



Know Your Investment Risk (KYIR) – Unit Trusts including Regular Savings Plan (RSP)

Investment Risk

Unit Trusts (also known as Mutual Funds or Funds in short) are subject to investment risks, including the possible loss of your principal amount. Please bear in mind that past historical performance is not an indication of future performance. The value of any investments and generated income is not guaranteed and may fluctuate over time.

Foreign Exchange Risk

You should be aware that your investments can be negatively affected by foreign exchange risk if you hold funds that invest in assets denominated in foreign currencies.

Forward Pricing Basis

Price of the Unit Trust quoted is indicative as it is determined **after**, not before, respective market(s) close for the day.

Investment in Emerging Markets

Emerging market investments may be more volatile than investments in more developed markets. Some emerging markets may have relatively unstable governments, economies based on only a few industries and securities markets that only trade a limited number of securities as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a fund's acquisition or disposal of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets. There may be an increased risk of expropriation, confiscatory taxation or nationalization of your investments and any profits you make on them; social, political and economic instability; and in addition to withholding taxes on investment income, some emerging markets may impose different capital gains taxes on foreign investors. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging markets and may be subject to currency exchange control restrictions.

Brokers and counter parties in emerging markets may be less well capitalised and custody and registration of assets in some countries may be unreliable, increasing the risks involved in the settlement of transactions. Delays in settlement could result in investment opportunities being missed if a fund is unable to acquire or dispose of a security.

In addition to the foregoing general risks, there may be additional risks associated with specific emerging market countries which may change over time, either by increasing or by diminishing. Furthermore, new risks currently not anticipated may arise in the future in connection with specific countries and/or geographic regions. Investors should therefore consult with their qualified financial advisors as to the relevant risks associated with various markets at the time they are considering investing in an emerging market fund.

Counterparty Risk

The Unit Trust constitutes direct, unconditional, unsecured and unsubordinated general obligations of the Issuer, in this case, the Issuer is the Unit Trusts' Asset Manager. Investors assume full credit risk of the Issuer. This means that should the Issuer become insolvent or defaults on its obligations (including payment obligations) or fail in any other way you may not receive back any of your investment monies.



Subscription Sales Charges

You should be aware that sales charges of up to 5% will apply and this will be taken from the purchase amount during subscription. In addition, an annual recurring fee (disclosed in the prospectus) which includes annual management fee and administrative fee will be charged by the fund manager to the fund. The fund's Net Asset Value (NAV) declared by the fund manager is net off all such fees. Please refer to respective fund prospectus and factsheet for further details.

Regular Savings Plan

You can subscribe into Unit Trusts in the form of Regular Savings Plan ("RSP") where your monthly contribution into your selected fund will be debited from your account(s) with Standard Chartered Bank ("the Bank") via Standing Instruction ("SI") over a period as defined on the signed Investment Services Action Form ("ISAF"), until the plan is cancelled. The subscription sales charge as prescribed in the fund prospectus shall apply to each monthly contribution as per subscription sales charges mentioned above. Please refer to Table 1 below for simple illustrations.

Table 1

Monthly Contribution	Unit Trust Sales Charge	Sales Charge Amount	Invested Amount
\$100.00	5%	\$5.00	\$95.00
\$500.00	3%	\$15.00	\$485.00

The first RSP monthly contribution will be debited from your account on the agreed debit day in the following month of RSP account creation in the system.

Redemption Period and Charges

Dealing/Transactions in the funds are provided by the fund manager at the frequency mentioned in their respective factsheet and prospectus. Standard Chartered Securities (B) Sdn Bhd ("SCSB") as the fund distributor shall not be liable for any delay in receiving the redemption proceeds. The investment into the new funds under the switching request would also happen once the redemption proceeds from the old funds are received.

Switching between Funds and Incurred Fees

Switching fees of approximately 1% may apply if you switch funds internally. When you sell one fund to buy another from the same umbrella of funds, you are performing an internal switch. If you sell one fund from one umbrella of funds to buy into another umbrella of funds, you are performing an external switching and may be subject to full sales charge of up to 5%. Please refer to respective fund prospectus for the full sales charge.

Cut-off Time for Unit Trust Transactions

Unit Trust transactions including sale, purchase and switching of funds will only be transacted on the same business day if the order is received before 1500 hrs on the same day.

Cancellation of Subscription including RSP

You should ensure that there are sufficient funds in your account(s) with the Bank for your Unit Trust subscriptions including RSP. In the event of any insufficient funds, SCSB may decline to place your subscription orders including RSP's monthly contribution or debit the required funds from any other accounts you maintain with the Bank. SCSB reserves the right to cancel your RSP and its SI if the attempt to debit your account fails. You should be aware that any rejected SI due to insufficient funds is subject to a penalty as per the Bank's tariff. If you cancel your RSP in less than 24 months, you will be subject to a cancellation fee as per the Bank's tariff.



Tax

You may be subject to taxation according to the laws and regulations applicable to you or the funds and you shall remain responsible for any such taxation. SCSB does not provide tax advice to any investor or prospective investor, including you. You are solely responsible for obtaining advice as to the tax consequences of your investment in the light of your own individual circumstances, including under the tax laws and regulations of your country of residence, citizenship or domicile or any other territory with which you may be connected for relevant tax purposes.

Difference between Capital Guarantee and Capital Protected Funds (if applicable)

Capital Guaranteed funds offer a guarantee on your capital by a credible financial institution. Capital Protected funds invest in safe financial instruments to protect the capital but offer no capital guarantee.

Potential risks of Hedge Funds (if applicable)

Hedge funds differ from traditional funds in that they can undertake more risky investment strategies than traditional fund managers e.g. they may borrow to invest which can magnify potential losses.

Potential risks of Derivatives (if applicable)

A derivative is a financial contract whose value depends on, or is derived from assets, liabilities or indices and includes a wide assortment of financial instruments such as forwards, futures, options, warrants and swaps. Derivatives are typically used to manage a fund's risk; however, derivatives may also be used as part of a fund's overall investment strategy.

Funds which invest in derivatives may have higher volatility. An investment in derivatives may result in losses that are greater than the principal amount invested. Derivatives are also subject to a number of risks including but not limited to liquidity, interest rate, market, counterparty and credit risk. You should not invest in a fund that invests in or contains derivatives unless you understand the nature of derivative investments and the extent of your risk exposure. You must satisfy yourself that a fund which invests in or contains derivative instruments is suitable for you in light of your circumstances and financial resources.

Syariah compliant investing specific risks (if applicable)

Syariah compliant investing has limitations that may potentially create risk. Investments purchased by funds must first pass a stringent Syariah compliance criteria to be considered Syariah compliant. The constructed halal portfolio may not be as well diversified as traditional portfolios, which may increase the risk of loss.

Important note on Syariah Compliance – Islamic Unit Trust

The Syariah compliance of a Unit Trust is established and vetted by an internal committee of scholars or by external consultants, expert in Syariah, engaged by the Unit Trust manager. The Syariah Advisory Body of Standard Chartered Securities (B) Sdn Bhd ("SCSB") endorses the decision of such scholars or consultants but does not independently verify the continuing compliance with Syariah of the Unit Trust's investment activities nor the Unit Trust manager's activities or processes. Insofar as you wish or are required for any reason to enter only into transactions or investments which comply with Syariah, you shall seek independent advice at your own expense and/or satisfy yourself as to the Syariah compliance of the Unit Trust, and the Unit Trust manager's transactions or investments by making your own investigations and not relying on any written declaration, fatwa, opinion or other documents prepared by, on behalf or at the request of the Unit Trust manager or SCSB for the purpose of determining or confirming that the transactions or investments are Syariah compliant.

