

**PRODUCT DISCLOSURE SHEET**

Please read this Product Disclosure Sheet together with the Fund Factsheet, Product Highlights Sheet, Prospectus and Terms and Conditions before subscribing for this product.

**Mutual Fund**

The information provided in this product disclosure sheet is valid as at 1 July 2020.

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

You are investing in an open-ended collective investment scheme or mutual fund distributed by BIBD Securities Sdn Bhd (“BIBDS”) which aims to provide you with long term capital growth and/or profit income.

**2. What is the Shariah concept applicable?**

- The Shariah concept applicable is *Wakalah Bil Ujrah (Agent with fee)*
- You, the Investor (“*Muwakkil*”) enter into a *Wakalah* arrangement with BIBDS (“*Wakil*”) and authorise BIBDS to amongst others, place orders into the selected fund(s) on your behalf and to debit and/ or credit the client’s account for the Investment Services.
- BIBDS shall earn a *Wakalah* fee for the Investment Services and shall have the sole discretion to impose or waive such fee.

**3. What are the benefits of this product?**

- **Affordability** - It is costly for you to purchase directly all the individual securities held by a single mutual fund. By way of comparison, the minimum initial investments for most mutual funds are more affordable. Refer to item 5 for more details on the minimum invested amount.
- **Diversification** - Achieve diversification by investing in a wider range of assets to spread market risks. Mutual funds enable you to invest in a wide range of assets such as cash, stocks and Sukuk. The diversification allows you to reduce the risk of investing in one particular stock or sector.
- **Liquidity** - Most mutual funds allow the selling of fund shares on any dealing day, this being any day when both BIBDS and the stock markets are open. Thus providing you with easy access to your money.
- **Professional Management** - Mutual funds are managed by professional fund managers who have the expertise, experience and resources to actively buy, sell, and monitor.

**4. What is the difference between an income and an accumulation share class?**

An income share class will distribute any profit or dividend income from the fund directly to you. As a result, you may receive an income from your investment at regular intervals.

An accumulation share class on the other hand, is designed to offer you growth in the fund rather than income, so any income generated will be reinvested within the fund, raising the value of your investment.

In simplest terms, an income share class is better suited to investors looking for an income and an accumulation share class to investors seeking to grow capital.

**5. What is the minimum invested amount of this product?**

|                               |                            |
|-------------------------------|----------------------------|
| Lump sum subscription         | 1,000 in the fund currency |
| Monthly Investment Plan (MIP) | 100 in the fund currency   |

**6. What is a Monthly Investment Plan (MIP)?**

MIP allows you to grow your wealth gradually by buying units of mutual fund on the 1<sup>st</sup> or 15<sup>th</sup> of each month. You can take advantage of Dollar Cost Averaging by buying fewer units when the price is high and more units when the price is low, thereby averaging the cost per unit.

*An illustration of average unit cost between lump sum subscription and MIP*

| Month             | NAV  | Lump Sum Subscription |                 | MIP             |                 |
|-------------------|------|-----------------------|-----------------|-----------------|-----------------|
|                   |      | Units Purchased       | Invested Amount | Units Purchased | Invested Amount |
| 1                 | \$10 | 100                   | \$1,000         | 20              | \$200           |
| 2                 | \$8  | 0                     | 0               | 25              | \$200           |
| 3                 | \$6  | 0                     | 0               | 33.3            | \$200           |
| 4                 | \$8  | 0                     | 0               | 25              | \$200           |
| 5                 | \$5  | 0                     | 0               | 40              | \$200           |
| Total             |      | 100                   | \$1,000         | 143.3           | \$1,000         |
| Average Unit Cost |      | \$10                  |                 | \$6.98          |                 |

**7. What is the difference between lump sum subscription and MIP?**

If you have money in hand to meet the minimum lump sum subscription amount and are uncertain about your income in the future, you can opt for lump sum investing.

If you have regular monthly income expected in the future and do not have lump sum money available to invest, you can opt for MIP.

If you have both money in hand for lump sum investing and regular monthly income expected in the future, you can invest in a lump sum and sign up for MIP.

**8. How is the price calculated for this product?**

Mutual funds price their shares once daily after the close of the market. The closing price is called the Net asset Value (NAV). It is the market value of the fund after deducting its expenses and dividend by the number of outstanding shares.

If your mutual fund is transacted before our cut-off time on a fund’s trading day, you will receive the end of day’s NAV as the transaction price. Otherwise you will receive the next day’s forward price.

## 9. What are the fees and charges I have to pay?

| Type of Fees and Charges  | Fees and Charges                              | Example of Calculation  |
|---|---|---|
| Sales Charge  | Up to 5% on invested amount                   | Invested amount is SGD1,000<br><br>Sales charge<br>= Invested amount x sales charge<br>= SGD1,000 x 5%<br>= SGD50     |
| Switching Fee<br>- Switching of funds under the same fund house | 1% on switching amount                        | Switching amount is SGD1,000<br><br>Switching fee<br>= Switching amount x switching fee<br>= SGD1,000 x 1%<br>= SGD10 |
| - Switching of funds between different fund house               | Same as sales charge for the switched-in fund | Switching amount x sales charge for the switched-in fund  |
| Redemption  | No charge                                     | Not applicable  |
| Account Transfer  | No charge                                     | Not applicable  |

For more details on the fees that are payable by the fund and incorporated in the NAV, you can refer to the relevant Product Highlights Sheet and Prospectus.

## 10. What are the risks associated with this product?

Our licensed financial planner will go through the investment risks of the fund in relevant Product Highlight Sheet, Information Memorandum or Prospectus with you.

## 11. How soon will I receive the redemption proceeds?

It will take within ten (10) to fourteen (14) days for the redemption proceeds to be credited to your account.

## 12. What are the eligibility requirements to invest in a mutual fund?

- You must be 18 years old and above to apply;
- You must open a settlement account at Bank Islam Brunei Darussalam (“BIBD”) for the purpose of investing in BIBDS’s investment products; and
- You must undergo a suitability assessment and establish your risk profile prior to investing in a mutual fund.

US persons and residents and citizens of Canada are not eligible to invest in mutual funds.

**13. What is the cut-off time for submitting instructions through the Mutual Fund Application Form?**

You must submit your signed instructions in written legible form to your designated financial planner. Such instructions must be received by BIBDS at 1:00pm on the fund's trading day otherwise it will be processed on the following trading day.

**14. What do I need to do if there are changes to my contact details?**

You must promptly notify your Relationship Manager of any changes in your contact details. You will be deemed to have received any correspondence or notices sent to the last address you provided to BIBD/BIBDS.

If you become a US Person or a Canadian citizen or resident, you must inform BIBDS immediately. Please note that you may be obliged to redeem your units of these funds.

**15. Where can I get assistance and further information?**

For Perdana client, you may contact your Relationship Manager.

For non-Perdana client, you may contact us at:

Contact number : +673 2236 207  
Address : Tingkat 1, Kompleks Setia Kenangan, Kg Kiulap  
Bandar Seri Begawan BE1518  
Brunei Darussalam  
Opening hours : Monday to Thursday 9:00am - 4:00pm  
Friday 9:00am - 11:00am, 2:30pm - 4:00pm

Alternatively, you may contact us at:

Contact number : +673 223 8181  
Website : [www.bibd.com.bn](http://www.bibd.com.bn)