

IMPORTANT/ DISCLAIMER

THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A DEPOSIT PRODUCT.

PRODUCT DISCLOSURE SHEET

Kindly read and understand this Product Disclosure Sheet before you apply and decide to accept the Multi Asset Investment Account-i. Be sure to also read the general terms and conditions.

PRODUCT NAME:
MULTI ASSET INVESTMENT
ACCOUNT - i
("MAIA")
Date: 9 December 2020

BRIEF INFORMATION ON THE PRODUCT

What is this product about?

Applicable Shariah Contract

- Mudarabah. This is a contract between the capital provider (rabbul mal) and an entrepreneur (mudarib) under which the rabbul mal provides capital to be invested in a Mudarabah venture that is managed by the mudarib. Any profit generated from the venture is shared between the rabbul mal and the mudarib according to a mutually agreed Profit Sharing Ratio ("PSR") whilst financial losses are borne by the rabbul mal provided that such losses are not due to the mudarib's misconduct (ta'adi), negligence (taqsir) or breach of specific terms (mukhalafah al-shurut).

Type of Investment

- This is an unrestricted investment account known as Multi Asset Investment Account ("MAIA"), where the customers provide Maybank Islamic Berhad ("Bank") with general mandate to make the ultimate investment decisions in Shariah compliant assets without any particular restrictions, which may potentially provide customers with higher returns.
- MAIA will be invested in a combined allocation into marketable securities (equities and Real Estate Investment Trusts ("REITs")) and financing assets to achieve yield enhancement and reduction of volatility.

Parties Involved, Roles and Responsibilities

- Parties involved in this investment are the customer as the Investment Account Holder ("IAH") (rabbul mal) and the Bank as the entrepreneur (mudarib), where:
- The customers will place their money in MAIA.
 - MAIA is then invested by the Bank and its appointed investment manager(s) into a portfolio of assets.
 - The profits generated from the investment are to be distributed to the customers and the Bank based on an agreed PSR. Please refer to the "Profit Distribution Frequency" section below for details.
 - This investment is tied to the performance of the underlying assets, and the principal and returns are not guaranteed by the Bank.
 - The financial losses associated with the investment (if any) are to be borne by the customers whilst the Bank may suffer losses in term of costs and time.

PRODUCT SUITABILITY	
Who is this product suitable for?	
Type of Customer	<ul style="list-style-type: none"> All segments, individuals and non-individuals.
Objective	<ul style="list-style-type: none"> MAIA's objective is to preserve capital while providing stable returns through low to moderate risk investments.
Early Redemption	<ul style="list-style-type: none"> Partial redemption is not allowed. Early redemption is subject to a staggered exit fee based on the time of the redemption: Year 1: 2.0% of the NAV of the IAH's investment in the MAIA. Year 2: 1.5% of the NAV of the IAH's investment in the MAIA. Year 3: 1.0% of the NAV of the IAH's investment in the MAIA.
Reinvestment	<ul style="list-style-type: none"> Reinvestment is not allowed.

KEY PRODUCT FEATURES	
What am I investing in?	
Investment Strategy	<ul style="list-style-type: none"> MAIA is Maybank Islamic Berhad's balanced investment that aims to provide the IAH with returns via investments in a combined allocation into marketable securities (equities and REITs) and the Bank's financing assets to achieve yield enhancement and reduction of volatility.
Manager	<ul style="list-style-type: none"> The investments in the financing assets will be managed by Maybank Islamic Berhad. The investments in equities will be managed by the Bank's appointed investment manager(s) based on the Bank's internal screening process which emphasizes on the investment manager(s)' capabilities in managing collective investment schemes with similar investment strategy.
Custodian	<ul style="list-style-type: none"> Maybank Trustees Berhad who is acting as a custodian on behalf of the IAH's funds.
Upfront Arranger's Fee	<ul style="list-style-type: none"> 1.50% of any amount placed in the MAIA by the IAH.
Launch Date	<ul style="list-style-type: none"> 9 Dec 2020
Eligibility	<ul style="list-style-type: none"> Individual Non- individual

Minimum initial placement	<ul style="list-style-type: none"> • RM10,000
Additional Placement (during Initial Placement Period only)	<ul style="list-style-type: none"> • RM1,000
Minimum MAIA Size	<ul style="list-style-type: none"> • The minimum aggregate size of the MAIA shall be RM50,000,000 by or before the end of the Initial Placement Period failing which the MAIA shall be cancelled and the IAH's respective placement will be refunded to the IAH.
Placement Tenure	<ul style="list-style-type: none"> • 3 years
Initial Placement Period	<ul style="list-style-type: none"> • The initial placement period shall be up to forty (40) calendar days from the Launch Date. The Bank reserves the right to shorten the initial placement period at the Bank's discretion if it is deemed beneficial to the IAH. <p>*Note: The Bank reserves the right not to commence the investment if the Minimum MAIA Size of RM50,000,000 is not achieved at the end of the Initial Placement Period. Should that be the case, the Bank shall refund the principal amount to the respective IAHs within a stipulated period of not more than thirty (30) calendar days.</p>
Early Termination	<p>The Bank may terminate the MAIA early subject to the MAIA meeting the expected return per annum of $4.25\% \times 3$ years, which amounts to a cumulative total of 12.75% (net of fees) at any point of time from the commencement date* to any date before the expiry of the Placement Period.</p> <p>The early termination event may occur at the discretion of the Bank and is not automatically triggered when a specific NAV is achieved as the Bank will have to take into account the market conditions and related costs before liquidating.</p> <p>*Note: Commencement date refers to the next business day after Initial Placement Period ends.</p>
Profit Payment Method	<ul style="list-style-type: none"> • The profit will be credited to the Current Account/ Savings Account that the IAH has with Malayan Banking Berhad / Maybank Islamic Berhad.
Profit Distribution Frequency	<ul style="list-style-type: none"> • Profit distribution, if any, will be on an annual basis subject to the performance of the underlying investments and at the discretion of the Bank.
Asset Allocation	<ul style="list-style-type: none"> • To achieve the investment objective of the MAIA, the Bank's appointed investment manager may invest up to fifty percent (50%) of the MAIA's NAV in Shariah-compliant equities within Malaysia that has the potential to meet MAIA's 3-year targeted returns. • Notwithstanding and for the benefit of the IAH, up to hundred percent (100%) of the MAIA's NAV may also be invested in Shariah-compliant financing assets and in liquid assets including Shariah-compliant money market instruments

	<p>issued by Malaysian issuers and Malaysian financial institutions and placement in Shariah-compliant deposits with Malaysian financial institutions.</p> <ul style="list-style-type: none">For the avoidance of doubt, the one hundred percent (100%) of the MAIA's NAV includes the fifty percent (50%) of the MAIA's NAV managed by the Bank's appointed investment manager. <table><tr><th>Permitted Allocation</th><th>Asset Type</th></tr><tr><td>Up to 50% of the MAIA's net asset value</td><td><ul style="list-style-type: none">Shariah-compliant equities</td></tr><tr><td>Up to 100% of the MAIA's net asset value</td><td><ul style="list-style-type: none">Shariah-compliant financing assets</td></tr><tr><td>Up to 100% of the MAIA's net asset value</td><td><ul style="list-style-type: none">Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits</td></tr></table> <p>* Financing assets includes retail financing (Unit Trust Financing, Home Financing, Auto Financing, Personal Financing, Credit Cards) and non-retail financing (SME Financing, Business Banking Financing and Corporate Financing).</p>	Permitted Allocation	Asset Type	Up to 50% of the MAIA's net asset value	<ul style="list-style-type: none">Shariah-compliant equities	Up to 100% of the MAIA's net asset value	<ul style="list-style-type: none">Shariah-compliant financing assets	Up to 100% of the MAIA's net asset value	<ul style="list-style-type: none">Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits										
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Benchmark Returns	<p>The benchmark for MAIA is a combination of 50% FTSE Bursa Malaysia EMAS Shariah Index and 50% General Investment Account-i ("GIA-i") returns per annum that would take into consideration of the following:-</p> <ul style="list-style-type: none">The return per annum is not guaranteed and only serves as a measure to compare MAIA's performance;For comparison against the benchmark, time weighted rate of return will be applied; andMAIA targets to achieve annualized 3-year rolling return above the benchmark.																		
Profit Sharing Ratio ("PSR")	95: 5 (IAH : Bank)																		
Net Asset Value ("NAV") Calculation	<p>Daily NAV = Investment in Financing Assets (A) + Profit from Investment in Financing Assets (B) + Investment in Marketable Securities (C) + Profits from Investment in Marketable Securities (D)</p> <p>*Profits are calculated based on the PSR to IAH.</p> <p><u>Illustration:</u></p> <p>*Calculation and Returns are shown on a per annum basis and calculation shown for Daily NAV will be calculated based on (1/365 days) basis.</p> <p>(A) Investment in Financing Assets: RM 500,000,000.00</p> <p>(B) Profit from Investment in Financing Assets</p> <table><tr><th colspan="2">Financing Assets: Net Distributable Income Computation</th><th>(RM)</th></tr><tr><td>Investment Size</td><td></td><td>500,000,000</td></tr><tr><td>Gross Yield</td><td>4.00%</td><td>54,795</td></tr><tr><td>Impairment Provision</td><td>-1.00%</td><td>(13,699)</td></tr><tr><td>Other Income</td><td>0.00%</td><td>-</td></tr><tr><td>Net Distributable Income</td><td>3.00%</td><td>41,096</td></tr></table>	Financing Assets: Net Distributable Income Computation		(RM)	Investment Size		500,000,000	Gross Yield	4.00%	54,795	Impairment Provision	-1.00%	(13,699)	Other Income	0.00%	-	Net Distributable Income	3.00%	41,096
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(C) Investment in Marketable Securities: RM 500,000,000.00

Of which:

Investment in REITs: RM 200,000,000.00

Investment in equities: RM 300,000,000.00

(D) Profits from Investment in Marketable Securities:

NAV from Marketable Securities		
Investment Size		500,000,000
- Investment in equities		300,000,000
- Investment in REITs		200,000,000
(+) Income from Investment in Equities	8.70%	71,507
(+) Income from Investment in REITs	5.70%	32,877
(-) Liabilities	0%	-
NAV before fees		500,104,384
(-) Management Fees	-0.30%	(4,110)
(-) Brokerage Fees	-0.20%	(2,740)
Net Returns from Marketable Securities	7.12%	97,533

Daily NAV

Daily NAV Computation		
Total Investment		1,000,000,000
(+) Distributable Income from Financing Assets		41,096
(+) Returns from Marketable Securities		97,533
NAV before fees		1,000,138,629
(-) Custody Fee	-0.05%	(1,370)
Total Income		137,259
Net Distributable Income (Total Income x PSR)		
Net Distributable Income to IAH	95%	130,396
Net Distributable Income to Bank	5%	6,863
NAV		
Investment in Financing Assets		500,000,000
Investment in REITs		200,000,000
Investment in Equities		300,000,000
Net Distributable Income to IAH		130,396
Total NAV		1,000,130,396
NAV price		1.0001
Performance Returns (%)		0.01%

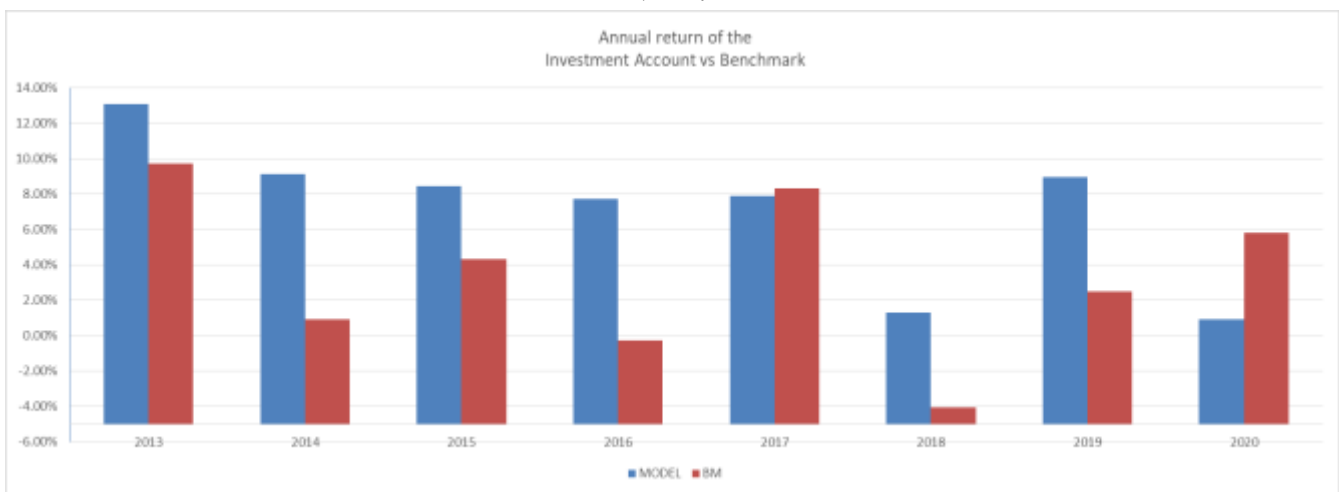
Opening of Account	<ul style="list-style-type: none"> Over-the-counter (OTC) at any of Maybank branches.
Coverage by PIDM	<ul style="list-style-type: none"> This product is not protected by Perbadanan Insurans Deposit Malaysia (PIDM).

What are the possible outcomes of my investment?

- Customer may potentially receive higher profits compared to a term deposit.
- The principal and profits of your investments are not guaranteed in the event MAIA incurs losses or does not perform as expected.

a) Performance and Backtesting

MAIA:



Returns vs Benchmark

	2013	2014	2015	2016	2017	2018	2019	YTD2020	Average
Gross Profit Rate to IAH	13.10%	9.16%	8.47%	7.74%	7.93%	1.31%	8.98%	0.93%	7.20%
Benchmark Returns	9.75%	0.95%	4.36%	-0.24%	8.35%	-4.07%	2.50%	5.82%	3.43%

- Simulated performance data represents the gross profit rate (before management fee and arranger fee), based on yield generated by MAIA.
- Past performance is not reflective of future performance.
- Source: Bloomberg and Malayan Banking Berhad.

b) Scenario Testing

The returns presented above was calculated based on the historical track record of underlying assets) i.e 50% Bank's financing assets and 50% Equities (30% Core 1 Stocks* and 20% REITs). The test is based on different potential equity returns as per below:

*Core 1 Stock: Companies with the strongest and resilient business model, good track record and stable cash flow.

Scenario Assumptions

Best case = Based on average annual return since 2013 for the Portfolio.

Base case = 8.2% p.a equity returns, 5.5% p.a REITs returns and 3.0% p.a yield for FA.

*Mild = Based on average dividend yield and nil capital gain. Yield of 3.00% FA.

^Severe = -3.0% equity downside (cut-off mechanism) offset with 3.0% dividend yield. Yield of 3.0% FA.

Scenario				
	Best	Base	Mild*	Severe^
Product Performance				
Gross Yield (%)	7.20	5.06	3.00	1.50
Distributable Income to Investor (net of Management and Custodian Fee)	7.15	5.01	2.95	1.45
PSR	95:5	95:5	95:5	95:5
*Net Distributable Income to IAH	6.79	4.76	2.80	1.43
**Net Returns to Investor	6.29	4.26	2.30	0.93

* Before Arranger Fee.

** Net of annualised Arranger Fee.

RISKS DISCLOSURE STATEMENT

What are the key risks associated with MAIA?

Notwithstanding that the Bank shall emphasize on safe and minimal risk investment strategy to ensure preservation of capital and optimisation of profit, customers should be aware of the various risk factors associated with Mudarabah Investment Accounts as follows:

1. Risk of capital loss - any investment carries the risk of reduction in the value of purchasing power. Hence, the Bank and its appointed investment manager(s) will only invest MAIA in diversified assets with low to moderate risk attributes and apply sound investment management standards.
2. Market Risk - Invested assets are subjected to fluctuations in market rates, which may impact the overall income performance of MAIA. This risk shall be managed by the Bank and its appointed investment manager(s) in accordance with sound investment management standard.
3. Credit Risk - This risk may arise when substantial amount of assets for MAIA goes into default. This shall be managed by the Bank by prudent selection of diversified asset portfolios and close monitoring of the performance of the selected assets.
4. Investment Decision Risk - This risk applies in the event the allocation of assets to be invested is not aligned with the market movement. Hence, careful selection and strict governance shall be applied by the Bank and its appointed investment manager(s) in the decision-making process.
5. Regulatory Non-Compliance Risk - Such situation occurs when the investment fails to adhere to the investment parameters set forth by the relevant regulators. The risk shall be managed by the Bank and its investment manager(s) in accordance with its overall policies and procedures.
6. Shariah Non-Compliance Risk - Failure to comply with the Shariah rulings of Shariah Advisory Council of Bank Negara Malaysia ("BNM") may result in a breach. Such occurrence shall be closely supervised by the Shariah Committee of the Bank.
7. Country Risk - Political and economic stability of the country may influence the growth and performance of the investment asset.
8. Industry/Sector Risk - Every industry/sector is exposed to various risk elements. As such, diversification and careful selection of such industry/sector are critical to the Bank in managing such risk.
9. Security Specific Risk - Prices of a particular security may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such security will adversely affect MAIA's NAV.
10. Company specific risk - Specific risks to Shariah-compliant securities issued by a company apply as there are adverse conditions or negative sentiments which a company can be uniquely exposed to, be it from the view of management issues, deteriorating business fundamentals or losing competitiveness. As a

consequence, the price of Shariah-compliant securities issued by such company might fall and subsequently affect MAIA's performance. The impact of a specific company may be reduced as MAIA invests in a wide portfolio of investments consisting of Shariah-compliant securities issued by different companies thereby spreading the element of this risk through diversification.

11. Profit rate risk - This refers to the risk that the investment value of the MAIA may generally be reduced due to a rise in future profit rates. Profit rate risk is particularly borne by profit-bearing assets, such as a Shariah-compliant money market instrument. In the event that a profit-bearing asset is held till maturity, the profit rate changes will not affect the yields of the profit-bearing asset. However, investors should be aware that whether MAIA will hold any profit-bearing asset until maturity will depend on actual and expected changes in profit rates.

The Manager attempts to mitigate the profit rate risk of MAIA by managing the duration structure of the profit-bearing assets according to the Manager's view of the future profit rate trend. When profit rates are expected to increase, MAIA will switch to profit-bearing assets with shorter duration and are less sensitive to profit rate changes.

12. Reclassification of Shariah Compliant Security to Shariah Non-Compliant Security - There is a risk that a currently held security will be reclassified as Shariah non-compliant upon review by the Securities Commission of Malaysia. If this occurs, in the case that the manager disposes the security after the announcement date, any capital gains arising from the disposal of the Shariah non-compliant security is to be channelled to any charitable bodies advised by the Shariah Committee. Thus, MAIA will not benefit from any capital gains from the security after the reclassification of the security.
13. Liquidity Risk - Liquidity risk arises from the lack of ease which an investment can be traded at or near its fair value, depending on the volume traded on the market. It may occur when MAIA holds a security which is thinly traded, or when MAIA experiences large redemptions which in turn, would require the selling of securities at a point in time when prices are unfavorable due to for example, insufficient buyers in the market at the actual or desired price. This risk is mitigated by diversifying the investment in a wide range of securities and avoiding securities with poor liquidity.
14. Financing Risk - The value of the MAIA fluctuates according to the value of the underlying investment portfolio. The IAH should assess and understand the inherent risk of investing with borrowed money which should include (i) the ability to service the financing payments and the increase in profit rates on the financing payments and (ii) the ability to provide additional collateral should the value of the underlying investment portfolio falls beyond a certain level.

"You are advised to carefully consider all risk factors before making an investment decision"

FEES AND CHARGES

What are the fee and charges involved?

- Upfront Arranger's Fee: 1.50% of any amount placed in the MAIA by the IAH.
- Early redemption is subject to a staggered exit fee based on the time of the redemption:
 Year 1: 2.0% of the NAV of the IAH's investment in the MAIA.
 Year 2: 1.5% of the NAV of the IAH's investment in the MAIA.
 Year 3: 1.0% of the NAV of the IAH's investment in the MAIA.

VALUATIONS

MAIA will be valued at least once every business day*. The valuation of MAIA will be carried out in a fair and accurate manner. MAIA will be valued at **5.30 p.m. every business day**.

Investment Instruments	Valuation basis
Securities listed on any exchange	<p>Market price.</p> <p>However, if-</p> <p>(a) a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions; or</p> <p>(b) no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days,</p> <p>then the securities should be valued at fair value, as determined in good faith by the investment manager.</p>
Financing assets	<p>The Bank will perform valuation of the financing assets of in accordance with the Malaysian Financial Reporting Standards (“MFRS”) which will be carried out on a monthly basis. The net returns from the financing assets will be taking into account the gross yield of the financing assets portfolio and the impairment provisions attached to it.</p> <p>For the purpose of daily NAV computation, the profit from the financing will be accrued on a daily basis.</p>

IAH will be able to obtain the performance of the MAIA from www.maybank2u.com.my.

REDEMPTION

Investment Instruments	Valuation basis
Redemption of Investment	<ul style="list-style-type: none"> Redemption at maturity. Early redemption is subject to a staggered exit fee based on the time of the redemption: Year 1: 2.0% of the NAV of the IAH’s investment in the MAIA. Year 2: 1.5% of the NAV of the IAH’s investment in the MAIA. Year 3: 1.0% of the NAV of the IAH’s investment in the MAIA.
Submission of Redemption request	For any redemption application received or deemed to have been received by the Bank before the cut-off time of 2.30 p.m. on any Business Day, the MAIA would be cancelled based on the NAV of the MAIA as at the valuation point after the request for redemption of the MAIA is received and accepted by the Bank.
Payment of Redemption Proceeds	The Bank will pay the redemption proceeds to the IAH on T* + 31 day.
Remittance of redemption proceeds	The Bank shall remit redemption proceeds to the Bank account held in the name of the IAH.

* T is the day where a request/application to redeem is received by the Bank before the cut-off time.

For both creation and redemption of the MAIA, the Bank shall not be held responsible for any delay or loss incurred in the event of:

- Real Time Electronic Transfer of Funds and Securities (RENTAS) experiencing problems;
- Any remittance of fund that does not correspond with the request promptly;
- Inaccurate details (i.e. identity card number, account number etc.) provided by the IAH; or
- Circumstances beyond the control of the Bank or the Custodian.

CONTACT INFORMATION

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

- It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

Who should I contact for further information or to lodge a complaint?

- a. Maybank Group Customer Care,
Lot 12, Jalan Astaka U8/84,
Section U8, Bukit Jelutong,
40150 Shah Alam,
Selangor.
Tel: 1-300-88-6688/03-78443696
Website: www.maybank.com.my/islamic
- b. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the BNM TELELINK
 - (i) Via phone to : 1-300-88-5465 (1-300-88-LINK)
 - (ii) Via fax to : +603-2174-1515
 - (iii) Via email to : bnmtelelink@bnm.gov.my
 - (iv) Via letter to : Laman Informasi Nasihat dan Khidmat (LINK)
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur

WARNING

THE RETURNS ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, CUSTOMER MAY SUFFER LOSSES IN PART OR THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA ("PIDM").

The information provided in this disclosure sheet is valid as at 9 December 2020