

Articles of Association

- PREAMBLE -

Whereas, the Arab Investment Company is a Kuwaiti joint stock / closed company licensed by the Capital Markets Authority, whose purpose includes establishing and managing Collective Investment Schemes, and whereas the Company wishes to establish an investment fund that is subject to the provisions of the Capital Markets Authority Law No. 7 of 2010 and its executive regulations and amendments related to the establishment of The Capital Markets Authority and regulating securities activity and any decisions, instructions or amendments that occur to them, and based on the approval of the regulatory authority, the "Al Arabiya GCC Equity Fund" was established between the owners of the fund's units in accordance with these Articles and any amendments that may occur to it in the future .

The Fund shall have an independent legal persona and financial edict other than the Unitholder or the Fund Manager and the Fund shall acquire its legal persona from the time it is registered in the Fund Register with the Authority.

As the Fund Manager will stipulate in the Subscription Application form that the Unitholders shall obtain a copy of these Articles and accept all of its provisions which are considered part of said Application, and that their signature on the Application is considered an explicit acknowledgment and acceptance of the content of these Articles, the Fund's Articles of Association shall therefore be in Arabic and shall be provided free of charge upon request.

- ARTICLE (1) -

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

- ARTICLE (2) -

Definitions

The following words and terms shall have the meanings assigned to each of them:

Articles of Association

These Articles of Association and any amendments effected thereto.

Auditor

A person registered with the Authority in the Auditors' Register who gives an independent technical opinion on whether the financial statements of a Collective Investment Scheme present a true and fair view of the Collective Investment Scheme's affairs and are prepared in accordance with the International Accounting Standards adopted and registered with the Authority.

The Regulatory Authority /Control Authority/Authority:
Capital Markets Authority. (CMA)

Business Day

An official business day of the Authority.

Custodian

A corporate entity licensed by the CMA to hold in custody Clients' Funds and Clients' Assets including those constituting a Collective Investment Scheme in accordance with the provisions of the Law and Bylaws

Dealing Day

The final day to accept applications for subscription or redemption in which Fund Units can be subscribed or redeemed. Which is maximum twelve o'clock in the afternoon on Tuesday of each week provided that it extends to the next business day by the same hour in the event that the Dealing Day happens to be an official holiday.

Exchange

Boursa Kuwait

Bylaws

The executive bylaws of Law No. (7) of 2010 regarding the Establishment of the Capital Markets Authority and Regulating Securities Activity, its amendments, and subsequent amendments thereto.

Executive Committee

A committee represented by two or more personnel from the Fund Manager's employees who meet the conditions set for the Collective Investment Scheme Fund Manager Representative, that are appointed to manage the Fund. One of the committee members should be a Senior Executive at the Fund Manager.

Fund

Al Arabiya GCC Equity Fund

Fund Capital Limit

From KWD 5,000,000 (five million Kuwaiti dinar) to KWD 50,000,000 (fifty million Kuwaiti dinar)

Fund Manager/Manager

Arab Investment Company K.S.C. ("AIC"), is an entity having its office in Kuwait – Sharq – Ahmed Al Jaber street - Emad Commercial Center – 4th floor and licensed by the CMA under number AP/2016/0001.

Fund Form

Open

Fund Nature

Securities Investment Fund

Investment Controller

A corporate entity licensed to carry out the activity of controlling and supervising collective investment schemes.

Investment Units or Unit

An Investment Unit is an indivisible security that represents a share in a Fund's assets directly vesting its holders with all rights resulting therefrom.

If there is more than one owner for a Unit, they must choose one person amongst them to represent them before the Fund. Non-Kuwaiti citizens may subscribe in or own Investment Units.

Investment Unit Price

The price determined by evaluating the Fund's assets on the pertinent valuation day divided by the number of Investment Units after deducting all liabilities and expenses payable to the Unit at each evaluation period, in accordance with International Accounting Standards approved by the Authority.

KWD

Kuwaiti Dinars.

The Par value of the unit

KWD 1

Law

Law No. (7) of 2010 regarding the Establishment of the Capital Markets Authority and Regulating Securities Activity and its amendments.

Listed Shares

This means the shares of companies listed in the stock markets, whether inside Kuwait or any GCC stock market.

Market

Securities markets in the GCC.

Net Asset Value of the Fund

The value of the Fund's investments as at the end of the financial period evaluated according to the provisions of the Fund's Articles of Association, augmented by other asset items, namely, cash and debit and other balances, and reduced by the Fund's liabilities toward others on the same day (without taking into account the proposed cash distributions, if any, to the shareholders of the Fund).

Offering Type

Public Offering

Redemption

It is the process of selling units owned by the subscriber in accordance with the provisions of these Articles.

Redemption Application

The Application submitted by any applicant willing to redeem in the form prepared for such purpose.

Subscription

It is the process of buying fund units by the applicant according to the provisions of these Articles.

Subscription Application

The Application submitted by any applicant willing to subscribe in the form prepared for such purpose.

Subscription Agents or Selling Agents

It is the entity designated by the Fund Manager and after the approval of the CMA to receive subscription requests to the Fund Units and authorized by the Fund Manager to receive subscription proceeds on behalf of the Fund.

Subscription/Redemption Period

Subject to the provisions of this memorandum, and after the first six calendar months have passed for the beginning of the Fund's activity, the Subscription and Redemption Periods will be during the official working hours of any working day throughout the Fund's term, with a maximum of twelve o'clock noon on Tuesday of each week.

Subscription/Redemption Value

Subject to the provisions of this memorandum, the unit price for both subscription and redemption is calculated based on the NAV in accordance with the International Accounting Standards adopted by the Authority as on the Valuation Day.

Participant/Investor/Unitholder:

The holder of Fund's Units.

Unitholder Assembly

The assembly of the Fund's Unitholder.

Unlisted Shares

Means shares of companies or entities not listed in any Gulf Stock Market.

Valuation

It is the process of evaluating the NAV according to the provisions of these Articles.

Valuation Day

The last day for accepting subscription and redemption requests in which fund units can be subscribed or redeemed and which correspond to twelve o'clock noon maximum on Tuesday of every week provided that it extends to the next business day by the same hour in the event that the day of the deal falls into an official holiday.

- ARTICLE (3) -

Name of the Fund

Al Arabiya GCC Equity Fund

- ARTICLE (4) -

Fund Manager

The Arab Investment Company (KSC) will perform the duties of the Fund Manager, all in accordance with the provisions and rules mentioned in this Articles. Knowing that the Fund Manager is authorized by the Authority under the number [AP / 2016/0001].

Fund Manager Overview

Arab Investment Company (KSC) ("AIC") was established in late 2006 with a capital of over \$50 million under the direct supervision of the Central Bank of Kuwait (the "CBK"), as an independent, knowledge-based and result-oriented finance and investment company, operating as sole investor, investment partner, wealth manager, as well as provider of corporate finance advisory services, with full execution capabilities. Since inception, AIC followed an integrated approach that fuses the market realities with proven and state-of-the-art strategies, leading to optimum performance.

Furthermore, since incorporation, AIC is licensed by the CBK to extend credit to retail and corporate clients.

- Securities Broker not registered in the Stock Exchange Market
- Investment Advisor
- Investment Portfolio Manager
- Collective Investment Scheme Manager
- Custodian
- Investment Controller
- Issuance Manager

To date, AIC's achievements ranged from conducting private placement services, including the preparation of Private Placement Memoranda, financial engineering services, companies' restructuring services, establishing trusts for key clients, and leading syndicates of advisory parties. Today, AIC is a leading asset management and provider of corporate finance advisory services with total assets under management exceeding \$500 million.

We look forward to generating a positive economic impact and long-term value for our stakeholders, the companies that we invest in, the companies we provide consulting services, and the expanding global economy, and we do so through the knowledge that our team of professionals enjoys, commitment, and dedication.

The Arab Investment Company strives to maintain its position as a contributor to the transmission of knowledge in the local and regional financial services environment. To this end, the company has two coincident indicators: one for Islamic banks listed in the countries of the Gulf Cooperation Council, and the other for Kuwaiti companies that comply with Islamic law, both of which are registered on the service of Thomson Reuters.

- ARTICLE (5) -

Objectives of the Fund

1. The Fund aims to develop the Fund Capital by investing in buying and selling shares of listed companies, especially in the financial and investment sectors, and in the initial issues and public offerings expected to be included in the Gulf stock markets. The Fund may invest in the shares of companies not listed in those Markets.
2. The Fund Manager may also invest some of the funds in deposits, bonds, notes, and capital market funds, which the Fund Manager appreciates for their suitability and achievement of the Fund's objectives of liquidity and appropriate return for the Fund's subscribers, provided that all the fund's investments comply with the provisions of Law No. 7 of 2010 the Executive By-law, resolutions, Instructions and amendments thereof.

- ARTICLE (6) -

Key Investment Strategies and Policies

A. The Fund will follow balanced investment policies and methods to achieve long-term capital gains by investing in shares of companies listed in the Gulf stock markets, especially in the financial and investment sectors. In all cases, the investment is subject to the rules and risks of the local market and is subject to financial loss according to market information and fluctuations.

B. The Fund Manager may deposit any fund excess in short and medium-term deposits with local banks, invest in bonds, notes, and capital market funds provided that the total of these investments does not exceed 15% of the Net Assets Value.

C. The Fund is restricted from the following:

- Grant credit.
- Buy any security issued by the Fund Manager or any of its subsidiaries unless in accordance with the Law and Bylaws
- Buy any security issued by a party for which the Fund Manager is the subscription manager or Subscription Agent (Selling Agent) except to the extent of the provisions of the Law and Bylaws.
- Short selling
- Grant guarantees and warranties.
- Deal in commodities.
- Deal in real estate.
- The discount on cheques.

Investment authorization or other agreements that involve giving monies to third parties to use them in commercial activities thereof shall be considered as credit prohibited to be practiced by the Fund, excluding deposits at banks and unless such agreements serve as a debt instrument or financial instruments set for sale at the primary market or the secondary market.

D. Without prejudice to item (c) above, Fund Manager is not entitled to buy any security issued by the Fund Manager or any of its subsidiaries unless in accordance with the following conditions:

- Obtaining the approval of the Investment Controller before purchasing.
- The total amount of securities invested by the Fund and all other Funds which are managed by the Fund Manager shall not exceed 10% of the total value of Securities issued by the Fund Manager, or any of its Subsidiary Companies.

E. Without prejudice to item (c) above, If the Fund Manager undertakes the role of Subscription Agent (Selling Agent) or the subscription manager of an issuer, the Fund Manager may not buy any Securities of the Issuer while assuming such roles. Further, if the Fund Manager or any of its subsidiary companies commit to cover the public offer or private placement for a particular security, the security may not be offered for the benefit of the Fund.

F. The Fund Manager shall not keep cash or cash equivalents only when necessary in one of the following cases:

1. To meet redemption requests of Units.
2. To manage the Fund proficiently according to the investment objectives and complementary purposes thereof.

The provision of this Article shall not be applicable during the first year of issuing the final license to the Fund.

G. The Fund must comply with the following provisions:

1. Not to own more than 10% of the securities for a single issuer.
2. The Fund's investments in securities issued by one issuer should not exceed 15% of the Fund's Net Asset Value.
3. Not borrowing or entering into operations that have obligations when contracting more than 10% of the Net Asset Value of the Fund.
4. The Fund may invest a maximum of 15% of its Net Asset Value in any Sukuk or bond issued by the governments of the Gulf Cooperation Council states or with their guarantee at the time of the investment.

5. Without prejudice to Clause (1) above, the Fund may invest a maximum of 15% of the Net Assets Value in other capital market funds licensed by the Authority or licensed by a foreign regulatory body following criteria and regulatory conditions similar to at least those applied, provided that the same Fund Manager manages none of the invested funds.
6. The Fund may invest more than 15% of its Net Asset Value in the shares of any listed company, provided that this does not exceed the company's market value of the total market value of the market as a whole.
7. The open Fund may not invest more than 10% of its Net Asset Value in shares of unlisted companies.

- ARTICLE (7) -

Type and Form of the Fund and its Capital

The Fund is an open fund of funds with a variable capital that ranges from a minimum of KWD5,000,000 and a maximum of KWD50,000,000.

- ARTICLE (8) -

Fund Term

The period of the Fund is five years, starting from the date of its registration in the fund register with the Authority and will be automatically renewed for other periods of one year each, after the approval of the Authority for renewal.

- ARTICLE (9) -

Fund Capital

The Fund is an open fund of funds with a variable capital that ranges from KWD 5,000,000 (five million Kuwaiti Dinars) to KWD 50,000,000 (fifty million Kuwaiti Dinars only) and that by offering 5,000,000 Fund Units to 50,000,000 Fund Units.

The Fund capital is divided into non-divisible Fund Units of equal value, the value of each of them is one Kuwaiti dinar, and the responsibility of the Unitholder in the Fund is limited to the amount of their participation in the capital. The value of the units is paid in cash upon subscription or participation. The number of units subscribed to by any of the Fund's subscribers may not be less than 5,000 (five thousand) units, and the maximum limit that any subscriber in the Fund may own is 50% (fifty percent) of the issued fund's capital.

The Fund capital must not be less than KWD 5,000,000 and the Fund Manager - in case the Fund's capital falls below the minimum - must notify the Authority within five working days of the date of the decrease in the Fund capital, and the Authority may take what it deems appropriate - in each case - to achieve Unitholder' interest.

- ARTICLE (10) -

Fund Manager's participation

Fund Manager's subscription should not be less than KWD 250,000. Fund Manager must not dispose of or redeem these units for the duration of his management of the Fund provided that Fund Manager may dispose of the Fund Units to which he can subscribe and which exceed the Minimum Limit for Subscription.

- ARTICLE (11) -

Fund's Units Offering

The Fund Units are offered for public subscription in accordance with the rules regulating the public offering according to the provisions of Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activity and its amendments and its executive regulations and subsequent amendments thereto. In the event that the Fund Units offered for subscription are not covered during the period specified for subscription, the Fund Manager may request the Authority to have a similar deadline as the Fund Manager may withdraw from the establishment of the fund. In the event of withdrawal, the Fund Manager must return the sums paid by the participants in the Fund and the returns that they have achieved within a period not exceeding ten working days from the date of the end of the subscription period.

The subscription remains open throughout the period specified in the invitation, and the subscription may not be ended until after this period has expired this period is close to completion without the issued Units being subscribed to, the director may extend the period unless the Manager covers the Units that have not been subscribed to and not exceeding the maximum limit to be subscribed to.

- ARTICLE (12) -

Subscription Principles

1. Participation in the Fund is carried out according to the subscription application prepared for that by the Fund Manager.
2. The application is delivered to the Fund Manager or any of the Subscription Agents (selling) with the necessary identification documents and the value of the Units to be subscribed to in addition to the subscription fees (selling), taking into account the minimum subscription to the fund.
3. The subscription fee and charges shall be paid under a certified check, bank check, bank transfer or any other method approved by the Fund Manager, and the subscriber receives a receipt for that.

4. The subscriber will be delivered a copy of the subscription application signed by the Fund Manager or any of the Subscription Agents (selling) that includes the subscriber's name, address, nationality, date of subscription, the number of Units he subscribed to and their value.
5. Recurring applications for participation are excluded and only the application with the largest number of units will be considered.
6. Requests that do not meet the conditions stipulated in the application for subscription are canceled, and the amounts paid by the owners of these applications are returned to them within 10 (ten) working days from the date the subscription is closed, and no interest is earned on those amounts.
7. The unit subscription process must be reflected when making the first calculation of the Net Asset Value after the subscription or redemption process.

- ARTICLE (13) -

Right to participate in the fund

The right to participate in the fund shall be for the following persons:

- a. Kuwaiti citizens.
- b. GCC nationals.
- c. Kuwaiti and Gulf companies and institutions
- d. Foreigners residing inside and outside the State of Kuwait from natural and legal persons, noting that the articles of association and prospectus of the fund do not represent an offer to sell the units of the fund or an attempt to attract purchase requests for those units in countries where it is not legally permitted to buy or sell units in the fund.

Foreigners wishing to participate in the fund must verify the legality of their contribution to the fund in light of the foreign law applicable to them..

- ARTICLE (14) -

Call for Subscription

The Fund Manager may call for subscription to the Fund by publishing in the official gazette and at least two daily newspapers. Further, the Fund Manager may distribute the prospectus by any means he deems appropriate, whether through direct meeting with subscribers or distributing the prospectus by mail or otherwise, taking into account the provisions of Article (22) of the Fund's Articles of Association.

- ARTICLE (15) -

No In-Kind Participation

Subscription / Participation to the Fund may not be made with shares in kind of any type whatsoever.

- ARTICLE (16) -

Allocation

The Fund Managers shall complete and allocate the Investment Units to the subscribers within ten (10) Business Days from the expiry date of the subscription period. Any overdue amounts resulting from allocation are returned back without any interest to the subscriber within 10 business days from the date of completing the allocation procedures.

- ARTICLE (17) -

Allocation in the event the Number of subscribed units exceeds the capital of the fund

Allocation is made if the number of subscribed units exceeds the capital of the fund by distributing the units of the fund to the subscribers in proportion to what they have subscribed to after the distribution of the minimum subscription to all subscribers and the distribution is made to the nearest correct unit.

- ARTICLE (18) -

Subscription and Redemption rules

It is possible to subscribe to/redeem the Fund Units on a weekly basis after the first six Gregorian months have passed since the Fund's activity started according to the following:

- a. Subscription/Redemption applications may be submitted to the manager during the Dealing Day within the Term of the Fund not later than 12:00 pm on the relevant Dealing Day.
- b. The Fund Manager and Subscription agent (sale) must not accept any cash subscription to the fund.
- c. The Fund Manager must execute the subscription or redemption applications according to the valuation price (NAV) following the subscription or redemption applications. Subscription or redemption prices may include any other commissions according to clause 28 of the Articles.
- d. The unit value for both subscription and redemption is calculated based on the fund's net assets value in accordance with the International Accounting Standards approved by the authority as on the day of the evaluation.

- e. The Fund Manager may delay the fulfillment of any redemption request until the following Dealing Day in any of the following events:
1. If the total amount of all redemption requests of the Unitholder required to be fulfilled on any Dealing Day or redemption date equals or exceeds 10% of the Fund's Net Asset Value, provided that the Fund Manager fulfills the redemption requests that are less than 10% of the Net Asset Value of the Fund and all the redemption applications shall be taken into account pro-rata. The percentage rate above the 10% of the Fund's Net Asset Value shall be postponed to the following Dealing Day or following redemption date.
 2. If trading is suspended on the Exchange or regulated financial markets, in which securities and other assets owned by the Fund, or if trading is suspended on securities that constitute a substantial value in the assets thereof.
- f. Fund Manager shall pay to the Unitholder the redemption amount within four (4) Business Days following the Valuation Day at which the redemption price is calculated.
- g. A copy of the civil ID for Kuwaitis, the passport of non-Kuwaitis, the commercial registry or any official document proving the nationality of companies, bodies or institutions, must be attached with the application for subscription. All applications for the subscription that are not supported by these documents will be rejected. Photocopying or fictitious subscription is prohibited, and all applications that violate the fund's statute will be excluded.
- h. The unit owner undertakes to notify the manager or Subscription agent (sale) in writing of any amendments or changes to the information contained in the application for subscription within two weeks at the most from its occurrence. He also undertakes to notify the Manager in writing of any amendments to his address or place of residence within two weeks of its occurrence.

- ARTICLE (19) -

Rights of the Unitholder

The same terms and provisions shall be applied to all the Unitholder

- ARTICLE (20) -

Dividend Distribution Policy

Following the issuance of the annual financial statements in the second quarter of the next financial year, the Fund Manager shall, in its sole discretion, determine for the Fund and the owners of the Units the portion of the profits that will be distributed from the Fund's investments in the event of collection. The distribution, date, and value shall be announced through a local daily newspaper and the Fund Manager Fund Manager shall bear the expenses of this advertisement.

The Fund Manager may distribute a portion of the investment income in cash or through the distribution of free/bonus Units in the Fund. The Fund Manager may not distribute any proceeds and reinvest these proceeds into investment opportunities consistent with the Fund's policies.

- ARTICLE (21) -

General conditions

- a. In the event of the death of the unit owner and the devolution of the units he owns to the heirs, the share of each inheritor must not be less than the minimum stipulated in Article (9) of this Articles if the inheritor's share is less than the minimum and unless the heirs agree among them to transfer the ownership of the units So that it is within the minimum ownership, the manager may purchase it at the last announced calendar price.

- b. In the event, the unit's owner goes bankrupt or a judicial attachment is signed on the units owned by him, the manager may buy them according to the last announced calendar price and their value will be delivered to the competent authority.
- c. The participants, except the Fund Manager, may not interfere in the management of the fund.

- ARTICLE (22) -

Fund's Assets Valuation

The Net Asset Value of the Fund ("NAV") will be calculated weekly by the Investment Controller. The NAV is calculated by deducting the Fund's total liabilities, including all accrued liabilities, from the Fund's total assets.

The total assets of the Fund include; cash, accrued profits, dividends, receivables and value of all market investments.

The NAV is determined as per the following:

1. The investment controller calculates the NAV and the NAV on the basis of calculating the net market value of the fund's assets weekly.
2. The listed securities are evaluated according to the International Accounting Standards approved by the Authority.
3. For valuation purposes, the fair value is calculated in KWD, and any other currency rates will be converted to KWD as per the valuation date exchange rate.
4. All Funds' obligations including reserves, fees, expenses, accumulated costs, and taxes will be deducted.

5. Unquoted securities are calculated at fair value, which is arrived through accepted and reasonable valuation procedures. Unquoted securities should be valued at least once a year.
6. Post initial subscription, the subscribed units should be reflected in the calculation of the Fund's first NAV calculation. The Fund Manager takes the necessary procedures for the evaluation procedures and determines their dates. The weekly calendar is executed after the end of the business on Tuesday of each week. The mentioned price of the calendar is used to execute all the requests for participation and redemption received.

The fund's assets must be evaluated on every dealing day and no later than a day after the deadline for submitting applications for subscription and redemption operations.

It is accepted for assets valuation to be postponed for a maximum period of two business days from the Valuation Day. The Fund Manager should provide reasons for such delay to the CMA.

The net market value of the fund's assets is the value of the fund's investments at the end of the financial period determined according to the provisions of the fund's AoA in addition to the items of other assets of cash and other debit balances minus the fund's obligations before others on the same date. With regard to securities, they are evaluated as on the day of the evaluation in accordance with the International Accounting Standards approved by the Authority.

In case of miscalculation of the Fund's assets or unit value, compensation for such errors should be provided by the responsible party. The Fund Manager must attach with the audited interim financial statements or the audited annual financial statements a report stating all the evaluation and pricing errors that occurred during that period.

- ARTICLE (23) -

Marketing and Selling the Fund's Units

Upon establishing any communication or disclosure for promoting the Fund Units, all the relevant facts and information shall be disclosed without exaggeration. In all events, promotional or marketing announcements are subject to such controls as may be determined by the Authority.

No amount may be paid out of the Fund's assets for promoting or selling the Units; this includes, without limitation, the expenses of the investment advisor or expenses of marketing and selling the Fund Units. Copying and distributing the Fund's Articles of Association shall be paid by the Fund Manager and the Fund shall incur the expenses of incorporation.

- ARTICLE (24) -

Management Fees

The Fund Manager will receive an annual management fee of 1% of the net value of the fund's assets. He also receives an incentive fee of 15% of any annual net income of the fund, to be achieved in excess of 15% of the total net asset value of the fund. In all cases, the total fees charged by the Fund Manager may not exceed 5% annually of the net asset value of the fund.

- ARTICLE (25) -

Custodian fees

The custodian receives an annual fee of 0.0625% of the Net Assets Value on the day of the evaluation, provided that the fund will bear the expenses related to the settlement and custody of operations. These fees are calculated within the fund's expenses and are paid quarterly.

- ARTICLE (26) -

Investment controller fees

The investment controller receives an annual fee of 0.0625% of the Net Assets Value on the valuation day, provided that the fund will bear the expenses related to the settlement and custody of the operations. These fees are calculated within the fund's expenses and are paid quarterly.

- ARTICLE (27) -

Other Expenses

- a. Direct expenses, which include the fees of the Fund Manager, the investment controller, the custodian, and the indirect expenses, which include, for example, the fees of the external auditor and the legal advisor, are calculated from among the expenses of the fund.
- b. The fund shall bear all the incorporation expenses incurred by the Fund Manager, and the incorporation expenses will be amortized during the first fiscal year from the date the fund was established.

- ARTICLE (28) -

Table of Fees

The table below shows all fees, expenses, and charges, whether they are due from UnitholderUnitholders, from the fund's assets, or paid from the Fund Manager.

Fees, Expenses, and Charges	Amount of Fees, Expenses and Charges	Paid by
Fund Manager Fees	Management fees: 1% is calculated monthly and deducted at the end of every three calendar months. Incentive fees: 15% of any net annual income of the fund is achieved in excess of 15% of the total net asset value of the fund.	Fund's Assets
Sales charge (at time of subscription)	2%	Unitholder
Redemption Fee	0.25%	Unitholder
Legal Advisor	1,000 Kuwaiti Dinars annually, provided that the legal work does not exceed fifteen hours annually. And that the legal advisor receives an amount of one hundred and fifteen Kuwaiti Dinars for each working hour that exceeds the number of hours mentioned annually.	Fund's Assets
Investment Controller fees	0.0625% of the Net Assets Value on the day of the evaluation, provided that the fund will bear the expenses related to settling and maintaining the operations and it will be paid quarterly.	Fund's Assets
Custodian annual fees	0.0625% of the Net Assets Value on the day of the evaluation, provided that the fund will bear the expenses related to settling and maintaining the operations and it will be paid quarterly.	Fund's Assets
External Auditor annual fee	KWD 4000 annually.	Fund's Assets
Registry Keeper Fee	1,000 Kuwaiti Dinars annually to be paid in advance, in addition to 20% of these fees in case of distributing dividends to the Unitholders.	Fund's Assets

However, advertising fees and expenses that are imposed by the Authority, whether they are in accordance with the executive regulations or instructions issued by the Authority, are paid from the Fund's assets, and the Fund Manager bears any other advertising fees or expenses that have not been imposed by the Authority.

- ARTICLE (29) -

Obligations of service providers

All fund service providers must adhere to the following:

1. The service provider must be one of the persons licensed or registered with the Authority in providing this service, and that he has the human, technical and financial capabilities and sufficient capabilities to fulfill his obligations.
2. The contract with the service provider must define the rights and obligations of its parties, in particular the service provider's fees, the basis for its calculation and payment dates, the procedures to be followed upon termination or termination of the contract, and the measures and procedures for ending the relationship with the service provider.
3. Carrying out the tasks assigned to the service provider in a properly manner and cooperating with the other service providers for the fund, and compensating each person for damages as a result of any mistake made by the service provider.
4. The service provider, whether on his behalf or on behalf of others, does not deal with the fund's units, except for the fund's manager.

- ARTICLE (30) -

Obligations of the Fund Manager

The Fund Manager shall comply with the following:

1. To manage the assets of the Fund in such manner as to achieve the Fund's investment objectives specified in its Articles of Association.

2. To take all investment and other decisions to serve interests of the Fund and the Unitholders.
3. Apply the appropriate policies and procedures to prevent or reduce wrongful practices, which may affect the stability of the market and its integrity.
4. Ensure the use of pricing models and appraisal methods that are fair, correct, and transparent for each Fund managed thereby.
5. Take appropriate measures to protect and safely keep the Fund's assets.
6. 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.
7. To represent the Fund in its relations with others and before the courts. The Fund Manager shall have the right to sign on behalf of the Fund.
8. Provide an accounting system to register the Fund's financial transactions.
9. 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 Fund with the Custodian.
10. To provide adequate liquidity for the Fund to meet any of its obligations.
11. Not expose the Fund to any unnecessary investment risks beyond the market risks with which experts are familiar in light of the Fund's Articles of Association.
12. To provide all the necessary information of the Fund to the Investment Controller to the extent that enables him to perform his duties thereof efficiently and effectively.

13. To notify the Authority immediately after the occurrence of material events that may expose the interests of Unitholders to risk.
14. If the manager manages more than one Fund, he should separate between the transactions related to these Funds.
15. Ensure that the investment controller or the external auditor is not a related party to the Fund Manager.
16. In all cases, the Fund Manager may not participate in voting on the decisions of the Unitholders Assembly related to a private benefit to him or in case of conflict of interests with the fund.
17. The Fund Manager must correct any mistake or violation and notify the Authority and the investment controller within the deadlines stipulated in the Bylaws. He shall maintain a permanent record of the violations and document the action is taken and the time required to correct it.
18. The Fund Manager shall do his best efforts to manage the fund's investments and achieve the best possible returns for the benefit of the fund's subscribers, except that it does not guarantee any specific capital gains or returns as a result of managing the fund's funds, and the Fund Manager or any of his employees, users, or agents is not responsible in any way for any losses or damages incurred by the owners of the fund's units as a result of their participation in the fund unless it results from a violation of the provisions of Law No. 7/2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activity and its executive regulations, or as a result of misuse of the powers conferred on it or violation of the fund's Articles or the mistake or intentional negligence of the Fund Manager or any of his affiliates mentioned above in managing the fund's funds.

The authority may replace the Fund Manager if it deems that it has fundamentally breached its obligations stipulated in the Bylaws.

- ARTICLE (31) -

The Fund's Executive Committee

The Fund shall be managed by an Executive Committee formed of two or more of the Fund Manager's employees, who must meet the requirements of the representatives of activity of Collective Investment Scheme Manager, provided that one of the employees should be at an executive position of the Fund Manager.

Members of the Executive Committee must be registered persons at the Authority and shall represent the Fund Manager with the responsibilities and powers set forth in the Executive Bylaws. The signature of members of the Executive Committee or whom they authorized among them thereof shall be considered as the Fund Manager's signature. The members will be jointly liable with the manager for any errors, negligence, or fraud in the management of the Fund.

- ARTICLE (32) -

Investment Controller

The fund shall have an investment controller appointed by the Fund Manager after obtaining the approval of the Authority, provided that he adheres in particular to the following:

1. Ensure that the Fund Manager complies with the CMA Laws, Bylaws, decisions and instructions. In addition, the Fund's Articles of Association, Private Placement Memorandum and any other document issued by the Fund Manager.
2. To appraise the investment shares or units in such methods and at such times as are specified thereof in the Fund's Articles of Association.
3. Ensure that the Fund Manager undertakes the responsibilities thereof, in a manner that achieves the interest of the Unitholders in accordance with the Fund's Articles of Association and the provisions set forth in

the CMA bylaws, and ensure that the Fund's monies are invested within the methods and policies set out in its Articles of Association.

4. Approve any transactions that involve a conflict of interest.
5. Meet at least twice annually with the Executive Committee of the Fund to review the Fund compliance with the CMA Law, Bylaws, the CMA decisions and instructions, Articles of Association, Private Placement Memorandum and any other documents issued by the Fund Manager.
6. Notify the CMA of any violations committed by the Fund Manager.

The Investment Controller may not own Units in the Fund, and he is obligated to maintain the confidentiality of the information related to the Fund and does not publish any data related to the Fund, even after its term expires, before submitting it to the Fund Manager and taking his prior written consent to that.

- ARTICLE (33) -

Custodian

Taking into consideration the provisions of the Module Seven (Client Funds and Assets) of the Bylaws, keep the Fund's Assets in independent accounts opened and managed thereby, provided that they are independent of his or third parties accounts, and ensure care of a prudent person in this regard. Fund assets must be kept with a licensed custodian appointed by the Fund Manager after obtaining the approval of the Authority, and he may appoint a sub-custodian who is licensed or registered with a foreign control authority, to keep the assets outside the State of Kuwait. Contracting with a sub-custodian does not relieve the original Custodian of his responsibilities.

The custodian must comply with the following:

1. Collect, keep and deposit the dividends and any other distributions arising from the activities of the Fund.
2. Notify the Fund Manager of any obligations on the Fund's Assets and send any notifications received thereby in the period prescribed for it.
3. Execute the instructions of the Fund Manager, within the Custodian's scope of work.
4. Develop and maintain a record of the Unitholders with a statement stating the balance of the remaining units and the units that were issued, recovered, created or canceled, and provide the Investment Controller with a copy of the statement unless it is kept with a clearing agency unless it is kept with a clearing agency.
5. Written consent shall be obtained from the Fund Manager for all contracts concluded between the Custodian and sub-Custodian (if any).
6. All contracts concluded with the principal Custodian or the sub-Custodian (if any) shall regulate the following issues:
 - a. The requirements that enable the Fund to exercise all the rights related to the assets kept by the Custodian.
 - b. The requirements related to the place where the Fund Assets are kept.
 - c. The method used in safekeeping and protection of the Fund's assets,
 - d. The level of professional diligence and responsibility for the damage.
 - e. Fees and the method of calculating them.

The custodian may not own Units in the Fund, and he is obligated to maintain the confidentiality of the information related to the Fund and does not publish any data related to the Fund, even after its term expires, before submitting it to the Fund Manager and taking his prior written consent to that.

- ARTICLE (34) -

The External Auditor

1. The Fund Manager shall appoint an external auditor registered with the Authority to review and audit the Fund's accounts, in accordance with the International Accounting Standards approved by the CMA.
2. The External Auditor of the Fund may not be the same as the auditor of the Fund Manager.
3. The External Auditor of the Fund shall be appointed for one fiscal year renewable annually and no more than four consecutive years. He can resume his functions as an Auditor after two years from the date his services stopped.
4. The auditor shall have the right at any time to review the records, books, and papers related to the management and investment of the Fund's funds, whether they are with the Fund Manager or the Investment Controller and the Custodian in accordance with the International Accounting Standards approved by the CMA. The auditor shall notify the Supervisory Authority of any violations of the provisions of the Law or the fund memorandum that occur from the Fund Manager or the Investment Controller. The Auditor shall be responsible for any professional negligence, default, or fraud that occurred during the performance of his work.

5. The auditor may not stop his work during the fiscal year, during which he was appointed to control the Fund's accounts. If there are reasons with which the Auditor can't continue to perform his work, he must notify the Fund Manager, the Investment Controller and the Custodian and the Supervising Authority accordingly. In this case, he must continue his work until a replacement is appointed for him, and the Auditor shall bear all the damages incurred to the Fund or the participants if he violates these provisions.

6. The External Auditor is not permitted to own Units in the fund and has to maintain the confidentiality of the information related to the Fund and does not publish any data related to the Fund, even after its term has expired, before submitting it to the Fund Manager and taking his prior written consent to that effect.

- ARTICLE (35) -

Investment advisor

The Fund Manager may appoint an investment advisor, provided that the Fund Manager bears any amount set as fees for the investment advisor (if any).

Every person who works as an adviser to an investment fund must adhere to the following:

1. To be licensed by the authority to act as an investment advisor or its representative.
2. To act in accordance with the regulations and procedures governing investment funds and to achieve the interests of Unitholders.
3. He should act prudently when providing investment advice.

4. To maintain regular books and records in accordance with the accounting systems, concerning collective investment scheme and to submit to the Authority periodic reports, according to what it requires from him, in accordance with the bylaws issued by the Authority.

- ARTICLE (36) -

Vacancy of the Fund's Executive Committee Members or any of the Service Providers

In the event of a vacancy in any of the positions the Fund's Executive Committee members or any of the service providers, the Fund Manager should notify the Authority within a maximum of five (5) Business Days. The Fund Manager should apply for the vacant position(s) within fifteen (15) Business Days as of the day of expiry of the notice period as specified in this article.

The Fund's records shall be amended in the Fund's register with the Authority in the event of any changes that occur on the Articles of Association or to the service providers.

In any event, the Fund Manager must notify the Unitholders within a maximum of five (5) Business Days as of the date of vacancy of any of the positions thereof.

- ARTICLE (37) -

Restrictions on Positions

Without prejudice to the responsibilities of the Fund Manager outlined in the provisions of Chapter Three (Conflict of Interests) of Module Eight (Conduct of Business) of the Executive Bylaws, the Fund Manager employees, who are not registered as representatives of a Collective Investment Scheme Manager, may occupy the position of a Member of a Board of directors at a company whose securities thereof are a part of the Fund's Assets.

Employees of the Fund Manager registered as representatives of a Collective Investment Scheme Manager, may not occupy the position of a member of a Board of Directors at the companies mentioned in the preceding paragraph.

In the event where a Fund Manager appoints a person as a representative of the Collective Investment Scheme Manager and from those who are subject to the restriction set out in the preceding Article, this person shall be required to resign as Member of a Board of Directors from the company at which the Securities are a part of these assets of the Fund.

- ARTICLE (38) -

Unitholders Register

1. The Custodian shall prepare and maintain unitholders register, in accordance with the provisions outlined in Module Four (Securities Exchanges and Clearing Agencies) of the Bylaws.
2. The following information should be kept for each unitholder in the unitholder's register:
 - a. Name, address, identification, or commercial registration number and nationality,
 - b. Number of units owned,
 - c. Registration date in the unitholders register.
3. All unitholders are responsible for updating their information provided in the application form within one month from the occurrence of a change in data.
4. The rules and conditions apply to all unitholders.
5. The fees of the unitholder register entity are paid from the Fund's Assets.

- ARTICLE (39) -

Provisions Related to the UnitholderUnitholders Assembly

1. The Fund's Unitholders assembly shall be held at least once annually. Each participant shall be entitled to attend the assembly and vote on its resolutions. Each Unitholder shall have one vote for each investment Unit owned thereby.
2. The Unitholder assembly shall look into and decide on the following issues:
 - a. The Fund Manager's report on the Fund's activity and its financial position.
 - b. The Auditor's report on the Fund's annual audited financial statements.
 - c. The annual audited financial statements of the Fund.
 - d. The Investment Controller's report.
 - e. Amendments of the Articles of Association related to the acquired rights of Unitholders.
 - f. Dismissal of the Fund Manager.
 - g. Appointment of a substitute Fund Manager.
 - h. Select the Fund's liquidator and supervise the works thereof.
3. Resolutions of the UnitholderUnitholders assembly shall not be implemented without the approval of the Authority.
4. The UnitholderUnitholders assembly shall be held upon an invitation from the Fund Manager to consider the matters assigned to the assembly. The Fund Manager shall call for holding the meeting, based on a reasoned request by the Unitholders constituting a minimum of 10% of the Fund's issued capital or at the request of the Investment Controller or the Auditor. The agenda shall be prepared by the entity calling for holding the meeting.

5. If the Fund Manager does not call to hold a Unitholders assembly, in the cases he must do. If the Fund Manager finds difficulty in calling for a meeting for any reason, the Authority may assign the Investment Controller or the Auditor to call for holding the assembly.
6. The invitation to attend the meeting of the Unitholders assembly, should include an agenda, time, and place of holding the meeting, shall be extended by one of the following methods:
 - a. Announcement in two local daily newspapers and the Exchange at least ten (10) Business Days before the date of holding the meeting.
 - b. Registered mail letter to be sent to the Unitholder Unitholders at least ten (10) Business Days before the date of holding the meeting.
 - c. Emails or faxes at least seven (7) Business Days before the date of holding the meeting.
 - d. Hand-deliver the invitation to the Unitholders or representatives thereof at least three (3) Business Days before the date of holding the meeting and a photocopy of the invitation shall be notated as received.
7. For the validity of announcement by the methods referred to in paragraphs (2), (3), and (4) of this Article, each participant shall have provided the Fund Manager with the data about the residence, email address, or fax number thereof and shall have agreed to be notified through such methods referred to in paragraphs (2), (3), and (4) of this Article.
8. Any change of a participant's information referred to in the previous paragraph shall not be approved unless the participant notifies the Fund Manager or the entity keeping the register of Unitholders of such change at least five (5) Business Days before the announcement of the participant.

9. The Fund Manager shall serve notices with the agenda, time, and place of the Unitholders assembly meeting at least seven (7) Business Days before the date of holding the meeting to all of the following:
 - a. The Authority.
 - b. The Investment Controller.
 - c. The entity is keeping the record of Unitholders Register (Custodian or Clearing Agency).
 - d. The Auditor, as applicable, if it is decided to present the financial statements to the Unitholders Assembly.
 - e. The Exchange, for the announcement of the agenda, date, and place of the assembly.
10. If the Authority is notified, absence of the representative thereof shall not result in the invalidity of the meeting of the Unitholders Assembly. The meeting shall be invalid in the event of absence of anybody referred to in paragraphs (b), (c), and (d) of the previous Article. The meeting shall be invalid in case of the absence of the Fund Manager, unless the call for holding the meeting is extended by anybody other than the manager.
11. The meeting of the Unitholders Assembly shall be chaired by the entity calling for the meeting.
12. Holding the meeting of the Unitholders Assembly shall be invalid unless it is attended by Unitholders constituting 50% of the Fund's issued capital. If this quorum is not achieved, the assembly shall be called for another meeting of the same agenda to be held within a period not more than thirty days as of the date of the first meeting. The second meeting shall be valid whatever the percentage of the capital owned by attendants is. A new call for the second meeting may not be extended if the date thereof is identified in the call for the first meeting.

13. The resolutions shall be issued by the absolute majority represented in the meeting, excluding the resolutions related to amending the Fund's Articles of Association and related to the rights acquired by Unitholders or in the event of liquidation at the request of the Fund Manager, as these resolutions shall be issued upon approval of the Unitholders owning 50% of the Fund's issued capital.
14. The Unitholders Assembly may not discuss issues not listed in the agenda, unless they are urgent, and after preparing the agenda, and are revealed during the meeting or if the Authority, the Auditor, or Unitholders owning 5% of the Fund's issued capital so request. In the event that there is insufficient information related to some presented issues, the meeting shall be postponed for a period not more than ten (10) Business Days, if the Unitholders owning 25% of the issued Fund capital so request. The postponed meeting shall be held without the need to take new procedures of invitation.
15. The Fund Manager or the entity calling for the meeting, as applicable, shall provide the Authority with a copy of the minutes of the assembly meeting after it is signed by the meeting chairperson and the attending service providers within two weeks as of the date of its holding, provided that such minutes shall be enclosed with a copy of the attendees' proxies.
16. Each Unitholder registered in the Funds register shall be entitled to attend the meeting of the Unitholders assembly in person or represented by a proxy. To be valid, the representation shall be in accordance with a special proxy or an authorization dedicated to that. Such proxy may be dedicated for attendance of one or more meetings of the Unitholder assembly. The proxy issued for a certain meeting shall be valid for attending the next meeting if it is postponed due to a lack of quorum.

- ARTICLE (40) -

Methods and Timings of Information

The Fund Manager shall submit periodical reports, not more than three (3) months apart, setting forth the following information:

- a. The Net Asset Value of the Fund's Units,
- b. The number of the Fund's Units owned by the Unitholder and the net value thereof.
- c. 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 Unitholder.
- d. A statement of the fees of the Fund Manager and service providers.

The Fund Manager must publish monthly information about the fund to the public through the stock exchange, within seven working days of the end of each month, according to the form determined by the Authority.

The Fund Manager must disclose to the unitholders any data or information that might fundamentally affect the value of those units and the measures he has taken to counter that.

The method for distributing periodic reports to Unitholders includes one of the following means:

1. The email or fax registered with the Fund Manager
2. Sending registered mail to the Unitholders or their representatives
3. Hand-to-hand delivery to Unitholders or their representatives, with a signature obtained upon receipt.

- ARTICLE (41) -

Financial Year of the Fund

The financial year of the Fund starts on the first of January and ends on the last day of December of every year, except for the first financial year of the Fund which shall start on the date of registration of the Fund in the Register of Funds at the Authority and end on the date specified as the last day of the following financial year.

- ARTICLE (42) -

Fund financial statements

1. The Fund Manager must prepare the interim audited financial statements and provide a copy of them to the stock exchange and the authority within a period of a maximum of fifteen working days from the end of the period.
2. The Fund Manager must prepare the audited annual financial statements, and present a copy of them to the Stock Exchange and the Authority within forty-five days from the end of the fund's fiscal year.
3. The financial statements are available free of charge, upon request, to all Unitholders through the Fund Manager or subscription agent (sale).

- ARTICLE (43) -

Revocation of the License

The Authority may revoke the license of any Collective Investment Scheme in the following situations:

1. Proven failure to meet any of the requirements of granting the license.
2. Cancellation is in the interest of the participants in the Collective Investment Scheme.
3. The manager or Investment Controller or Custodian has violated any Law or and regulation or has submitted to the Authority incorrect or misleading information.
4. The Collective Investment Scheme's Manager has requested the cancellation of the license, in which case the Authority shall reject the request if it deems it necessary to investigate anything related to the Collective Investment Scheme or to secure the interests of the participants in the scheme.

The Authority may notify the manager or the Investment Controller or the Custodian of a Collective Investment Scheme about its intention to revoke the license of the Collective Investment Scheme, and such decision shall be in writing and justified. The investment manager or Investment Controller or Custodian shall submit undertakings within fifteen days from the date of notification, and the Authority shall decide whether such undertakings are satisfactory to avoid the cancellation of the Collective Investment Scheme's license.

If the Authority issues a decision to revoke the license of a Collective Investment Scheme, it shall assign a licensed person to liquidate the Collective Investment Scheme or shall request the competent court to do so. It shall, in such case, inform the Collective Investment Scheme manager and Custodian - immediately and in writing - of the procedures undertaken.

The Authority where a Manager or Investment Controller or Custodian of a Collective Investment Scheme has failed to comply with the provisions of the Law or these Bylaws hereof may instruct the Collective Investment Scheme manager to temporarily suspend issuance or redemption operations in the Units of the Collective Investment Scheme, or both, from the date specified in the instructions in addition to that.

- ARTICLE (44) -

Termination of the Fund

The Fund shall end in the following events:

1. End of the period specified in the Articles of Association, unless it is renewed in accordance with the rules set out in the Articles of Association.
2. End of the purpose for which the Fund is incorporated for or in the event of the impossibility of achieving its goal.
3. Damage or use of all the Fund's assets or most of them, so that other assets can't be invested feasibly.
4. At the request of the Fund Manager and by an approval issued by the assembly of Unitholders owning more than 50% of the Fund's capital has approved the winding up of the Fund before the end of its term.
5. A resolution issued by the Authority to cancel the Fund's license.
6. A court order is issued for the winding up and liquidation of the Fund.

- ARTICLE (45) -

Liquidation Procedures

1. Once upon its winding up according to article 44 of the Articles, the Fund shall be liquidated. Within the liquidation term, it shall retain the corporate entity to the extent necessary to complete the liquidation. The phrase (under liquidation) shall be added to the Fund's name and written legibly in the correspondences issued by the entity conducting such liquidation. The Fund's liquidation must be officially announced.
2. The provisions outlined in the following articles shall be followed upon the Fund's liquidation:
 - a. All terms of debts due on the Fund shall be canceled as of the date of Officially Announcing the Fund's dissolution and creditors shall be notified of the beginning of liquidation. The liquidator shall officially notify all creditors of such liquidation and request them to provide applications of debt payment thereto. Creditors may be notified through an announcement. In any event, the announcement or notification shall include a deadline for such creditors not less than fifteen (15) Business Days to submit the applications thereof.
 - b. When the Fund is terminated, the Fund Manager's authority shall cease. However, the manager shall manage such Fund until a liquidator is appointed and practices the powers thereof. The Fund Manager, for third parties, shall be considered as a liquidator until a liquidator is appointed. The service providers shall continue to provide the services thereof within the liquidation period, unless the liquidator decides, after the approval of the Authority, to stop the provision of the services, or replace them with other service providers, or combine some duties assigned to one service provider.

- c. The Fund Manager or service providers may appoint a liquidator for the Fund. The liquidator may be appointed amongst the Licensed Persons to manage Collective Investment Schemes, or to manage an Investment Portfolio, or serves as an Investment Controller or a Custodian, or auditors registered at the Authority. In all events, the liquidator shall not be appointed without the approval by the Authority and the liquidator shall not proceed with the works thereof unless the appointment thereof is officially announced.
- d. The liquidator shall be appointed in accordance with a resolution issued by the Unitholders Assembly, except in the event in which the Authority decides to appoint such liquidator in accordance with the Bylaws. In the event of selecting the liquidator by the Unitholders Assembly, the Authority's approval must be obtained prior to the appointment. In all events, the body selecting the liquidator shall specify the fees thereof and the liquidation term provided that the Fund shall incur these fees.
- e. The liquidator may be dismissed upon a resolution issued by the entity appointing the liquidator. In all events, the Authority may, at the request of any Unitholder or a Fund's creditor or on its own, issue a resolution of dismissal of the liquidator if it finds an accepted reason for that. Any resolution of dismissal of a liquidator shall include the appointment of an alternative liquidator. The new liquidator shall not proceed with works thereof unless the resolution of the appointment thereof as a liquidator is officially announced.

- f. The liquidator shall carry out all works required for the Fund's liquidation and shall be entitled to:
 - a. Represent the Fund before the courts and third parties.
 - b. Provide care of a prudent person to maintain the Fund's assets and rights.
 - c. Pay the Fund's debts.
 - d. Sell the Fund's assets of real estate and movable assets in a public auction, tender, or any other method ensuring to have access to the highest price, unless the appointment resolution sets forth selling in a certain method.
 - e. Divide the Fund's net assets amongst the Unitholder.

The liquidator may not proceed with new works unless they are necessary for completing previous works. In addition, the liquidator may not sell the Fund's Assets in one batch; reconcile concerning the rights thereof; accept arbitration in the disputes related to liquidation works, or deal with parties of relevance without the approval of the Unitholders Assembly.

- g. Works conducted by the liquidator shall be valid in relation to the Fund, the Unitholders, or third parties if they are required by liquidation works and within the limits of the powers thereof. If there are many liquidators, actions thereof shall not be binding to the Fund, unless the resolution is issued by the absolute majority and unless the resolution of appointment thereof otherwise states.

- h. The Fund Manager shall provide the Fund's accounts and hand over books, documents and assets thereof to the liquidator. In addition, the service providers shall provide the liquidator with any data or information related to the Fund. The liquidator shall, within three months as of proceeding with the assignment thereof, inventory the Fund's assets and shall identify the financial position thereof, including rights and obligations thereof. The liquidator may seek the help of service providers in this regard. The liquidator shall keep books necessary to register the liquidation and notify the Authority of the Fund's financial position report.
- i. The liquidator shall complete liquidation works in the period as specified in the decision of appointment thereof; so if the period is not specified, the Authority shall specify such period at the request of the stakeholders. The period may be extended by a decision issued by the entity selecting the liquidator after reviewing the report thereof including the reasons that prevent completion of the liquidation on the specified period. Any party with a relevant interest may require the Authority to shorten such a period.
- j. The liquidator of the Fund shall call the Unitholders Assembly meeting to be held within three months as of the end of the financial year, in order to discuss the financial data for the ended year, the Auditor's report, and the annual report of liquidation works and the approval. The liquidator may call the assembly meeting at any time to be held if the liquidation works so require.
- k. The liquidator shall collect the rights payable to the Fund by third parties or by the Fund Manager and deposit the collected amounts in a bank account for the Fund in the liquidation phase. The liquidator shall pay the Fund's debts and set aside amounts necessary to pay the disputed debts. The Fund's debts shall be paid according to the following order:

- a. The financial obligations resulting from the liquidation process.
- b. All amounts are payable to the service providers.
- c. Priority debts according to their sequence.
- d. Debts secured with collateral in kind within the limits of the asset securing the debt.
The amounts of money remaining after payment of the said debts shall be paid to the ordinary creditors. If such remaining amounts are insufficient to pay all such debts, the money shall be divided amongst them pro-rata.
- l. After payment of the Fund's debts, the liquidator shall divide the remaining Fund's Assets on the Unitholders. Each participant shall receive a share proportional to the number of Units thereof in the Fund's capital.
- m. The liquidator shall provide the Unitholders assembly with a final account of the Fund's liquidation and the division of its assets. The liquidation works shall be completed upon the approval of the final account by the assembly. The liquidator shall apply for cancellation of the registration of the Fund in the Funds register at the Authority after the liquidation is completed. The liquidator shall officially announce the liquidation completion and the completion of liquidation shall not be effective against the third party before the date of the official announcement.
- n. The liquidator shall provide the Authority within a maximum of thirty (30) days from the end of the period, with a quarterly report of liquidation works in accordance with the Fund's financial year provided, provided it was reviewed by the Auditor and comprised what has been reached in terms of liquidation and payment procedures distributed to Unitholders including any assets within the Fund which have not been liquidated including the reasons pertaining to such delay. In addition, the Authority may require the liquidator to provide it with any information or reports when necessary.

- o. Records and documents related to the Fund's liquidation shall be kept for five years as of the date of canceling the registration of the Fund from the Authority register at the place specified by the body which appointed the liquidator.
- p. The liquidator shall be required to indemnify for the damages incurred by the Fund, Unitholders, or third parties in case the liquidator exceeds the limits of the powers thereof or as a result of faults committed thereby during the performance of the works thereof. In the case of various liquidators, they shall be jointly liable.

- ARTICLE (46) -

Amending the Articles of Association

The Fund Manager shall obtain the Authority's approval before making any change to the Articles of Association of the Fund.

The Authority, if it sees in such change anything that might undermine the acquired rights of the Unitholders, request the Fund Manager to obtain the consent of more than 50% of the Unitholders to such amendments.

No amendments shall be done on the Fund's Articles of Association without the approval of the Authority or on the date it determines.

The Fund Manager must notify the Unitholders of any amendments on the Fund's Articles of Association within a period not more than ten (10) Business Days from the date of the Authority's approval on the amendments.

Unitholders are notified by one of the following means:

1. The email or fax registered with the Fund Manager.
2. Sending registered mail to the Unitholders or their representatives.
3. Hand-to-hand delivery to Unitholders or their representatives, with a signature obtained upon receipt.

- ARTICLE (47) -

Fund Manager Contacts

Arab Investment Company K.P.S.C.,

CMA license number AP/2016/0001

Office: Sharq, Block 6, Ahmad Al-Jaber St., Emad Commercial Center, 4th Floor

Telephone: 22249999

Fax: 22246887

Email: info@arabinvest.com

Web site: www.arabinv.com

- ARTICLE (48) -

Money Laundering

The Fund Manager must abide by the decisions and instructions of the Capital Markets Authority and the laws of the State of Kuwait regarding money laundering and financing of terrorism and the resolutions of international legitimacy issued in this regard, and any subsequent decisions and instructions issued regarding money laundering and terrorist financing.

- ARTICLE (49) -

Complaints Procedure

Unitholders may submit their complaints regarding the Fund by a phone call, email and/or complaint application, which can be found on the Fund Manager's website or its headquarters.

Please use the following information to reach the Fund Manager:

Arab Investment Company K.S.C.C.

CMA license number AP/2016/0001

Office: Sharq, Block 6, Ahmad Al-Jaber St., Emad Commercial Center, 4th Floor

Telephone: 22249999

Fax: 22246887

Email: info@arabinvest.com

Web site: www.arabinv.com. To file a complaint please print the Customer Complaints Unit Form. Fill it out and send it either by following:

Filling a Complaint Form and submitting it by hand at the Company's Headquarters, by mail, or by fax.

- ARTICLE (50) -

Governing Law and Jurisdictions

The provisions of Law No. 7 of 2010 and its executive bylaws regarding the establishment of the Capital Markets Authority and the regulation of securities activity and their amendments as well as the Regulatory Authorities' decisions and regulations shall apply in the absence of any provision in this memorandum. The Capital Markets Authority is competent to consider all disputes related to the law or arising from it.

These Articles are also subject to and interpreted in accordance with the provisions of Kuwaiti law, and the Kuwaiti courts are only competent to settle all disputes that pertain to them or arise from them.