

Boubyan Multi Asset Holding Fund
Articles of Association

Fund Manager: Boubyan Capital Investment Company K.S.C (Closed)
Custodian: Gulf Custody Company K.S.C (Closed)
Investment Controller: Gulf Custody Company K.S.C (Closed)

Preamble

This Fund was established pursuant to the provisions of Law No. (7) of 2010 and amendments thereto concerning the Establishment of the Capital Markets Authority (CMA) and Regulating Securities Activity , its executive Bylaws effected on March 2011, the Authority’s Resolution No. 4 of 2013, and the approval of the CMA by virtue of the CMA’s Commissioners Council Resolution No. 84 dated 2015 given to the fund manager given the Authority’s license to establish this fund.

This Fund is a collective investment fund in the US dollar currency. It aims to collect funds from investors for the purpose of investing it on their behalf in other Islamic investment funds, licensed and supervised by the official supervisory authority in the country of origin. This Fund is subject to the supervision of the Capital Markets Authority of the State of Kuwait, and has a legal independent personality as well as the right to litigate. It enjoys all the rights except what may be inherent to the natural individual, and it is financially independent and has the legibility within the limits designated by the Fund’s Articles of Association, the Law and its Executive Bylaws. The Fund is subject to the provisions of in Resolution No. (2) of 2014 issued by the CMA Board of Commissioners concerning Controls for Practice of Sharia Review and Audit Profession for Investment Funds Licensed to Operate in accordance with the provisions of Islamic Law and decisions of the Authority issued to this affair.

Chapter One: Establishment, Objectives and Management of the Fund

Article (1): Preamble

The foregoing Preamble shall be considered an integral part of these Articles and complement the provisions hereof.

Article (2): Definitions

The following terms shall have the meanings set forth against each of them respectively:

The Fund:	Boubyan Multi Asset Holding Fund
Fund Form:	An open-ended investment fund with a variable capital.
Fund Type:	A Holding fund.
The Fund Manager:	Boubyan Capital Investment Company K.S.C (Closed)
The Custodian/ Investment Trustee:	Gulf Custody Company K.S.C (Closed)
The Investment Controller:	Gulf Custody Company K.S.C (Closed)
The External Auditor:	The auditor appointed by the Fund manager to monitor the accounts of the Fund provided that its name must be registered in the relevant register at the CMA.
The External Sharia Audit Office	Legitimate Audit House Company K.S.C (Closed)
The selling/ distribution agent:	Boubyan Bank K.S.C
The supervising authority:	Kuwait Capital Markets Authority
The Authority:	Kuwait Capital Markets Authority

The Law:	Law No. 7 of 2010 concerning the Establishment of the Capital Markets Authority and Regulating Securities Activity and the Executive By-law thereof issued on 31 March 2011 and any amendments thereto.
The Approval Date:	The date of the CMA’s approval to offer the Fund for public subscription on 10/01/2016
The Establishment Date:	The date of registering the Fund at the Investment Funds Register at the CMA, and it is the date provided in the license certificate issued by the CMA of Kuwait.
The Articles:	The Fund’s Articles of Association and any amendments thereto from time to time.
The Fund Currency:	US Dollars
The Market:	Kuwait Stock Exchange
Other Markets:	All global and regional markets, including the Gulf Cooperation Council (GCC) markets.
The Capital:	The Fund’s capital is variable and it is between \$18,000,000 (US Dollars eighteen million) and \$1,000,000,000 (US Dollars one billion).
The Financial Year:	The financial year of the fund shall commence on the first of January of every year and ends on the last day of December of every year except for the first financial year of the fund which commences on the date of fund’s establishment and ends on the last day of December of the next year.
The Business Day:	The day on which banks and investment companies carry on their activities in the State of Kuwait, or else it shall be on the next business day.
The Fund unit/ units:	The unit/units of investment issued by the Fund for the benefit of shareholders which is/are a security/securities that is/are divisible and represents/represent a share in the fund and entitles its holder to exercise all the rights arising therefrom, in his capacity as owner of an unsorted part of the fund.
The nominal value of the unit:	The nominal value of the unit is \$10 (US dollar ten only).
The Valuation Day:	The net asset value is assessed at the end of each month of every year throughout the period of the fund, provided that the valuation day shall be an official business day in the State of Kuwait.
The Net Asset value (NAV) of the fund	The net total value of the fund’s investments and assets less all due liabilities on the fund as determined by the fund manager.
The Valuation Price	The unit price which is determined by the investment controller in accordance with the accounting regulations and standards adopted by the Authority for each evaluation period, and on the basis of which the net investment value of the fund plus the cash, receivables and others divided by the number of units after deducting all the expenses and liabilities of the fund towards others and the deductions on the same date provided that the valuation price must be approximated to the nearest US cent.
Subscription period:	The period in which investors can subscribe in the Fund, by those who wish to subscribe, as determined by the fund manager after the approval of the supervising authority.

Subscription application:	The application which the investor must submit to the selling/distribution agent for the purpose of buying a certain number units offered for subscription according the Form prepared for this purpose by the fund manager.
Subscription amount:	The dollar amount paid by subscribers against the units in which they subscribe.
Units Certificate:	The certificate issued by the Fund in accordance with the Form prepared for this purpose by the Fund Manager, which refers to the name of the subscriber, number of units he subscribed to, and any other information the fund manager deems necessary to add.
Unitholder(s)	The holder/holders of the fund units.
The redemption application:	The application that shall be completed by the investors and submitted to the selling/distribution agent as a condition to complete the redemption process, in accordance with the Form prepared for this purpose and the regulations.
Redemption:	The process of liquidating units owned by the investor according to the evaluation date.

Article (3): Name of the Fund
Boubyan Multi Asset Holding Fund.

Article (4): Fund Headquarters and Chosen Domicile:
The main headquarters of the fund is located at the headquarters of the fund manager - Boubyan Capital Investment Company K.S.C (Closed) and its legal domicile is in the State of Kuwait, Sharq Area, Al-Shuhada Street, KIPCO Tower, Floor 32nd , P.O. Box 28950, Postal Code Safat 13150, State of Kuwait. The Fund Manager may change the main headquarters of the Fund inside the State of Kuwait upon the approval of the supervising authority.

Article (5): Objective of the Fund
The Fund aims to achieve a return on the invested amounts in a manner consistent with the provisions of Islamic Sharia through collecting money from investors for the purpose of investing them on their behalf in other Islamic investment funds licensed and controlled by the official supervisory authority in the country of origin.

Article (6): Term of the Fund
The term of the fund is ten years commencing on the establishment date. This term may be automatically renewed for similar period(s) after obtaining the approval of the supervising authority.

Chapter (2): Individuals engaged in the Fund

Article (7): The Fund Manager

First: Overview of the Fund Manager

The Fund Manager is Boubyan Capital Investment Company K.S.C. (Closed), a Kuwaiti shareholding company incorporated on 2 October 2007 and licensed to carry out investment for its own account and for the accounts of others. Boubyan Capital Investments Company will manage the Fund in accordance with the provisions of the Articles of Association, the law and its Executive Bylaws, and with the provisions of Islamic Sharia. The company was established as a Kuwaiti Closed Shareholding Company incorporated in the State of Kuwait in accordance with the provisions of the Commercial Companies Law No. 15 of 1960 and has a capital of KD15 million. The company is registered at the commercial register in the State of Kuwait under No. 324889, and is also registered at in the investment companies’ register of the Capital Markets Authority. The Company is licensed to carry out all the investment operations in all sectors of economy for its own account and for the account of others, including the establishment and management of investment funds in accordance with the provisions of Islamic Sharia. The Company practices its activities in the State of Kuwait.

The Fund Manager performs the management and investment of the Fund through its representatives who have the technical capacity and qualification for this role. The Fund Manager may be assisted by the opinions of technical and legal experts authorized by the Authority (whose fees shall be borne by the Fund Manager) in order to familiarize the Fund Manager with all circumstances surrounding the Fund investments.

Second: Authorities and Obligations of the Fund Manager

1. The Fund Manager is the legal representative of the Fund in its relationship with others and has the right to sign on its behalf without prejudice to the provisions of the Law and its Executive Bylaws, this Articles of Association and any instructions issued to the Fund Manager by the supervising authority.
2. The Articles of Association and any amendments thereto govern the relationship between the Fund Manager and Unitholders. Unitholders must express their consent to these Articles of Association by signing a copy it.
3. The Fund Manager shall carry out the following:
 - A. To manage the Fund in such manner as to achieve the Fund’s investment objectives specified in its Articles of Association.
 - B. To take all investment and other decisions with a view to serve interests of the Investment Fund and the Unitholders.
 - C. To record the buying and selling operations carried out for the account of the Fund accurately, in their chronological order, and in a timely manner.
 - D. To represent the Fund in its relationship with others and before courts and sign on its behalf.
 - E. To have an accounting system in place for measuring the Fund’s financial events and dealings and ensure the existence of an adequate audit track for the dealings recorded in the system.
 - F. To ensure the existence of an adequate reconciliation system for the transactions recorded in the accounting system with the cash and securities accounts opened in the name of the Investment Fund with the Custodian.
 - G. To provide adequate liquidity for the Fund to meet any of its obligations.
 - H. Not expose the Investment Fund to any unnecessary investment risks beyond the market risks with which experts are familiar in light of the Fund’s articles of association.
 - I. To provide all the necessary information about the business of the Fund to all members of the Fund’s Board of

Directors in order to enable them to perform their duties efficiently.

- J. To keep a statement that shows the balance of remaining units and the units that have been released, redeemed, updated or canceled and provide the Investment Controller with a copy of this statement.
 - K. To invest no less than 75% of the net asset value of the fund in achieving its main investment objectives.
 - L. Immediately notify the Authority of any development related to the Fund's business that might expose the interests of the Unitholders to risks.
4. The Fund Manager may appoint managers outside the State of Kuwait provided that such managers must be licensed and subject to the supervision of the regulatory body in the country of domicile. Such managers are assigned all or part of the abovementioned responsibilities in this Articles of Association in order to carry out all the operations necessary for the purchase and sale of securities and funds located outside the State of Kuwait in the best interest of the Fund and Unitholders. The Fund Manager shall remain the legal representative of the Fund in its relationship with others.

Third: The Amount with which the Fund Manager shall Participate

The participation percentage of the Fund Manager shall not be less than 5% of the fund's capital. The Fund Manager may not be allowed to perform any act in regards to this subscribed percentage as long as the fund exists. Certificates related to this percentage are kept with the custodian.

Article (8): Custodian

First: Overview of the Custodian

The Gulf Custody Company K.S.C (Closed) shall perform the duties of the Fund Custodian and it is responsible for safekeeping the documents supporting the Fund investments, funds, financial instruments, and other assets.

Second: Authorities and Obligations of the Fund Custodian

1. Assets of the Fund established in the State of Kuwait must be kept by an independent Custodian whose headquarters shall be in the State of Kuwait and must be approved by the Authority. The Custodian may keep the assets of the Fund outside the State of Kuwait for ease of performing the foreign operations by appointing a sub-custodian. Contracting with a sub-custodian shall not release the main Custodian from its responsibilities.
2. The Custodian shall have the right to access all the records, books, papers, documents and correspondences of the Fund.
3. The Fund Manager must provide the Custodian with copies of all the transactions conducted for the account of the Fund.
4. The Custodian shall keep the funds and assets of the Fund, their supporting documents or copies and cash of the Fund in a bank account opened for the Fund that shall remain separate from its own accounts and the accounts of others. The Custodian shall keep the records and books of the assets maintained for the account of the Fund to show any relevant transactions and to bookkeep the accounts of the Fund. The Custodian shall also keep copies of the records, books, papers and documents related to the management and investment of the Fund monies by the Fund Manager. Such records and books are subject to the control of the supervising authority which shall have the right to verify any statement therein and that they match the record held by the Fund Manager.
5. The main / sub-custodian shall exercise due care and safeguard the interests of the Fund in every action or procedure it takes and shall be fully liable for any loss in the assets that may be incurred by the Fund as a result of the negligence or error of either of them or their respective subsidiaries.
6. The Custodian may accept a certificate issued by the Fund Manager to prove and certify the subscribers' ownership

of units, their number or validity.

7. The Custodian must complete all the settlement operations related to the transactions of the Fund at the request and as determined by the Fund Manger. And it shall receive, safeguard and deposit the cash dividends and any other distributions arising from the Fund's activity.
8. The Custodian must notify the Fund Manager of any corporate actions arising from the Fund investments, and forward any received notices, within the stated period of time.
9. The Custodian must implement the instructions of the Fund Manager regarding the scope of work of the Custodian.
10. The Custodian undertakes to maintain the certificates of units subscribed by the Fund Manager.
11. The Custodian must maintain the confidentiality of the Fund's information and must not publish any data related to the Fund, even after the expiry of its term, before obtaining the prior written approval of the Fund Manager.
12. The Custodian is appointed by the Fund manager who shall have the right to dismiss it and notify the Authority thereof. The Custodian must, exercise the care of the prudent individual, in implementing all its obligations as stated in the Fund's Articles of Association as it shall be liable for any loss in the Fund's assets that may be incurred as a result of the negligence or error of the Custodian or its subsidiaries.
13. The Supervising Authority shall handle resolving any dispute that may arise between the Fund Manager and the Custodian.
14. The Custodian may not subscribe in the units of the Fund for its own account.

Article (9): Investment Controller

First: Overview of the Investment Controller

The Gulf Custody Company K.S.C (Closed) shall perform the duties of the Investment Controller and must ensure that the Fund Manager is managing the Fund in accordance with the provisions of the Law, its executive Bylaws, the Fund's Articles of Association and instructions of the Supervising Authority.

Second: Authorities and Obligations of the Investment Controller

1. The Investment Controller must determine the Net Asset Value at every valuation day. It may also appoint one or more evaluator(s) from among the professionals in this field provided that the evaluator must be a Kuwaiti Financial entity that has been established for more than five years and has the experience and now-how in the area of evaluation. The Supervising Authority must approve this entity. The Investment Controller shall bear the evaluation fees due to the external evaluator.
2. The Investment Controller must make sure that the management and investments of the fund are carried-out pursuant to the provisions of the Law, its executive bylaws, and the resolutions, regulations and instructions of the Authority and that the assets are invested within the limits of methods and policies specified thereto under the Articles of Association of the Fund and the resolutions and instructions of the Board of Directors of the Fund.
3. The Investment Controller must notify the CMA and the Fund's Board of Directors of any offences committed by the Fund Manager.
4. The Supervising Authority shall handle resolving any dispute that may arise between the Fund Manager and the Investment Controller.
5. The Investment Controller may not subscribe in the units of the Fund for its own account.
6. The Investment Controller is appointed by the Fund manager who shall have the right to dismiss it and notify the Authority thereof. The Investment Controller must, exercise the care of the prudent individual, in implementing all its obligations as stated in the Fund's Articles of Association as it shall be liable for any loss in the Fund's assets that may be incurred as a result of the negligence or error of the Investment Controller or its subsidiaries.

Article (10): The External Auditor

1. The External Auditor shall audit the accounts of the Fund. Fees of external auditors are determined by the Fund Manager with the approval of the Fund's Board of Directors following the approval of the Supervising Authority which has the power to dismiss the external auditor.
2. The Fund Manager may appoint one or more licensed auditor(s) approved by the Authority. Fees of the external auditor shall be determined after obtaining the approval of the supervising authority taking into consideration the requirements of the Law and its bylaws in this respect.
3. The external auditor must examine and audit the accounts of the Fund and provide the Fund Manager with a report thereon.
4. The external auditor may not seize its work during the financial year for which it was appointed to audit the Fund. In case where there are reasons which make it impossible for the external auditor to perform its work, it must notify the Fund Manager, Custodian, Investment Controller and the Supervising Authority thereof, and shall continue performing its duties until an replacement is appointed. The auditor shall be liable for all the losses incurred by the Fund or Unitholders in case of violating this provision. The replacing auditor must be appointed after obtaining the approval of the supervising authority within no more than sixty (60) days from the date on which the auditor requests or is requested to stop performing its duties.
5. The external auditor shall examine the quarterly financial statements and audit the annual financial statements of the fund in accordance with the auditing standards approved by the Authority.
6. The external auditor of the fund shall be appointed for one financial year, renewable annually for a period of not more than three (3) consecutive financial years.
7. The external auditor of the fund may not also be the auditor of the fund manager.
8. The external auditor of the Fund may not be a member in the Fund's Board of Directors, engage permanently in any technical, administrative or consultancy work in the Fund or subscribe to the Fund.
9. The external auditor must, in case of inability to use the rights stated in this Articles of Association, prove that in writing in a report submitted to the Fund Manager, and be presented in the meeting of the assembly of Unitholders.
10. The external audit must attend the meeting of the assembly of Unitholders and express its opinion in this meeting regarding its work especially with regard to the Fund's Budget. The external auditor must also read its report to the assembly of Unitholders.

Article (11): External Sharia Auditor

The Fund shall carry out its business in accordance with the provisions of Islamic Sharia. Legitimate Audit House K.S.C (Closed) was appointed for the first financial year to provide external Sharia audit services through monitoring the Fund as follows:

1. Monitor the Fund in accordance with the provisions of the Islamic Sharia, review the Fund's contracts in terms of legitimacy and conduct periodic (quarterly) Sharia audit operations.
2. Prepare a quarterly report on the Sharia audit operations of the Fund including results of the audit.
3. Prepare an annual report on the results of the Sharia audit operations of the Fund and submit the report to the Fund Manager, Fund's Board of Directors and Assembly of Unitholders.
4. The external Sharia audit office is appointed by the Fund Manager for the first financial year.
5. The Assembly of Unitholders appoints, after the end first financial year, the external Sharia auditors from among the audit offices approved by the Capital Markets Authority for one financial year. This term may be automatically renewed for no more than four financial years in a row. The same audit office may not be appointed after the aforementioned renewed period to audit the same Fund unless after the lapse of two other financial years at least.
6. The Assembly of Unitholders determines the annual fees of the external Sharia audit office.

Article (12): Investment Advisor

Every individual who serves as an Advisor for the Fund shall commit to the following:

1. The Investment Advisor must be licensed by the Authority to work as an investment Advisor.
2. The Investment Advisor must operate according to the regulations and procedures governing investment funds.
3. The Investment Advisor must exercise care of the prudent individual upon providing the investment advisory services to the best interest of Unitholders.
4. The Investment Advisor must keep regular books and records in accordance with the accounting systems in respect of collective investment schemes, and must submit periodic reports to the Authority upon request.

Article (13): Selling/ Distribution Agent

1. Boubyan Bank K.S.C, or any other financial entity appointed by the Fund Manager, by means of a special agreement concluded for this purpose shall undertake the role of the selling and distribution agent of the Fund.
2. The Fund Manager shall appoint a selling/ distribution agent and determine its powers and responsibilities. The Fund Manager shall have the right to dismiss the selling/ distribution agent and shall notify the investment custodian and the supervising entity thereof.
3. The Fund Manager may act as a selling/ distribution agent and charge a subscription fee in accordance with the provisions of these Articles of Association.

Chapter Three: The Fund's Board of Directors

Article (14): Formation of the Board of Directors

The Fund shall have a Board of Directors appointed by the Assembly of Unitholders after obtaining the approval of the Authority. Meetings of the Board of Directors are held and managed in accordance with these Articles of Association. The Fund Manager shall appoint the constituent board of directors of the fund, provided that the term of this board shall not exceed the first financial year, upon obtaining the approval of the Authority.

Article (15): Number of members of the Fund's Board of Directors

1. The Fund's Board of Directors shall consist of five (5) members provided that their membership shall not exceed three renewable (3) financial years.
2. At least one third of the members of Fund's Board of Directors shall be independent directors. In all events, the number of independent members may not be less than two.
3. The Board of Directors shall elect by secret ballot a chairman and vice-chairman for one year. The Fund Manager shall be given a copy of the resolutions of electing the chairman and vice-chairman, and the Fund Manager shall inform the Authority thereof.
4. The Assembly of Unitholders shall elect the remaining directors by secret ballot. The Assembly of Unitholders may dismiss the Chairman of the Board or any director upon a proposal issued by the Fund Manager or the Board of Directors by an absolute majority, or upon a request sent by a number of Unitholders who hold no less than half of the subscribed capital. Upon issuing a decision to dissolve the Board of Directors, this Board must continue to run the affairs of the Fund until the election of the new Board of Directors, after obtaining the approval from the Authority.
5. The Fund Manager shall obtain the Authority's approval of any change to the formation of the board of directors.

Article (16): Responsibilities of the Board of Directors

- 1- Responsibilities of the members of the Board of Directors include the following:
- A. To exercise due care and act faithfully with a view to serve the interests of the Fund and the Unitholders.
 - B. To approve all material contracts, decisions and reports to which the Fund is party.
 - C. To declare any transactions that involve conflicts of interest.
 - D. To ensure that the Fund Manager complies with the Law, the Executive Bylaw, the resolutions and instructions of the Authority, the Articles of Association, the Prospectus and any other documents issued by the Fund Manager.
 - E. To ensure that the Fund Manager performs its responsibilities in such manner as to serve the interests of the Unitholders according to the provisions of the Fund's articles of association and the provisions of the Executive Bylaw.
- 2- The chairman and members of the Board of Directors are responsible towards the Fund, Unitholders and third parties for all acts of fraud, abuse of power, all violation of the law or the Fund's Articles of Association and any mismanagement..

Article (17): Conflict of Interest

- 1. Employees and officers of the Fund Manager may not assume any membership in a board of directors or any position in a company or other body whose securities form part of the assets of this Fund or any investment fund managed by the Fund Manager. Independent members of the Board of Directors may not assume any membership in a board of directors or any position in a company or other body whose securities form part of the assets of this Fund.
- 2. In the event where the fund manager hires any member of the board of directors or official of a company or a body as mentioned in the preceding article, or was appointed as an independent member in the fund's board of directors, this individual shall resign from his position at that entity.
- 3. Neither the Chairman of the Board of Directors nor any of the directors may have a direct or indirect interest in the contracts and deals concluded with the Fund or for the account of the Fund. None of the above may participate in the management of a similar or competitive fund.
- 4. The Fund Manager shall separate between the management of this Fund and the management of other funds, in case it manages more than one fund, then it shall separate the operations of the respective funds.

Article (18): Meetings of the Fund's Board of Directors

- 1. The meeting of the Board of Directors shall be valid only if attended by at least half of its members provided that they shall not be less than three (3) members.
- 2. The Board of Directors shall hold at least four (4) meetings during the financial year upon the written invitation addressed to all the directors at least one week before the date of the meeting. The period between any two successive meetings may not exceed three months.

Chapter Four: Capital and Units of the Fund

Article (19): Capital

The capital of the Fund is variable, ranging from a minimum of \$18,000,000 (US Dollars eighteen million) to a maximum of \$1,000,000,000 (US Dollars one billion) divided into units of equal value. The liability of investors in the fund is limited to the amount of their units. The unit's value is paid upon subscription. The Capital of the Fund shall not be less than KD5,000,000 (Kuwaiti Dinars five million) or the equivalent thereof in other currencies.

Article (20) Units

- 1. Units of the Fund are nominal and the value of each is \$10 (US Dollars ten) upon establishment. The number of units ranges between a minimum of 1,800,000 (one million and eight hundred thousand) units and a maximum of 100,000,000 (one hundred million) units. The subscription amount by any investor to the Fund shall be no less than US Dollars five thousand (US Dollars5,000),with additional multiplies of US Dollars two hundred and fifty (US Dollars250) thereafter.
- 2. The Fund Manager shall announce the unit value for each valuation period on the valuation date and according to the results of the valuation conducted by the investment controller or any other specialized entity chosen by the Fund Manager and approved by the supervising Authority.
- 3. The units entitle subscribers equal rights in the Fund pro-rated to their respective holdings in the Fund.
- 4. When making any contact or disclosure to promote the units of the Fund, the selling/distribution agent shall take into account to disclose all the relevant facts and information without exaggeration. In all events, promoting or marketing advertisements shall be governed by the restrictions established by the Authority. No amount of the Fund's assets shall be paid against the expenses of promoting or selling units including, but not limited to, the expenses of drafting, copying and distributing these Articles of Association provided that such expenses shall be borne by the Fund Manager.

Chapter Five: Subscription

Article (21): Conditions of subscription to the Fund during the initial offering period & ongoing subscription.

- 1. Natural individuals and legal individuals may subscribe to the Fund.
- 2. The subscription applicant shall declare that he/she does not hold the US citizenship and that he/she is not a resident of the United Kingdom as required by the laws in those two jurisdictions.
- 3. The Fund Manager may offer the Fund units for public subscription or through a private invitation. In the event where the Fund Manager desires to send an invitation for public subscription to the Fund, it shall be done through an advertisement published in the Official Gazette and two daily newspapers , the expenses of which shall be borne by the Fund Manager, upon the approval of the Authority and pursuant to the provisions of these Articles of Association and the information set forth in the prospectus taking into account the provisions of the Law, the bylaws thereof, and decision of the regulator thereon.
- 4. Subscription to the Fund shall be done during the subscription period by submitting the subscription applications by those who wish to subscribe after completing their information in the Form prepared for this purpose. The application form must indicate the name of the Fund, its capital, the names of the Fund Manager and the Custodian, as well as the name, address and nationality of the subscriber, and the number and value of the units he/she is subscribing to.
- 5. Subscription to the Fund after the subscription period is done by the investor submitting the subscription form, after completing all the information.. The application shall be submitted to the Fund Manager or the Selling/Distribution Agent until one working day before the valuation day at the end of each month. The subscription amount shall be transferred to the Fund account.
- 6. Investors wishing to subscribe must submit to the Selling/Distribution agent the subscription application enclosed with the following:
 - A copy of the civil ID card or the passport of the subscriber for individual subscribers.
 - A copy of the commercial registration certificate and the license issued by the Ministry of Commerce and Industry for juridical individuals such as companies, along with the license issued by the Ministry of Trade and Industry for individual entities and civil ID card of the entity owner, along with the supporting papers approved by the competent authorities in the country for the companies and institutions established in one of the Gulf Cooperation Council (GCC) countries.

- The subscription amount deposited in a special account opened in the name of the Fund.
 - The completed and signed Form designated for subscription.
7. The subscriber shall receive a receipt signed by the Selling/Distribution agent that states the subscriber's name and subscription date.
 8. In the event of repeated applications, the subscription application which includes the bigger number of units shall be taken into consideration.
 9. The Fund Manager may cancel subscription applications that do not satisfy the conditions set forth in the subscription application. The amounts paid by the subscribers shall be refunded without any profit within five (5) working days from the closing date.
 10. The subscriber shall notify the manager or the Selling/Distribution agent of any amendments or changes to the information stated in the subscription application within a period not exceeding two weeks from such amendment or change.
 11. The minimum subscription amount to the Fund for any one subscriber is US Dollars five thousand (US Dollars 5,000), with multiplies of US Dollars two hundred and fifty (US Dollars 250) thereafter.
 12. The number of units subscribed to by any one subscriber and its subsidiaries and associates shall not exceed ten percent (10%) of the total number of issued units unless with a prior written approval by the Fund Manager.
 13. The Fund Manager shall subscribe with a number of units not less than five percent (5%) of the total Fund's issued units. The Fund manager may not dispose these units which represent the minimum limit throughout the term of the Fund. The certificates which prove this percentage shall be kept by the Custodian. The mentioned minimum subscription limit shall be allocated to guarantee the Fund Manager will not violate the Law, its executive Bylaws, these Articles of Association or resolutions of the supervising authority. The maximum subscription limit of the Fund Manager is 50%.
 14. Subscription shall remain open throughout the period stated in the invitation to subscription which shall not exceed three months from the opening date. Subscription may not be closed unless after the lapse of the subscription period.
 15. If the period set for subscription approaches expiry without covering the minimum capital offered for subscription, the Fund Manager may request the supervising authority to extend the subscription period for a similar term unless the Fund Manager covers the value of unsubscribed units.
 16. Without prejudice to the provisions of the above paragraph, in the event where the minimum capital is not reached, the Fund Manager may refrain from the establishment of the Fund provided that the amount paid by each investor shall be refunded plus any returns thereof no later than five (5) working days from the expiry of the subscription period.
 17. Units for interested subscribers are allotted within five (5) days from the expiry of the subscription period and investors must be notified of the number of their units after receiving the Authority's notice to commence the Fund's activity.
 18. None of the Custodian, Investment Controller, Auditor or External Sharia Auditor may subscribe to any number of units for its own account.
 19. The Fund Manager and selling/distribution agent must not accept any cash subscription to the Fund.
 20. Subscription to the fund with in-kind shares of any type is not allowed.

Article (22): Allocation Procedures

1. The Fund Manager's share shall be excluded from the subscribed capital allocation.
2. Repeated applications by the same subscriber shall be excluded and only the application with the biggest number of investment units shall be taken into consideration.
3. The Fund Manager sorts the subscription applications and allocation shall be done at the end of the subscription

period. The minimum subscription distribution shall be taken into account.

4. In the event where the size of subscription exceeds the capital of the Fund, units shall be distributed among subscribers pro-rate their respective subscriptions after the distribution of the minimum amount of subscription among all subscribers.
5. Investment units are allotted for subscribers within five (5) working days from the end of the subscription date. The Fund Manager shall provide each subscriber with a temporary receipt showing the number of units allotted to him. Investment Units Certificates then replace this receipt and the Fund Manager must submit their certificates to the subscribers within one (1) month from the end of the allocation procedures.
6. The excess amounts above what has been allocated must be refunded to the subscriber within five (5) working days after the allocation process without any profits
7. The Fund Manager shall issue new certificates to replace any lost or damaged certificates, pursuant to the regulations determined by the Fund Manager subject to the following conditions:
 - A. The subscriber must submit the damaged certificate to the Fund Manager or submit an official document stating the loss of the certificate.
 - B. In the event of damage of the certificate, the Fund Manager shall issue the new certificate within no more than 7 days from the date of receiving the damaged certificate.
 - C. The Fund Manager shall submit new certificates to the lost certificate and send an announcement thereof the competent authority in order to be published in the Official Gazette provided that the Unitholder must submit what proves the loss of his units certificate. Only then, the manager issues an alternative certificate after fifteen (15) working days from the date of publishing the announcement in the Official Gazette.
 - D. If the subscriber finds the lost certificates, at any time, he must immediately submit them to the Fund Manager.
 - E. In the event of loss or damage of the certificate, the Fund Manager shall issue the new certificate without any additional fees.

Article (23): Unitholders Register

1. The fund manager of unlisted funds shall prepare and keep a register of the Unitholders. He may hire one or more people on a contractual basis to prepare and keep the register mentioned provided that this shall not release him from this responsibility.
2. The Fund Manager must keep a special register indicating the Fund subscribers names, civil ID numbers or commercial register numbers, identities, addresses, as well as the number of units owned by each, along with the amount to which they subscribed and date of registration. Any changes to such information must be indicated in the register.
3. In the event where there is any difference between the information included in the units certificates and that indicated in the Unitholders register, the later shall be relied upon.
4. The register shall be kept by the Fund Manager and the Investment Controller must be provided with a copy of this register and informed of any changes thereof.
5. Subscribers have the right to access this register for free, in accordance with the guidelines, dates, and notices set by the Fund Manager.
6. The Unitholders register shall supersede the subscribers' ownership of units indicated therein.

Chapter Six: Ongoing Subscription and Redemption

Article (24): Subscription

1. Subscription to the Fund shall be done as stated in these Articles of Association every month unless otherwise determined by the Fund Manager (in special cases including, but limited to, the increase of submitted subscription applications with great amounts that do not suit the available investment opportunities). Subscription shall be

made through submitting the completed subscription application prepared for this purpose to the Fund Manager or selling/distribution agent accompanied with the required documents one working day before the valuation day at the end of each month. The subscription amount shall be paid to the Fund account taking into consideration the minimum subscription limit stated in these Articles.

2. The minimum subscription amount to the Fund for any one subscriber is US Dollars five thousand (\$5,000), with multiplies of US Dollars two hundred and fifty (\$250) thereafter.
3. The number of units subscribed to by any one subscriber and its subsidiaries and associates shall not exceed ten percent (10%) of the total number of the Fund's issued units unless with a prior written approval by the Fund Manager.
4. The individual who wishes to subscribe must submit to the Fund Manager and the selling/distribution agent the subscription application with the following:
 - A copy of the civil ID card or the passport of the subscriber for individuals .
 - A copy of the commercial registration certificate and the license issued by the Ministry of Commerce and Industry for juridical individuals such as companies, along with the license issued by the Ministry of Trade and Industry for individual entities and civil ID card of the entity owner, along with the supporting papers approved by the authorities in the country for the companies and institutions established in one of the Gulf Cooperation Council (GCC) countries.
 - The subscription amount deposited to the Fund's Account.
 - The completed and signed subscription application.
 - Upon the proposal of the Fund Manager, the minimum and maximum subscription amounts may be adjusted after obtaining the approval from the Authority. The Fund Manager may open subscription to the Fund at any time during the Fund term in order to strengthen the financial position of the Fund without that being linked to the redemption applications submitted by the Fund unitholders, and provided that the subscriptions shall not exceed the maximum limit of the Fund's capital.
5. The subscriptions shall be made and implemented based on the announced NAV for the value of the net assets of the Fund.
6. Every unitholder who has already invested in the Fund may request additional subscriptions or redemptions to the Fund through the E-services provided by Boubyan Bank without the need to fill a new subscription/redemption application. The Fund Manager accepts applications based on that.
7. The subscription shall be made and implemented based on the last announced NAV of the Fund on the dealing day.
8. None of the Custodian, Investment Controller, Auditor or External Sharia Auditor may subscribe to any number of units for its own account.
9. The Fund Manager and selling/distribution agent must not accept any cash subscription to the Fund.
10. Subscription to the Fund with in-kind shares of any type is not allowed.

Article (25): Redemption

1. The Unitholders may redeem their units in the Fund by submitting an application to this effect to the Fund Manager every month. This application must be final and irrevocable by the Unitholder. The units shall be valued for the purposes of redemption according to the NAV announced at the time of the redemption. Redemption applications must be submitted one working day before the monthly valuation date which is conducted on the last day of every month.
2. The minimum redemption amount is US Dollars two hundred and fifty (\$250), with multiplies of US Dollars two hundred and fifty (\$250) thereafter. The investor may redeem part of his investment in the Fund pursuant to the abovementioned limitations provided that the subscriber shall maintain the minimum amount which is US Dollars five thousand (\$5,000). Otherwise, the Fund Manager shall have the right to reject the partial redemption application.
3. Trading/exchange on all or part of the Fund units may only be done directly through the Fund Manager by submitting

a written request to the Fund Manager to this effect. The Fund Manager has the absolute right to approve this request by virtue of a written approval, and the seller must pay the trading fees to the Fund.

4. The Fund Manager may postpone any redemption application until the next dealing day, as stipulated in the Articles of Association in any of the following events:
 - a) If the total amount of all redemption requests Unitholdersrequired to be fulfilled on any valuation day equals or exceeds 10% of the Fund's net asset value, provided that the Manager shall, in such event, fulfill the redemption requests that are less than 10% of the net asset value of the Fund and that all the redemption applications shall be taken into account on a pro-rata basis. The percentage rate above the 10% of the Fund's net asset value shall be postponed to the following valuation day.
 - b) If trading on the main stock exchange, where the securities or other assets owned by the fund are traded, has been suspended, or where trading of securities representing a significant value of the Fund's assets has been suspended.
5. In the event of the death of the Unitholder where the units shall inure to his inheritors, the share of each inheritor shall not be less than US Dollars five thousand (\$5,000). In the event where the inheritor's share is less than this amount and the inheritors did not agree to transfer the ownership of the units to each other in order to be within the minimum limit, the Fund Manager will buy the share that is less than US Dollars five thousand according to the NAV announced at the time.
6. The Fund Manager may, upon the approval of the Authority, suspend any redemption or liquidation in case where the NAV falls below the nominal value.
7. The Fund Manager shall pay to the Unitholder the redemption amount within four business days after the valuation day on which the redemption price has been determined.
8. There are no redemption fees in the Fund.
9. If the funds available for redemptions are not sufficient to cover the redemption applications, the Fund Manager may use its own resources or those of any of its subsidiaries to cover such requests. Eventually, the funds so arranged shall be repaid to the Fund Manager or its subsidiary out of available funds of the Fund and designated for redemptions, plus a commission calculated at the prevailing rates.

Article (26): Rights of Unitholders

1. The units holder shall be entitled to a portion of the net assets of the fund equal to the units they own upon liquidation.
2. The unitholder has the right to receive a copy of the periodical reports and half-yearly and annual balance sheets by submitting a written request to the Fund Manager during the official business days.
3. The subscriber or his public or private successor may not interfere in the management of the Fund.
4. The investment shares or units entitle their holders to equal rights toward the Fund pro-rated to their respective holdings in the Fund capital. Each subscriber shall be entitled to receive a portion in the amounts available for distribution while being liable to bear losses to the extent of the units they own. Each subscriber shall also have the right to receive a portion of the Fund's net asset value upon liquidation each pro-rated to his/her holdings.
5. The Fund Manager shall not be liable toward the participants for any damages they may suffer unless this has resulted from fraud, gross negligence in the management of the Funds capital or violation of the law, executive bylaw or the Articles of Association of the Fund.
6. The Articles of Association of the Fund must be written in Arabic and provided upon request for free.

Chapter Seven: Dividend Distribution Policy and the Method of Calculating the Net Asset Value

Article (27): Dividend Distribution Policy

Any financial returns achieved by the fund will be reflected on the Fund's net assets value (NAV). Profits will only be distributed upon the investors' redemption of their units in the fund.

Article (28): The Method of Calculating the Net Asset Value

1. The Investment Controller shall calculate the net value of the fund's assets and evaluate the fund units upon the completion of each valuation period.
2. The Fund's Net Asset Value is the value of the fund investments at the end of the valuation period, evaluated according to the provisions of the Fund's Articles of Association, plus other asset items, such as cash and other debit balances, less the fund's liabilities towards others on the said date.
3. The listed securities and other non-liquid assets that have not been traded during the last twenty (20) working days prior to the valuation day shall be valued according to the accounting standards approved by the Authority.
4. In case where there is no official/announced valuation of investments on the valuation day, the last announced valuation rate shall be used even if it exceeds the twenty days.
5. Upon evaluation, calculation of the fair value in the US dollar must be taking into consideration in case there are any amounts in currencies other than the US dollar based on the exchange rates used at the time.
6. All the liabilities, reserves and contingency amounts (including any taxes or fees) or the accumulated costs and expenses incurred by the Fund will be deducted.
7. The Fund's assets must be evaluated in every dealing day and no later than one day after the deadline for submitting the subscription or redemption applications.
8. Valuation of the Fund's assets may be postponed for a period not exceeding two (2) working days from the final date for submitting the subscription or redemption applications unless where the Fund Manager determines that it is not possible to evaluate a considerable part of the Fund's assets provided that the approval of the Fund's Board of Directors to postponing the valuation is obtained in advance.
9. Unlisted securities shall be valued at the cost price on purchase. They shall be valued annually according to their fair value.
10. Valuation shall be conducted according to the accounting standards approved by the Authority.

Chapter Eight: Risks and Investment Areas

Article (29): Policies, limitations and risks of investment

1. The Fund Manager shall manage and invest the capital of the Fund through its representatives as stated in the Articles of Association.
2. The fund adopts a balanced investment policy that aims to achieve a suitable return on investment. The Fund Manager undertakes to do its utmost in managing the investments of the Fund and achieving the best possible returns for the benefit of participants. However, the Fund Manager does not guarantee the achievement of any profits, capital returns or a certain performance pattern as a result of its management of the Fund's assets. Neither the Fund Manager, nor any of its employees, officers or agents are responsible, whatsoever, towards participants for any losses they may incur as a result of their investment in the Fund unless such loss is caused by fraud, gross negligence in the management of the Fund's assets or violation of the Law, executive bylaws or this Articles of Association.
3. Despite the fact that the adopted investment policy aims at maintaining the invested capital through investing in risk-balanced investments, the value of units and the expected or resulting returns may increase, decrease or be negatively or positively affected by the economic changes and conditions of the Stock Exchange and other markets. Investment in the Fund involves risks associated with investments in general. Therefore, the Fund Manager does not guarantee maintaining the capital of the Fund or achieving any returns to the participants.

Risks:

The Fund is subject to fluctuations in the performance of markets. The value of the Fund's units may increase or decrease as a results of such fluctuations, which may lead to loss of part of or all of the participant's investment upon redemption.

Some of the main risks of investing in the Fund include:

- **The risks of the securities and stock market fluctuations:** investment in financial markets is a high-risk investment as it is subject to high volatility and affected by numerous economic, industrial factors and other factors. Thus, the Fund's investments are subject to decline. There may be a difference in the prices of some securities when published in the monthly reports with the current prices as a result of the different times of international markets closure and the time of the reports.
- **Economic risks at the state and region level:** the financial markets are affected by fluctuations in oil prices and global economic conditions in general as the financial markets usually fall in times of economic downturn or recession.
- **Political risks:** Such risks refer to the risks resulting from the change in the political situation in the state in which the fund aims to invest and which may affect the Fund's performance negatively.
- **Currency and interest rates risks:** the Fund's investments will be mainly the US dollar, and may be, in other global currencies, from time to time. Risks of currency appear upon purchase of units in case of payment in a foreign currency other than that determined by the Fund. Differences in exchange rates, as the case may be, could result in an increase or decrease in the value of the units. In addition, the fluctuation of interest rates may have a negative impact on investment.
- **Liquidity risks:** Liquidity means selling the asset and turning it into cash quickly and easily. Some assets may become less liquid than others, which means that they cannot be sold quickly and easily. And selling some assets may be difficult because of legal restrictions, the nature of the investment or the lack of buyers who have an interest in such assets.
- **Sectors risks:** Certain sectors of the financial markets are affected positively or negatively, and this may affect the performance of the fund as compared to the size of investments in this sector.
- **Risks related to compliance with the Islamic Sharia:** The Fund only invests in Sharia-compliant investments. Therefore, such risks appear in the event where a certain investment becomes noncompliant with some provisions of Islamic Sharia . The Fund may incur losses in the case of having to sell those investments at a low price or in the case of forgoing a good opportunity on these investments to comply with the provisions of the Sharia. The Fund should also prohibit accepting any income from a non-Sharia compliant investments and has to purify it through donating monies to charities which may adversely affect the evaluation of the unit price.
- **Risks related to the issuer:** These are the risks of change in the financial situation of the company issuing any security as a result of changes in its administrative structure or the products and services it offers which could lead to impairment of the Fund.
- **The risk of changing the discount rate:** The net asset value of the Fund may be affected negatively or positively as a result of the change in the discount rate at central banks, which could affect economic conditions in general, and that would affect the net asset value of the investor's funds.
- **Legal / Regulatory Risks:** Changes in the regulatory or legal framework (including taxes) may affect the potential profitability or even the Sharia compliance of Investment (this risk is greater in emerging markets). Generally, your rights towards the troubled counterparty are limited to the contractual remedies against counterparty according to the terms of the relevant securities. The Fund may face difficulties in pursuing legal remedies, or obtaining and enforcing judgments against this party, especially if the suit is filed before courts abroad or If the party is located abroad. In all cases, the prospectus and the Fund's Articles of Association may contain the legal terms and conditions of the product which can work against your interests.

Investments in the Fund by the subscriber does not represent guaranteed responsibilities by the Fund Manager or any of its subsidiaries or affiliates, but are subject to the abovementioned risks.

The fund manager will not bear the liability for any claims or demands, whatsoever, for any lost opportunity or actual loss incurred by the subscriber except in cases of gross negligence or willful default on the part of the fund manager. The subscriber's investment in the Fund is not a deposit and shall not be interpreted as a deposit at any local bank. Investors should be aware of the risks involved in investing in the Fund. If they have any doubts about the adequacy of the fund, they should seek the advice of an independent financial Advisor.

Article (30): Investment Areas

The Investment Manager shall invest the capital of the Fund according to the policies and limitations stipulated below:

1. Invest in local and international investment Funds.
2. The Fund may maintain a percentage of cash liquidity to cover any expected liabilities. The Fund may invest or reinvest these monies in term deals provided that such deals shall not contradict with the point (K) of section (Second) of Article (7).

Chapter Nine: Investment Constrains

Article (31): Investment Constrains

1. The Fund may not obtain financing, with or without collateral, or enter into arrangements that result in obligations thereon. However, the Fund may obtain financing to cover the redemption applications with a maximum of 10% of its net asset value unless the Authority approves otherwise.
2. The Fund must invest in three (3) investment funds at least. Investment in each of these funds shall not be less than 5% of the net asset value of the Fund.
3. The Fund may not own a percentage exceeding 25% in a single source.
4. The investments of the Fund in another investment fund should not exceed 40% of the net asset value of the Fund.
5. The Fund Manager may not invest in another holding fund.
6. The Fund may not give any guarantees or collaterals.
7. The Fund may not deal in commodities.
8. The Fund may not guarantee issuance.
9. The Fund may not discount cheques.
10. The Fund may not invest in other funds managed by the Fund Manager.
11. The Fund may not buy any security issued by the Fund Manager or any of its subsidiaries unless within the limits determined by the Authority in this regard.
12. The Fund may not buy any security for the entity into which the Fund Manager is the subscription manager or selling/distribution agent unless within the limits determined by the Authority in this regard.

In all cases, the Fund Manager should adopt a prudent investment policy which aims to achieve an appropriate return on investment where a balanced distribution of profits taken into account in anticipation of risks and in a manner that protects the rights of Unitholders.

Chapter Ten: Regulations of the Unitholders Assembly

Article (32): Provisions of the Unitholders Assembly

1. The assembly of Unitholders is the highest authority in the Fund and consists of all the Unitholders.
2. The assembly may be attended by each investor or their representative appointed in writing and they shall have one vote for each investment unit they holds.
3. The assembly of Unitholders shall hold its meetings according to the provisions of the Fund's Articles of Association, or If the Authority finds in any proposed amendment to the articles of association anything that might undermine the acquired rights of the Unitholders (according to Chapter 8 of the Executive Bylaws), or if so requested by one or more investors who own 10% or more of the capital of the Fund. In all events, the assembly of Unitholders shall be invited to meet to consider the winding up and liquidation of the Fund.
4. In the event where the Fund Manager fails to invite the assembly of Unitholders to meet, the Board of Directors is obligated to invite the assembly. The invitation shall not be valid unless it includes the agenda. The invitation to the assembly of Unitholders to meet shall, after the said invitation has been approved by the Authority, be published in two daily newspapers that are published in Arabic. The announcement shall be published twice. The second announcement shall be published not less than one week after the publication of the first announcement and at least one week before the date of the meeting of the general assembly of Unitholders.
5. The Fund Manager shall draw the agenda of the assembly of Unitholders, and It shall be drawn by the Board of Directors in the event where the assembly is invited by the board. The agenda must contain any suggestion presented by one or more investors who own at least 5% of the capital, at least two weeks before sending the invitation to the Unitholders to attend the assembly. The assembly of Unitholders will not consider any matters that are not on the agenda of the assembly.
6. The meeting of the assembly shall be valid if it is attended in individual or by proxy by investors who represent at least 50% of the investment units.
7. The meeting of the assembly of Unitholders shall be chaired by the Fund Manager, or the chairman of the Fund's board of directors or any director acting in his place in the event where the assembly has been convened by the Board of Directors, and in the absence of the Fund Manager. The assembly shall appoint a secretary to take the minutes of the meeting thereof. The minutes shall record the discussions, proposed resolutions and the results of the voting thereon. Every investor shall be entitled to view these minutes.
8. The Authority may delegate a controller to attend the meeting of the assembly of Unitholders, supervise the proceedings related thereto and verify that the resolutions taken are in compliance with the laws and Bylaws and any instructions issued by the Authority. The agenda of the assembly of Unitholders shall be approved by the Authority before the meeting thereof. A copy of the minutes of the assembly of Unitholders meeting shall be sent to the Authority duly signed by the secretary and the chairman of the meeting and the auditor within fifteen days from the date of holding the assembly of Unitholders meeting.
9. Resolutions issued by the Authority regarding the regulations of the Unitholders assembly of the investment funds and any amendments thereto shall be applicable on anything that is not provided for in the Articles of Association.

Chapter Eleven: The Financial Year and the Methods and Timing of the Disclosure of Information

Article (33): The Financial Year of the Fund

The financial year of the fund shall start on the first day of January and end on the last day of December in every year except for the first financial year of the fund which shall start on the date of registration of the Fund in the Investment Funds Register and end on 31 December in the following year.

Article (34): Methods and Timings of Disclosure of Information

The Fund Manager must prepare the financial statements of the Fund as follows:

First: To the Regulators

- A. The Fund Manager shall prepare the Fund's financial statement every quarter at least according to the accounting standards adopted by the Authority. It shall publish them through the Stock Exchange within fifteen days from the end of the period and shall send a copy thereof to the Authority.
- B. The Fund Manager shall submit audited annual financial statements of the fund within thirty days from the end of the Fund's financial year.

Second: To the Unitholders

The Fund Manager shall submit the following periodical reports and they shall be sent to the Unitholders not more than three months apart, setting forth the following information:

- a. The number of the Fund's units owned by the Unitholder and the net value thereof
- b. A record of the movement of the account of every Unitholder separately, including any distributions paid after the date of the previous report presented to the Unitholders.
- c. A report showing the activity of the Fund.

Third: To the Public

The Fund Manager shall, through the stock exchange, publish information about the Fund to the public every month, within seven (7) days from the end of each month in the form determined by the Authority.

Chapter Thirteenth: Expenses, fees and costs of the Fund

The Fund shall bear all the direct expenses that the Fund incurs including the fees of the Fund Manager and the Custodian, and all the indirect expenses including fees of the Investment Controller and the Legal Consultant, in addition to the expenses of advertisements as stated in the Executive Bylaws as well as any other expenses related to the establishment of the Fund which are listed under the expenses of the Fund. The Fund Manager shall bear the expenses of any other advertisements which are not stated for in the Executive Bylaws.

The Fund
Annual fees of the Fund Manager.
Fees of the independent directors.
Fees of the Custodian.
Fees of the Investment Controller.
Fees of the External Auditor.
Fees of the External Sharia Auditor.
Fees of the Legal Consultant.
Expenses resulting from the operations of the Fund.
Fees and expenses imposed on funds by the Capital Markets Authority.

Article (35): Fees of the Fund Manager

- 1. The Fund Manager shall, in consideration of performing its duties as stated forth in the Funds Articles of Association, be entitled to annuals fees of 1 % (one percent) of the net asset value. These fees shall be calculated at the end of every month and paid thereafter throughout the term of the Fund.

Article (36): Fees of the Custodian and Investment Controller

- The Custodian shall, in consideration for performing its duties specified in these Articles and after the completion of the Fund establishment procedures and starting the business, be entitled to annual fees determined with a percentage of the Fund's net asset value as follows:
 - 1. 0.0625% for the net assets value of the first \$100,000,000 (US Dollars one hundred million).
 - 2. 0.0600% for the net assets value of more than \$100,000,000 (US Dollars one hundred million).

Such fees shall be calculated within the expenses of the Fund, and the Fund's Board of Directors must approve the Fees in the following years.

- The investment controller shall, in consideration for performing its duties specified in these Articles and after the completion of the Fund establishment procedures and starting the business, be entitled to annual fees determined with a percentage of the Fund's net asset value as follows:
 - 1. 0.0625% for the net assets value of the first \$100,000,000 (US Dollars one hundred million).
 - 2. 0.0600% for the net assets value of more than \$100,000,000 (US Dollars one hundred million).

Such fees shall be calculated within the expenses of the Fund, and the Fund's Board of Directors must approve the Fees in the following years.

Article (37): Fees of the independent members of the Fund's Board of Directors

The independent members of the Fund's Board of Directors are entitled, in consideration of their services, to fees determined by the assembly of Unitholders. As an exception, the Fund Manager shall determine the fees of the constituent Board of Directors of the Fund provided that the prospectus of the Fund shall state such fees.

Article (38): Expenses

The following table states the expenses paid by the Fund and the Fund Manager:

The Fund	The Fund Manager
Annual fees of the Fund Manager.	The expenses of establishing, printing and distributing the Articles of Association
Fees of the independent directors.	The expenses of promoting and selling units.
Fees of the Custodian.	The expenses of the investment Advisor.
Fees of the Investment Controller.	
Fees of the External Auditor.	
Fees of the External Sharia Auditor.	
Fees of the Legal Consultant.	
Expenses resulting from the operations of the Fund.	
Fees and expenses imposed on funds by the Capital Markets Authority.	

Chapter Fourteen: Amendment to the Articles of Association and Liquidation of the Fund

Article (39): Amending the Articles of Association

The Articles of Association of the Fund shall be amended upon the request of Fund Manager with the Authority's approval. It shall send a summary of such change to all the Unitholders at least sixty (60) days before the effective date of such change. If the Authority sees in such change anything that might undermine the acquired rights of the Unitholders, it will ask the Fund Manager to obtain the consent of more than 50% of the Unitholders to such amendments.

Article (40): Termination of the Fund

The fund shall be terminated in any of the following events:

1. Expiry of the term of the fund.
2. Achievement of the purpose for which the Fund was established.
3. Termination or bankruptcy of the company of the Fund Manager unless replaced by another Fund Manager.
4. The issue of a court judgment to wind up the Fund.
5. If the value of the investment unit drops to 50% (fifty percent) of its nominal value, in which event the approval of Unitholders who own 75% (seventy five percent) of the units and the approval of the Authority are required.
6. Removal of the name of the Fund from the Investment Funds Register at the Authority.
7. If the supervising authority decides to liquidate the Fund either upon the request of the Fund manager or by itself in the events determined by the Authority in either case.
8. If the Capital Markets Authority decides to revoke the license of the Fund in the events determine by the Authority for the revocation of investment funds.
9. If Unitholders who own not less than 10% of the number of units in the fund request the holding of the general assembly of the units to appoint a liquidator for the fund and, following a voting by Unitholders who own 50% of the capital of the Fund, thereupon the Board of Directors should submit an application to appoint a liquidator to liquidate the fund and advise the Authority thereof, giving all the relevant reasons.
10. The intention of the fund manager to terminate the fund before the expiry of the period specified in these articles of association. The investment fund manager shall obtain the Unitholder's approval and then the Authority's approval.
11. The Fund Manager shall terminate the Fund according to the procedures stated in the Articles of Association.
12. If the articles of association of the fund require the occurrence of a specific event; upon the occurrence of this event. The fund manager shall be responsible for notifying the Authority and units holder as soon as possible upon the occurrence of such event and of the termination of the fund.
13. Any other reasons stated in the Fund's Articles of Association upon the Authority's approval.

Article (41): Procedures of Termination

1. The Fund Manager shall submit a request for holding an assembly of Unitholders for the purpose of liquidating the Fund. The assembly shall take a decision to wind up and liquidate the fund, and the resolution shall name the liquidator and specify his fees and the termination procedure. The powers of the Fund's management and the service providers shall end upon the appointment of the liquidator.
2. The fund manager shall announce the termination of the fund upon obtaining the approval of the Unitholders, the appointment of the liquidator through registration at the supervising body and the publication thereof in the Official Gazette and the stock exchange website. The liquidation of the fund may not be used as evidence against third parties. Liquidation procedures shall commence on the date of announcement, registration and publication.
3. The Fund shall retain its juridical personality during the period of liquidation to the extent necessary to perform the liquidation.

4. In the events where the liquidation is made pursuant to a court judgment or a decision of the Capital Markets Authority, such judgment or decision to liquidate shall include the appointment of the liquidator, a determination of the liquidator's fees and the expenses of liquidation which shall be paid out of the assets of the Fund.
5. Liquidation shall be done according to the provisions of the Companies Law concerning the liquidation of shareholding companies to the extent that they do not conflict with the provisions of Law No. 7 of 2010 and the Executive By-law thereof and the resolutions, regulations or instructions of the Authority or the provisions of the articles of association of the Fund.
6. The Authority shall issue a decision terminating the work of the Fund immediately upon completion of the liquidation by the liquidator. Such decision shall be published in the Official Gazette and the registration of the Fund in the Register of Investment Funds at the Capital Markets Authority shall be cancelled.
7. The books, records and documents of the Fund shall be kept with the liquidator for a period of ten (10) years from the date on which the liquidation work was completed.
8. The liquidator shall not bear any liability for any loss or decline of the value of the Investment Fund's assets, toward the Fund Manager or the Unitholders, unless such loss or decline resulted from any negligence or default by the liquidator.

The Closing Chapter

Article (42): Correspondence

All correspondence by any subscriber to the Fund shall be sent to the Fund Manager on the last registered address in the fund records as follows:

Boubyan Capital Investment Company K.S.C (Closed)
Al-Sharq Area, Shuhada Street, KIPCO Tower, Floor 32
P.O. Box 28950 Safat, Postal Code 13150,
State of Kuwait.

- Website of the Fund Manager: www.boubyancapital.com
- Email address: assetmanagement@boubyancapital.com
- Telephone No.: (965) 22325800
- Fax No.: (965) 22325801

Article (43) Law and Jurisdiction

These Articles shall be governed and interpreted according to the provisions of the Kuwaiti law. The Kuwaiti courts shall have exclusive jurisdiction to settle all disputes related hereto or arising here from without prejudice to the provisions of Islamic Sharia. The Law No. 7 of 2010 concerning the Establishment of the Capital Markets Authority and Regulation of Securities Activities, its Executive By-law and the amendments thereto and the resolutions and conditions issued by the supervision bodies shall apply to any matter that has not been specifically provided herein.

Article (44): Anti Money Laundering and Terrorist Financing Procedures

The Fund Manager must observe the resolutions and instructions issued by the Capital Markets Authority and Kuwaiti laws concerning combating money laundering and terrorist financing as well as the international legitimacy resolutions issued in this regard and any consequent resolutions and instructions issued regarding money laundering and terrorist financing. In order to observe the laws and procedures for combating money laundering and terrorist financing, the Fund Manager may request additional information from applicants for subscription in order to verify their data and identities or those of the ultimate beneficiaries of the funds participating in the Fund. The Fund Manager reserves the right to request such additional information if it deems this necessary to verify the identity or source of the funds of the subscribers to the Fund. The Fund Manager may refuse to accept any subscription application in the Fund if the subscriber is late in responding or if he is unable to provide any information or document requested by the Fund Manager.

Article (45): Cancellation of the License

The Authority may cancel the license of any investment fund in any of the following events:

1. If it is found that the conditions for giving the license have not been observed.
2. If this is to protect the interests of the Unitholders.
3. If the Fund Manager or the Investment Controller violates any of the law regulations or bylaws or if it presents to the Authority wrong, inaccurate or misleading information.
4. If the Fund Manager requests the cancellation of the license. The Authority may reject the request if it finds it necessary to investigate an issue related to the fund or the Unitholders.

Article (46): Appointment of a replacement Fund Manager

The assembly of Unitholders held to discuss the request of appointing a replacement manager or a fund liquidator may decide on that, if requested, subject to a vote by the Unitholders who represent 50% of the capital, in the following events:

1. If the Fund Manager stops its activity in securities trading or fails to fulfill its obligations in a manner that exposes the interests of Unitholders to risks.
2. If the Fund Manager commits a significant violation of the Law, its executive Bylaws or these Articles of Association.

Article (47): Appointment of a replacement Investment Controller:

The Authority may appoint a replacement Investment Controller to the Fund upon the request of the Fund Manager or Board of Directors of the Fund or if the Authority decides the same in any of the following events:

1. If the Investment Controller fails to fulfill his obligations in a manner that exposes the interests of Unitholders to risks.
2. If the Investment Controller commits a significant violation of the Law, or its executive Bylaws.
3. In any other events that the Authority reasonably deems significant.

Article (48): Complaints Procedures

In the event where the investor has any complaints regarding the Fund, he/she may call Boubyan Capital Investment Company K.S.C (Closed) on the number +965 2232 5800.

He/she may also fill out the complaints form that can be found at the company headquarters or on its website and send it to the following address:

Boubyan Capital Investment Company K.S.C (Closed)
Al-Sharq Area, Shuhada Street, KIPCO Tower, Floor 32
P.O. Box 28950 Safat, Postal Code 13150,
State of Kuwait.

Declaration of the Unitholders

I / we have read the Articles of Association of the Fund, consisting of 48 articles, printed on 24 pages, understood the contents thereof, and hereby express my consent thereto. I/we acknowledge receipt of a copy thereof, and have affixed my signature hereto.

Name	Civil ID number Commercial Registration No.	Date	Signature
		/ /	