Provider will publish updated fund pricing on the website www.aminvest.com. However, please take note that the price of a fund on Monday will only be available on Tuesday. This means that if you make a contribution on Monday, you will only know the number of units to be credited into your account on end of Tuesday.

Customer service

For enquiries about the Funds, you may contact us via phone on (03) 2032 2888, fax to (03) 2031 5210 or email to aminvestprs@aminvest.com

19.2 KEEPING US INFORMED

Changing your account details

You will be required to inform the PRS Provider in writing of any changes to your account details. Account details will amongst other things, include the following:

- the Members' address; and
- signing instructions.

Member feedback

We encourage feedback from you in order for us to upgrade our services to meet your needs. You may give us your feedback via phone at (03) 2032 2888 or by fax (03) 2031 5210 or email aminvestprs@aminvest.com.

19.3 CUSTOMER IDENTIFICATION PROGRAM

Pursuant to the relevant laws of Malaysia on money laundering, we have an obligation to prevent the use of the Fund for money laundering purposes. As such, we and/or our appointed distributors have put in place a "Know Your Customer" ("KYC") policy where procedures are in place to identify and verify the investor's identification through documents such as identity card, passport, constituent documents or any other official documents. We and/or our appointed distributors reserve the right to request such information, either at the time an application is made or thereafter, as is necessary to verify the identity of an investor (or each of the investors in the case of joint investors) and/or to periodically update our records. We and/or our appointed distributors require you to provide us with your information and information of beneficial owner such as name, date of birth, national registration card number, residential and business address, (and mailing address if different), name of beneficial owner, address of beneficial owner, national registration card number of beneficial owner, date of birth of beneficial owner or other information and official identification. For corporate clients, we and/or our appointed distributors require you to provide us the name of the company, principal place of business, source of income/asset, identification documents of the directors/shareholders/partners, board resolution pertaining to the investment and the person authorized to operate the account, all of which as per requirements under regulation when you open or re-open an account.

We and/or our appointed distributors also reserve the right to request additional information including the source of the funds and identity of any beneficial owners as may be required to support the verification information and to allow us to complete adequate due diligence. In the event of delay or failure by the investor to produce any information required for verification purpose, we and/or our appointed distributors may refuse to accept an application request. In relation to a subscription application, any monies received will be returned without interest to the account from which the monies were originally debited, and in relation to redemption application, no units will be redeemed to the investor.

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

Anti-Money Laundering ("AML")/ KYC Obligation on IPRA

If you have invested in a feeder fund via an IPRA there may be additional information that the IPRA may need to provide which may include information of the IPRA AML Policy, an AML undertaking by the IPRA or its parent company and the release of your particulars to us. Without such information being provided, we may be required to reject your creation or redemption application, or withhold your redemption proceeds until such information is provided by the IPRA to us.

This Second Replacement Disclosure Document replaces the Replacement Disclosure Document for AmPRS dated 1 December 2014, the First Supplementary Disclosure Document dated 1 April 2015 and Second Supplementary Disclosure Document dated 10 September 2015

19.4 HOW DO I MAKE A COMPLAINT?

1. For internal dispute resolution, you may contact our customer service representative:
 - (a) via phone to : 03-2032 2888
 - (b) via fax to : 03-2031 5210
 - (c) via e-mail to : aminvestprs@aminvest.com
 - (d) via letter to : AmFunds Management Berhad
Level 9, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):
 - (a) via phone to : 03-2282 2280
 - (b) via fax to : 03-2282 3855
 - (c) via e-mail to : info@sidrec.com.my
 - (d) via letter to : Securities Industry Dispute Resolution Center (SIDREC)
Unit A-9-1, Level 9, Tower A
Menara UOA Bangsar
No.5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

3. You can also direct your complaint to Securities Commission Malaysia (SC) even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Investor Affairs & Complaints Department:
 - (a) via phone to the Aduan Hotline at : 03-6204 8999
 - (b) via fax to : 03-6204 8991
 - (c) via e-mail to : aduan@seccom.com.my
 - (d) via online complaint form available at www.sc.com.my
 - (e) via letter to : Investor Affairs & Complaints Department
Securities Commission Malaysia
No 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

20. CONSENT

The following parties have given their written consent and have not withdrawn their consent to the inclusion in this Second Replacement Disclosure Document of their names and reports (if any) in the form and context in which their names appear:

1. Deutsche Trustees Malaysia Berhad
2. Deutsche Bank (Malaysia) Berhad
3. Deloitte Tax Services Sdn Bhd
4. Amlslamic Funds Management Sdn Bhd
5. Amanie Advisors Sdn Bhd

21. DOCUMENTS AVAILABLE FOR INSPECTION

For the period of not less than twelve (12) months from this date of this Second Replacement Disclosure Document, the following documents or copies thereof may be inspected without charge at our registered office and head office or at the Trustee's business office:

- (a) The Deed of the Scheme or the supplemental deed (if any);
- (b) Each material contract or document referred to in this Second Replacement Disclosure Document (if any);
- (c) The latest annual and interim report (if any);
- (d) All reports, letters or other documents, valuations and statement by any expert, any part of which is extracted or referred to in this Second Replacement Disclosure Document (if any);
- (e) The audited accounts of the PRS Provider and the Scheme for the current financial year (if any);
- (f) The audited accounts of the PRS Provider and the Funds under the Scheme for the last three (3) financial years or from the date of incorporation or commencement (if less than three (3) years); and
- (g) Any consent given by experts or persons whose statement appears in this Second Replacement Disclosure Document; and
- (h) Writ and relevant cause papers for all current material litigation and arbitration disclosed in this Second Replacement Disclosure Document.

22. DIRECTORY

Head Office AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel: (03) 2032 2888 Facsimile: (03) 2031 5210
aminvestprs@aminvest.com

Postal Address AmFunds Management Berhad
P.O Box 13611, 50816 Kuala Lumpur

Distributors

For more details on the list of distributors, please contact the PRS Provider.

For enquiries about this Scheme and any other funds offered by the PRS Provider, please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday-Thursday), 8.45 a.m. to 5.00 p.m. (Friday)

AmFunds Management Berhad

(154432-A)

Tel : 03-2032 2888

Fax : 03-2031 5210

Email : enquiries@aminvest.com